

CableFAX Daily™

Friday — August 31, 2007

What the Industry Reads First

Volume 18 / No. 170

Advanced Circuitry: ESPN Streamlining Myriad Operations

ESPN is moving toward the complete platform convergence as the Bristol behemoth integrates all journalistic efforts within a single newsroom as it seeks synergy and symbiosis across linear, online, radio and mobile initiatives. "This is not you father's business anymore," said boss *George Bodenheimer* at a Bristol press tour Thurs, referencing not only multi-platform content, but advertising as well. "Why in the heck would you want to buy just TV?," he asked. But while 70% of major ESPN ad buyers (\$2mln+) have deals including an alternate medium, Bodenheimer and evp, content *John Skipper* both lamented an enduring industry focus on linear ratings. The environment is improving with **Nielsen's** imminent release of commercial ratings, but "we would like [to see] a complete engagement number," said Skipper. Meanwhile, cross-pollinating several ESPN properties can be daunting. For example, ESPN.com publishes 1mln words/day. "It's really about embracing the enormity of engaging viewers on many levels," said *Rob King*, editor-in-chief, ESPN.com. "ESPN is so big that finding a universal truth is difficult." As such, thinking in terms of specific shows or platforms is archaic; Now ESPN news breaks where it pleases and travels through the company's myriad pipelines in a timely and intuitive way. "Immediacy is key," said svp, digital media productions *John Zehr*, as is "driving customers from platform to platform and surrounding them with our content." A mix of in-house and Nielsen data show that all demos are consuming more ESPN media versus 5 years ago, said svp, research and sales development *Artie Bulgrin*, who insists the recovery of linear viewership since an '01 dip stems largely from "multimedia driving back to TV." ESPN.com leads all sports portals in unique active viewers, and ESPN mobile content ranks 3rd in popularity behind **Yahoo!** email and weather info, according to Nielsen metrics. Bulgrin said online and mobile video are critical, particularly live linear streaming. Slow HD adoption has been "a little frustrating," Bulgrin admitted, citing service confusion among customers. But data from **Charter's** LA market shows a 22% lift in viewership for ESPN HD over the net's standard-def version, an increase equally applicable to both events and studio content. "You can hit a lot of walls before you hit the sports wall," said Skipper.

Big Ten War: **Mediacom** argues that **Fox** is using "anti-competitive tactics" by denying its request to televise Thurs' (8/30) football game between the Iowa State Cyclones and the Kent State Golden Flashes because it hasn't launched the Big Ten Network. The MSO routinely uses its "Mediacom Connections Channel" to offer free sports content, including Sat's upcoming Univ of Iowa-N IL game. But unlike last year, Fox hasn't permitted Mediacom to air Iowa State's 1st football game. "Given that Iowa State is not a member of the Big 10 Conference, Cyclone fans should not be used as pawns in the Big Ten Network negotiations. We believe that Mediacom customers, particularly Cyclone supporters, will be outraged once they become aware that they are being held hostage to the unilateral demands of Fox," says *Ed Pardini*, svp, Mediacom's North Central Division. Fox, which owns 49% of the net, charged that Mediacom is "once again confused about what lowans want most and what benefits their state's two largest universities. Iowa State already has permission

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GSN

Get in the Game

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from FSN to stream tonight's game live over the Internet (www.cyclones.com) throughout Iowa and anywhere else in the world, which obviously denies Mediacom what it's really seeking—the right to be the exclusive distributor of the game at the expense of every other broadcast, cable and satellite provider in Iowa." Mediacom says if Fox had granted the rights to the game, it would've competed directly with the scheduled launch of the Big Ten Network. Fox called Mediacom's assertion "laughable," noting that it made the game available to 2 national sports nets and neither chose to produce it.

Big Ten Marketing: Insight's www.whatsthebigtendeal.com has been updated to thank Buckeye and Hoosier fans for teaming up with the MSO to "allow us to carry the Big Ten Network and the games," presumably referring to its request for fans to contact the network. A letter from CEO *Michael Willner* says that Insight believes the compromise reached with Big Ten is a good one. The site also touts that the net isn't available on **DISH Network** or overbuilder **WOW**, and allows visitors to order Insight service online. Meanwhile, **DirecTV** is crowing that it's the only major TV service to offer national coverage of the net, adding that HD will be available within weeks of launch.

At the Portals: The **FCC** found **Sprint Nextel** apparently liable for a forfeiture of \$1.325mln for failing to comply with E911 handset rules. **United States Cellular** was found apparently liable for a \$500K forfeiture, and **Alltel** was found apparently liable for a \$1mln forfeiture. Rules require wireless carriers employing a handset-based E911 Phase II location technology to achieve 95% penetration, among their subs, of location-capable handsets by Dec 31, '05. The Commission concluded that these 3 carriers failed to meet the handset penetration deadline.

Bristol Tour Notebook: ESPN is focused this year on elevating the "SportsCenter" product, even forming a dedicated enterprise unit to strengthen the "soul of ESPN," said net chief *George Bodenheimer*. Added svp/dir, news *Vince Doria*: "I just think we need to do a better job of letting people know what we're doing." More interactivity and ESPN.com tie-ins will be key, said svp/managing ed *Mark Gross*. -- **ESPNU** has kicked off on **Time Warner Cable's** digital basic tier nationwide, pushing distribution to 20mln homes. The net will air 5 live college football games per week this season (60 total), as well high school pigskin content. The latter—given its recruiting tie-ins to the college game and hyper-localism element—is an important part of the net's playbook, said vp/GM *Burke Magnus*. HS football allows us "to get some traction in markets for distribution," he said. Goals now include carriage on Comcast, Cablevision and Suddenlink systems. -- **ESPN** is bullish on its nascent 24/7 ESPN Mobile TV service. Execs admit underestimating the difficulty in spurring cell customers to change carriers, leading to ESPN's highly-publicized MVNO failure. But they think they now have found the correct mobile formula, led by video content provision and service customization.

In the States: WWE has suspended 10 of its performers for unspecified violations of its wellness policy based on independent information received from investigators from the Albany County, NY, D.A.'s office. WWE officials met with NY prosecutors earlier this month regarding the illegal distribution of pharmaceuticals over the Internet, *AP* reported. A spokeswoman didn't discuss what those meetings were about but confirmed that WWE has been meeting with the D.A.'s office, "as have representatives of the **NFL**, **NBA** and other entities." It has been WWE's practice not to release the names of those suspended, but that's changing. WWE said it will make public the names of anyone suspended under the wellness policy as of Nov 1. -- **RCN** was selected to provide its cable, phone and Internet bundle to the residential condos in the new Trump Intl Hotel & Tower in Chicago. It will also handle video for the hotel condos.

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BUSINESS & FINANCE

Editor's Notes: Your next **CableFAX Daily** will be dated Tues, Sept 4. Have a safe and happy Labor Day! -- You can still join **ESPN's George Bodenheimer**, **NCTA's Kyle McSparrow** and **Rainbow's Joshua Sapan** at the CableFAX Leaders Retreat Oct 24-26. More info at www.cable360.net/clr.

Programming: **MTV** says this year's Video Music Awards will be unprecedented. It will mark the 1st mobile simulcast of the awards (available on **Sprint Vision** and **Power Vision** phones) and the 1st with "nearly instantaneous" VOD updates (a "best of day" VOD package created for **Comcast** and **Time Warner Cable** systems). Unlike past years, the VMAs will air live from Las Vegas only one time on Sept 9. Instead of encores, **MTV** will air 3 remixes in the days following the telecast, including a celebrity commentary edition. -- **CMT's** going to help get former cheerleaders back into shape with new makeover series "I Want to Look Like a High School Cheerleader Again" (Oct debut). Can "I Want to Look Like a High School Quarterback" be far behind?

People: A shakeup at **OpenTV** saw **Alan Guggenheim** step down as pres/CEO and dir of the company. **OpenTV** said he was leaving for personal reasons. He took the role less than a year ago when **Kudelski** got control of the company from **Liberty Media**. **Ben Bennett** was promoted to the new post of COO and will serve as acting CEO.

CableFAX Daily Stockwatch

Company	08/30 Close	1-Day Ch	Company	08/30 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	53.79	(0.56)	ALCATEL LUCENT:	10.82	(0.1)
DIRECTV:	23.04	(0.32)	AMDOCS:	34.86	(0.53)
DISNEY:	33.47	(0.42)	AMPHENOL:	36.34	0.51
ECHOSTAR:	41.32	(0.36)	APPLE:	136.25	2.17
GE:	38.40	(0.31)	ARRIS GROUP:	14.84	(0.01)
HEARST-ARGYLE:	25.55	(0.05)	AVID TECH:	30.63	(0.28)
ION MEDIA:	1.33	(0.05)	BIGBAND:	10.17	(0.34)
NEWS CORP:	21.43	(0.42)	BLNDER TONGUE:	1.28	(0.02)
TRIBUNE:	27.13	(0.25)	BROADCOM:	33.72	0.88
MSOS					
CABLEVISION:	32.71	0.21	C-COR:	11.46	(0.22)
CHARTER:	2.72	(0.01)	CISCO:	31.43	0.43
COMCAST:	25.54	(0.19)	COMMSCOPE:	55.30	2.50
COMCAST SPCL:	25.39	(0.11)	CONCURRENT:	1.32	(0.02)
GCI:	12.53	(0.06)	CONVERGYS:	16.70	(0.32)
KNOLOGY:	15.36	0.44	CSG SYSTEMS:	23.35	(0.13)
LIBERTY CAPITAL:	109.00	(2.62)	GEMSTAR TVG:	6.02	(0.11)
LIBERTY GLOBAL:	40.00	0.45	GOOGLE:	511.40	(1.48)
LIBERTY INTERACTIVE:	18.92	(0.03)	HARMONIC:	9.22	0.63
MEDIACOM:	8.37	(0.08)	JDSU:	14.47	0.10
NTL:	28.22	0.00	LEVEL 3:	5.04	0.10
ROGERS COMM:	42.97	0.00	MICROSOFT:	28.45	(0.14)
SHAW COMM:	22.90	(0.28)	MOTOROLA:	16.75	0.28
TELEWEST:	24.20	0.00	NDS:	49.22	0.17
TIME WARNER CABLE:	36.32	0.16	NORTEL:	17.48	(0.12)
WASH POST:	771.25	(19.2)	OPENTV:	1.34	(0.05)
PROGRAMMING					
CBS:	30.75	(0.41)	PHILIPS:	38.95	(0.21)
CROWN:	6.87	0.02	RENTRAK:	11.18	0.18
DISCOVERY:	24.74	(0.03)	SEACHANGE:	7.23	0.17
EW SCRIPPS:	41.06	(0.18)	SONY:	45.91	(0.2)
GRUPO TELEVISA:	25.53	0.13	SPRINT NEXTEL:	18.93	(0.22)
INTERACTIVE CORP:	27.35	0.03	THOMAS & BETTS:	53.97	(0.89)
LIBERTY:	8.32	0.06	TIVO:	5.64	(0.56)
LODGENET:	26.09	0.11	TOLLGRADE:	9.93	(0.06)
NEW FRONTIER:	6.34	(0.46)	UNIVERSAL ELEC:	28.51	0.50
OUTDOOR:	8.81	(0.01)	VONAGE:	2.10	(0.03)
PLAYBOY:	10.88	(0.12)	VYYO:	5.81	(0.08)
TIME WARNER:	18.61	(0.2)	WEBB SYS:	0.06	0.00
UNIVISION:	36.23	0.00	WORLDGATE:	0.46	(0.05)
VALUEVISION:	8.24	0.41	YAHOO:	22.61	0.06
VIACOM:	38.87	0.08	TELCOS		
WWE:	14.80	(0.21)	AT&T:	39.76	(0.44)
TECHNOLOGY					
3COM:	3.66	(0.04)	QWEST:	8.90	(0.1)
ADC:	17.78	0.19	VERIZON:	41.93	(0.3)
ADDVANTAGE:	7.54	0.36	MARKET INDICES		
			DOW:	13238.73	(50.56)
			NASDAQ:	2565.30	2.14



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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Living With Life

Returning a stacked billfold to its rightful owner doesn't constitute true strength of character. Neither does a public figure, preemptive to discovery, exhibiting contrition for impropriety. And certainly my admission of an inability to staunch tears while watching HBO's doc "Alive Day Memories: Home From Iraq" (Sept 9, 10:30pm) shouldn't gild my reputation. Perhaps refreshing is an applicable adjective in these situations, but I've rarely witnessed such deeply-affecting character strength as typified by the 10 soldiers featured in HBO's piece. Some perspective: an "Alive Day" memorializes a fateful military date on which a soldier should have—for all intents and purposes—perished in action. The term's recent popularity stems largely from medical advancements that allow roughly 90% of soldiers wounded in Iraq now make it home. Unfortunately, it's a double-edged sword: a record number of amputees also return, as do many with severe emotional stress. Stress? More like distress. One featured soldier witnessed his best buddy cleaved in half by an IED. Another's arm and shoulder were dismembered by an RPG. Still another, while assessing damage after a bomb exploded his Humvee, thought his severed thumb was manageable—only to discover he no longer had legs. Yet all of them continue to manage the best they can, fighting to move on from personal tragedy. "We really tried to show the sorrow in the heartland," said *Sheila Nevins*, pres, HBO Doc Films. "You feel very small in relation to these young people, insignificant." Yet their fortitude, bravery and strength are massive. Interspersed is footage of the soldiers' lives, even insurgent video of several fateful explosions—all extremely powerful. And prod *James Gandolfini*, who speaks with the victims about their experiences, delivers an admirable performance by showing compassion and support, yet still allowing the soldiers' voices to dominate and shine. It's a glare that will be with me always. *CH*

Highlights: "Diana: The Witnesses in the Tunnel," Sat, 10:45pm, **Starz**. Hardcore Di fans won't learn much from this excellent timeline doc from England's Channel 4, but everyone else will be riveted. At times dispassionate and emotional, accusatory and balanced, it concludes the paparazzi probably are innocent and that photos confiscated in the tunnel by French police might be illuminating. -- "Hard Knocks," season finale, Wed, 10pm, **HBO**. It seems almost nothing is off limits to cameras during this excellent 5-week mini series inside the training camp of the K.C. Chiefs. *SA*

Worth a Look: "Grand Slam," Sat, 7pm, **GSN**. Even if your subs haven't followed the weekly elimination quiz featuring top-winning game show contestants, they'll enjoy these semis. The favorite is top-ranked *Ken Jennings*, the "Jeopardy" legend, although watch out for #14, "The Weakest Link's" *Michelle Kitt*, who faces him tonight. -- "Tim Gunn's Guide to Style," Thurs, 10pm, **Bravo**. Your subs have seen this sort of make-over show, but never with *Tim Gunn* at the helm. Known for a sane fashion sense from his stint as a mentor on Bravo's "Project Runway," here Gunn provides garments, gifts and emotional solace for fashion-challenged women. And he's so serious. [For more reviews, including **A&E**'s "9/11's Toxic Dust," see cable360.net Fri afternoon]. *SA*

Basic Cable Rankings (8/20/07-8/26/07)			
Mon-Sun Prime			
1	DSNY	2.7	2529
2	USA	2.2	2063
3	TNT	2	1931
3	ESPN	2	1849
5	LIFE	1.4	1347
5	TBSC	1.4	1322
7	TOON	1.2	1143
7	HALL	1.2	1008
9	FOXN	1.1	1051
9	HGTV	1.1	1048
9	NAN	1.1	1033
9	CORT	1.1	1017
13	A&E	1	974
13	FX	1	964
13	MTV	1	947
13	SPK	1	933
17	CNN	0.9	875
17	DISC	0.9	870
17	AMC	0.9	788
20	HIST	0.8	780
20	CMDY	0.8	769
20	SCIF	0.8	742
20	TLC	0.8	710
20	LMN	0.8	455
25	FAM	0.7	702
25	TVLD	0.7	672
25	FOOD	0.7	635
28	ESP2	0.6	609
28	VH1	0.6	570
28	BRAV	0.6	537
31	EN	0.5	458
31	BET	0.5	450
31	APL	0.5	428
31	MSNB	0.5	406
35	TTC	0.4	372
35	TWC	0.4	342
35	CMT	0.4	320
35	SOAP	0.4	285
35	OXYG	0.4	271
35	NGC	0.4	270
35	TDSN	0.4	242
42	HLN	0.3	314
42	WGNC	0.3	241
42	WE	0.3	195
42	DHLT	0.3	193
42	NFLN	0.3	144

*Nielsen data supplied by ABC/Disney

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