

# CableFAX Daily™

Friday — September 2, 2011

What the Industry Reads First

Volume 22 / No. 170

## LIN-Mediacom: Channel Changes Coincide with Retrans Drops

Oh, what a tangled web we weave, when we change how a channel is received... Adding to the **LIN-Mediacom** muddle is the broadcaster taking over the **Fox** affiliation in Terre Haute, IN, on Thurs (Sept 1). This means that when LIN stations went dark on Mediacom at 5pm Wed, subscribers were still able to watch Fox programming. However, when they woke up Thurs it was gone with the **Mission**-owned **WFXW** changing over to an **ABC** affil (the station is managed by **Nexstar**, which has been scrapping with Fox over affiliate agreements). LIN's **WTHI**, a **CBS** affil, is now carrying Fox programming on its multicast channels. As if channel drops during retransmission disputes weren't confusing enough, the channel changes in Terre Haute add a whole new level of upheaval. And operators may try to use it as further evidence why they think the **FCC** should not allow broadcasters to have duopolies and local market agreements for multiple Big 4 stations in a single market. **Time Warner Cable** also operates in that DMA. It did strike a deal with LIN to carry the Fox programming on WTHI DT2. However, customers will need either digital video service or a TV with a built-in tuner to see the SD and HD stations. The MSO is offering analog customers a free digital cable box for 12 months to help with the transition. Mediacom is not all-digital in the market, but assuming it eventually strikes a new retrans deal with LIN, it's possible it could down-convert the Fox signal so that analog customers won't have to worry about digital boxes. Meanwhile, viewers still didn't have access to LIN stations through Mediacom at our deadline. Mediacom CEO *Rocco Commisso* fired off a letter to FCC chmn *Julius Genachowski* that said it was past time for the FCC to step in on rising programming costs. "Your remarks when you were first appointed as Chairman encouraged us to believe that, under your leadership, the Commission would finally address the problem. I regret to say that it is now almost three years later and nothing has been done," Commisso wrote, telling the chmn that he has spoken frankly in the letter, but means no disrespect. The Mediacom chief argued that the FCC has a range of tools available, including a "carefully designed a la carte system," prohibiting price discrimination through volume discounts, requiring broadcast and cable nets to make their prices public, mandating unbundling of stations and program services at a wholesale level, banning programmers from forcing carriage on the most popular tier, establishing a standstill and alternative dispute resolution to ensure customers don't lose channels. "When, as is inevitable, the retransmission consent cycle beginning

# 100

## CableFAX

### It's that time again!

Nominate your colleagues, your boss or even yourself for the **CableFAX100**—our annual cable industry power list—which will appear in the December edition of *CableFAX: The Magazine* and whose members will be celebrated during luncheon on **December 8, 2011 in New York**.

Please do not limit yourself to CEOs, SVPs, etc. Nominate those who might not be headline makers but who are influential behind the scenes within their company and the industry.

We also seek nominees who are influential at the regional/local/state level (operators, vendors, programmers and others) for our Regional list. Use this form for Regional nominees as well as for CableFAX 100 nominees; please indicate if you are filling out a form for a Regional nominee.

**Nominations Deadline: September 9, 2011**

**Nominate at: [www.cablefax.com/cablefax100](http://www.cablefax.com/cablefax100)**

**Questions:** Michael Grebb at [mgrebb@accessintel.com](mailto:mgrebb@accessintel.com)

**Advertising Information:**

Debbie Vodenos, Publisher, [dvodenos@accessintel.com](mailto:dvodenos@accessintel.com) or 301.354.1695

Amy Abbey, Associate Publisher, [aabbey@accessintel.com](mailto:aabbey@accessintel.com) or 301.354.1629

**Publication Date:** December 8, 2011

CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefaxdaily.com ● fax:301.738.8453 ● Editor-in-Chief: Amy Maclean, 301.354.1760, amaclean@accessintel.com ● Exec Editor: Michael Grebb, 818.945.5309, mgrebb@accessintel.com ● Assoc Editor: Chad Heiges, 301.354.1828, cheiges@accessintel.com ● Community Editor: Kaylee Hultgren, 212.621.4200, khultgren@accessintel.com ● Contributor: Seth Arenstein ● Publisher: Debbie Vodenos, 301.354.1695, dvodenos@accessintel.com ● Assoc Publisher: Amy Abbey, 301.354.1629, aabbey@accessintel.com ● Marketing Dir: Shadi Akhavan, 301.354.1613, sakhavan@accessintel.com ● Prod: Joann Fato, 301.354.1681, cdaily@accessintel.com ● Diane Schwartz/VP and Group Publisher ● Subs/Client Services: 301.354.2101, fax 301.309.3847 ● Group Subs: Shadi Akhavan, 301.354.1613, sakhavan@accessintel.com

this Oct 1 and recurring renewal negotiations for cable networks trigger a fresh round of actual and threatened service disruptions and yet another subscriber rate increase, the Commission must share responsibility with the content owners,” Commisso wrote. For LIN’s part, it said it has successfully reached deals that recognize the fair market value with “every major cable, satellite and telecommunication company” save Mediacom. “Even though the number of impacted viewers is a relatively small share of each market and each of our stations is available from at least two other pay TV providers or free over-the-air, we know that our programming is very important to those viewers and we will continue to work hard to reach an agreement,” LIN said.

**Deals:** Assuming talks don’t resume, **Starz Ent** content will be off **Netflix** when the current agreement expires on Feb 28. “This decision is a result of our strategy to protect the premium nature of our brand by preserving the appropriate pricing and packaging of our exclusive and highly valuable content.” Starz pres/CEO *Chris Albrecht* said in a statement announcing the end of negotiations late Thurs. “With our current studio rights and growing original programming presence, the network is in an excellent position to evaluate new opportunities and expand its overall business.” Netflix shares were down about 9% in after hours trading. The premium player has previously altered the way its content plays on Netflix, with new originals no longer available on the service until 90 days after their debut. In June, Netflix pulled **Sony** movies that are part of the streaming StarzPlay service because of a clause in Sony and Starz’s contract.

**Swift Cable:** After conducting more than 58K broadband speed tests from May 6-July 29, *PCMag* feted **Cox** as the fastest ISP in the country. The MSO averaged 18.51/4.80Mbps to rank slightly ahead of **Comcast** (18.64/3.94Mbps), **Charter** (18.34/1.68Mbps), **Verizon** (16.20/9.21Mbps) and **Insight** (15.43/1.76Mbps) completed the top 5. Regional winners include Charter (West and Midwest) and **Verizon** (Northeast and South), while Comcast ranked 2nd in all 4 regions. Comcast Business Class ruled the commercial ISPs.

**Advertising:** The **Natl Advertising Div of the Council of Better Business Bureaus** sided with **Verizon** in its challenge of certain claims made by **Comcast** in Xfinity ads. NAD recommended that Comcast’s claim of “best picture quality available” be discontinued because the head-to-head testing by **Magid** on which said ads were partly based “demonstrated, at most, that the overall HD picture quality of Comcast was at parity with Verizon **FiOS**.” NAD also determined that the MSO did not support its “fastest Internet” claim and recommended it be discontinued. Comcast said it disagrees with the NAD but will take its recommendations into consideration.

**Viewer Engagement:** **DirectTV** teamed with **Miso** to launch a social TV app synched with TV viewing, enabling real-time social features that change based on what’s being watched. The app leverages the ability of the DBS op’s HD set-tops to communicate with mobile and tablet apps to show viewers what’s on TV and changes with channel switches. -- According to a new survey from **Yahoo TV** and *Ent Weekly*, only 1 cable series ranked among viewers’ most commonly watched fall shows (**Bravo’s** “Top Chef”) and among the most-anticipated shows (**Showtime’s** “Dexter”). But interestingly—and likely of importance to advertisers—cable series dominated 2 viewer engagement categories. Viewers are most likely to Tweet/post to Facebook while watching **HBO’s** “True Blood” and Showtime’s Dexter, while Blood and **HBO’s** “Boardwalk Empire” led the all-cable top 5 among shows viewers feel they really need to focus on.

**VOD:** **RLTV** tapped **Comcast Media Center** to deliver its VOD programming in standard-def, beginning Thurs with “Making Medicare Work For You: Boomers, Welcome to Medicare” and “Making Medicare Work For You: Your Questions, Your Choices”

**Intl:** As **Netflix** went north to Canada, **Hulu** launched a subscription service in Japan featuring content from **CBS**, **Sony Pictures TV** and, of course, **Disney** and **NBCU**. The service plans to offer Japanese-prod content going forward. -- **CNBC** intro’d a free TV app for connected TV platforms across the EMEA region.

**Ratings:** Following its summer finale, **ABC’s** “Pretty Little Liars” ranks as cable’s top scripted series so far this summer among 12-34s (2.36mln), females 12-34 (2.05mln), teens (1.09mln) and female teens (1.02mln). Look for more summer ratings data in the next **Cfax**.

**Programming:** Perhaps due to the high costs of its popular dramas, **AMC’s** going unscripted. The net greenlit

# BUSINESS & FINANCE

“JKK Security” (wt), spotlighting a family-run private security company in rural GA, and “Secret Stash” (wt), exec produced by and set in filmmaker *Kevin Smith’s* comic shop to highlight fanboy culture. -- **CMT** is bringing back “CMT Crossroads” to NYC in Nov with a special featuring *Sting* and country legend *Vince Gill*.

**Affiliate Relations:** Turner will bring its “MLB Postseason on **TBS** Bobblehead Tour” to 8 cities in Sept to hype postseason play, which begins on the net Sept 30. Baseball fans can get their photos taken with Postseason Pete, a 12-foot bobblehead statue decked out in the home teams’ uniform, test their skills in the batting cage and win prizes. The tour will visit at eight MLB games throughout the month, including stops in Cincinnati, Detroit, Milwaukee and St. Louis.

**Business/Finance:** A streamer of content to smartphones, tablets and connected TVs, **MobiTV** filed for an IPO worth up to \$75m. The firm counts **Disney, MTVN, CBS** and all 4 major wireless carriers among its client base. -- **Verizon** announced a quarterly dividend of 50 cents per share, marking a 2.6% hike versus the prior Q and a \$2/share annual dividend for an approx 5.56% yield. -- **Charter** closed on its purchase of broadband systems serving approx 16K MO customers from **US Cable of Coastal TX**.

## CableFAX Daily Stockwatch

Company	09/02 Close	1-Day Ch	Company	09/02 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
DIRECTV:	43.37	(0.6)	BLNDER TONGUE:	1.32	0.03
DISH:	25.00	0.14	BROADCOM:	35.22	(0.43)
DISNEY:	33.38	(0.68)	CISCO:	15.82	0.15
GE:	16.20	(0.11)	CLEARWIRE:	3.16	(0.05)
NEWS CORP:	17.08	(0.3)	CONCURRENT:	5.75	0.03
<b>MSOS</b>					
CABLEVISION:	17.84	(0.22)	CONVERGYS:	10.24	(0.41)
CHARTER:	49.63	(0.25)	CSG SYSTEMS:	13.25	(0.11)
COMCAST:	21.62	0.11	ECHOSTAR:	23.94	(0.41)
COMCAST SPCL:	21.45	0.30	GOOGLE:	532.50	(8.46)
GCI:	9.20	0.32	HARMONIC:	4.72	(0.05)
KNOWLOGY:	13.60	(0.03)	INTEL:	19.99	(0.14)
LIBERTY CAPITAL:	68.65	(2.66)	JDSU:	12.97	0.01
LIBERTY GLOBAL:	40.20	(0.19)	LEVEL 3:	1.77	(0.03)
LIBERTY INT:	15.81	(0.01)	MICROSOFT:	26.21	(0.39)
SHAW COMM:	22.09	(0.73)	MOTOROLA MOBILITY:	37.73	0.01
TIME WARNER CABLE:	65.40	(0.1)	RENTRAK:	13.61	(0.7)
VIRGIN MEDIA:	24.91	(0.43)	SEACHANGE:	7.69	(0.17)
WASH POST:	335.35	(20.41)	SONY:	21.76	(0.19)
<b>PROGRAMMING</b>					
AMC NETWORKS:	35.94	(1.06)	SPRINT NEXTEL:	3.74	(0.02)
CBS:	24.80	(0.25)	THOMAS & BETTS:	42.83	(0.85)
CROWN:	1.27	(0.05)	TIVO:	10.90	0.30
DISCOVERY:	41.37	(0.91)	UNIVERSAL ELEC:	18.66	(0.85)
GRUPO TELEVISA:	21.93	(0.11)	VONAGE:	3.29	(0.33)
HSN:	31.47	(0.67)	YAHOO:	13.35	(0.26)
INTERACTIVE CORP:	39.49	(0.04)	<b>TELCOS</b>		
LIBERTY STARZ:	67.33	(1.54)	AT&T:	28.27	(0.21)
LIONSGATE:	7.10	0.14	VERIZON:	35.88	(0.28)
LODGENET:	1.88	0.02	<b>MARKET INDICES</b>		
NEW FRONTIER:	1.27	0.03	DOW:	11493.57	(119.96)
OUTDOOR:	6.95	0.06	NASDAQ:	2546.04	(33.42)
SCRIPPS INT:	42.30	(0.55)	S&P 500:	1204.42	(14.47)
TIME WARNER:	31.30	(0.36)			
VALUEVISION:	3.59	(0.2)			
VIACOM:	56.98	(1.14)			
WWE:	9.34	(0.24)			
<b>TECHNOLOGY</b>					
ADVANTAGE:	2.30	0.05			
ALCATEL LUCENT:	3.68	0.02			
AMDOCS:	26.72	(0.75)			
AMPHENOL:	45.83	(1.15)			
AOL:	15.19	(0.39)			
APPLE:	381.03	(3.8)			
ARRIS GROUP:	10.80	(0.12)			
AVID TECH:	9.54	(0.3)			
BIGBAND:	1.46	0.03			



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**PROGRAMMER'S PAGE** with Chad Heiges and Seth Arenstein

**Brick By Brick, Show By Show**

His hard hat on, **CBS Sports** evp and **CBS Sports Net** pres *David Berson* speaks animatedly about the long-term construction plans he has for the recently rebranded channel. It's profitable, seen in 44mln homes (available in 98mln) and flush with live college sports content such as Mountain West football. But it's not yet a consistent destination for sports enthusiasts, so Berson, a former long-time **ESPN** exec, set about establishing a foundation to help the net become just that. Acting as the initial bedrock—perhaps the base of a college cheer pyramid is a more germane analogy—are a series of 4 new college pigskin-related programs led by the "Tim Brando Show," which kicked off Aug 29 as a 3-hour, weekday feature including guests such as *Coach K* and *Archie Manning*. Add weekly interactive show "Tackling the Trends" and 2 in-depth looks at **SEC** football, a fall CBS staple, and Berson's new strategy and vision take flight from the blueprint. With more to come, the shows allow CBS Sports Net to become "much more live, timely and relevant," he said. "It's a big important step for us." Berson firmly believes in developing symbiosis between live events and compelling shows, and that a complementary schedule will spur viewers to welcome CBS Sports Net into their regular channel rotation. "Programming blocks will make us a destination for years to come," he said. Still, Berson knows his goal won't be achieved overnight or even over the course of a football season, but rather via a brick-by-brick process. Fortunately, he said, CBS is committed to bolstering the CBS Sports brand on cable. Ahead: integration of content from **Showtime** and **CBSSports.com**, plus heady potential through properties including **March Madness** and the **NFL**. **ESPN** and **ABC** used a similar strategy in recent years, and **NBC**'s preparing to do the same with **Versus**. It's all about reinforcing and promoting brands, and Berson likes the foundation CBS Sports provides. *CH*

**Highlights:** "Curb Your Enthusiasm," Sun, 10p, **HBO**. Please, even if your subs lack the mutant gene that mysteriously stimulates the pleasure center when *Larry David's* on screen, make certain they watch this ep. That goes double if they're fans of baseball or Boston's Red Sox. With great irony, social assassin David displays a heart, rehabilitating one of the game's most unjustly infamous characters as David belts a comedic home run. -- "America's Game: '10 GB Packers," Wed, 9pET, **NFL**. This Super Bowl-winner's season summary is a masterful mix of fine storytelling and terrific footage. It makes you want more. And does *Aaron Rogers* only seem like *Jon Hamm* because *John Slattery's* narrating? -- "Most Valuable Players," Thurs, 9p, **OWN**. This 2-hour doc about real HS musicals could have used a tighter editing. Still, it's a strong doc. *SA*

**Worth a Look:** "Rat Busters NYC," Fri, 10p, **Animal Planet**. NYC has a rat problem? Really? Actually it's the country's worst. Even critter-loving Animal Planet dislikes them enough to have this series about 2 NY exterminators whose job satisfaction comes from smelling rats (really) and killing them. It's "Dirty Jobs" without *Mike Rowe's* wit, but it works, thanks to exterminators Michael and Jimmy, whose working-stiff normality is refreshing, although they eat what they kill (they're kidding—I think). *SA*

Basic Cable Rankings (8/01/11-8/28/11) Mon-Sun Prime			
1	USA	2.7	2689
2	DSNY	2	1949
3	TNT	1.9	1908
4	FOXN	1.6	1611
5	HIST	1.5	1485
6	MTV	1.3	1333
6	ESPN	1.3	1325
6	A&E	1.3	1299
9	SYFY	1	1041
9	HGTV	1	1025
9	FX	1	1008
9	NAN	1	971
9	LIFE	1	965
9	ADSM	1	960
9	FAM	1	941
16	FOOD	0.9	954
16	TBSC	0.9	890
16	DISC	0.9	857
16	TRU	0.9	811
16	NKJR	0.9	656
21	AMC	0.8	821
21	TLC	0.8	814
21	TVLD	0.8	746
24	CMDY	0.7	718
24	SPK	0.7	681
24	BRAV	0.7	640
24	HALL	0.7	609
28	MSNB	0.6	602
28	BET	0.6	589
28	EN	0.6	588
28	CNN	0.6	582
28	LMN	0.6	466
28	ID	0.6	446
34	VH1	0.5	510
34	HLN	0.5	464
34	NGC	0.5	368
34	OXYG	0.5	356
34	NFLN	0.5	307
39	ESP2	0.4	443
39	APL	0.4	418
39	TWC	0.4	404
39	DXD	0.4	287
39	SOAP	0.4	270
39	NKTN	0.4	208
39	HMC	0.4	162
46	TRAV	0.3	332

\*Nielsen data supplied by ABC/Disney

**CableFAX**  
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