

CableFAX Daily™

Tuesday — September 11, 2007

What the Industry Reads First

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New Climb: Outdoor Channel Looks to Brown for Sub Growth

Former Tennis Channel svp, distribution *Randy Brown* has signed on to become Outdoor Channel's new svp, affiliate sales & marketing. Brown, who left Tennis in June to pursue other opportunities, including consulting, explained his vision for Outdoor's distribution future in the following 5Qs: **How do you think your experiences at Tennis Channel will help with this new job?** There are more similarities than differences. Outdoor launched to serve enthusiasts in that space. It's well established as the premiere brand in the outdoor category. [It has the same concerns] with limited sports tier reach, and that will be high on my agenda to address with affiliates. **Outdoor's distribution agreements with 6 of the major service providers, accounting for approx 59% of your sub base, terminated as of May 1. How are renewal talks going?** I sure didn't come here to tread water with 30mln subs. I'm inspired by building, not maintaining. With a number of our larger affiliates in various stages of renewal talks—and those are going well—we think we're poised for some pretty creative deal making. The fact they're out of contract at the same time doesn't reflect any particular weakness. **Outdoor has said it would cut subscriber fees for better penetration. How's that going, and would it also consider upfront cash payments to increase its sub base?** My experience is that operators would rather pay less per sub than to take cash payments as there have been accounting rule changes. Lower prices and wider clearance makes good sense for both of us. I don't know too many affiliates that would be closed minded to having that conversation. **Sports tiers. I know that's something you dealt with at Tennis. Why doesn't Outdoor Channel belong on one?** These things were created to contain cost. Why put low-cost content in a cost containment tier? It's not like Comcast is putting Versus and Golf Channel in that tier. **Do you think independent nets can really stay independent in this climate?** It's really a game of leverage and scale, and independent networks have neither. I anticipate that new independent networks will either skip linear and go straight to VOD/broadband or bring distributors into their business as equity partners. There may also be a play for certain indies to roll up as a network group to at least achieve scale.

Insight: No huge surprise that **The Carlyle Group** has reportedly pulled **Insight** off the block. The *WSJ* 1st reported the news Mon. Given the weak debt financing these days, many expected such a move. Insight had no comment. Things didn't look great for a sale after **Morgan Stanley** reportedly withdrew a financing package offer of 9.25 times annual cash flow last month. The *WSJ* reported that a source said bids south of \$3bln probably came in about \$200mln short of expectations. Carlyle could choose to put the MSO back on the block later.

FCC Showdown: The **FCC** is set to take up an order Tues (9/11) that could force dual carriage on cable operators. Cable is hoping that its voluntary proposal to offer must-carry broadcast signals for 3 years (or some other set period) will trump FCC chmn *Kevin Martin's* original proposal to force ops to carry analog and digital signals until a system is all-digital. Programmers are also getting in on the act. **Africa Channel, Inspiration Nets, Outdoor Channel, Ovation**

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TV and TV One wrote to the commission on Fri, saying that “much like the way a la carte regulations would reduce the diversity of voices on cable, dual must carry requirements could be equally damning for cable networks by crowding them out to make room for two and three copies of the same broadcast stations.” Also on Tues’ agenda is an order to extend program access rules for 5 years (**Cfax**, 8/24). The meeting is still slated to start at 9:30am. 2 items have been pulled, including an order extending streamlined franchising rules to cable, so maybe that’ll help it start on time.

Notable Relo: TLC is heading out west, where pres/GM *Angela Shapiro-Mathes* will welcome the transfer of all net functions to L.A. over the next 3 months. Mathes alerted approx 50 MD employees of the plan through a Mon memo, citing a 2-month review of TLC’s operations and structure since her July 1 hire. “To truly exploit the creative and development population based in Los Angeles, geography matters and TLC needs to be on the ground,” wrote Mathes. “We will continue to invest significantly in the business and place a greater emphasis on content creation for all digital platforms.” Some employees were asked to relocate while others were told that their current positions will expire Dec 31, although **Discovery Comm** said attempts will be made to integrate these persons across the family. The changes stem from Discovery CEO *David Zaslav*’s widespread spring restructuring, which left TLC untouched at the time because of its vacant top post. Mathes said decisions were made in accordance with Zaslav’s goal of “energizing the TLC brand.”

In the States: Time Warner Cable added **PBS Kids Sprout** to its lineup, bringing the net’s distribution to 34mln linear and VOD households. -- Hispanic Caribbean-targeted net **Caribe Vision** will launch Tues (Sept 11) on **Time Warner Cable** in NY and NJ, and on **Comcast** in South Florida. Comcast adds it to its Jersey City, NJ, digital tier Oct 10. **Grupo Telvisa** owner *Alejandro Burillo Azcarraga*, and **Univision** and **Telemundo** co-founder *Carlos Barba* are partners in the net. -- **Cablevision** added **TV5Monde USA** to its iO International package. The net features content from France, Switzerland, Belgium, Canada and Africa, and is available for \$10/month. -- **Comcast Media Center** added **A&E HD, HGTV HD, Food Net HD, Nat Geo HD, Starz HD** and **Universal HD** to its **HITS Quantum Service**, delivered via satellite to small video ops. -- **Atlantic Broadband**, which didn’t carry **NFL Net**’s live games last year, will do so this year.

Mobile: Clearwire and **ICO Global** plan joint mobile video trials early next year in Raleigh, NC and Las Vegas.

9/11 Programming: MSG will air “The Concert for New York City Remembered” at 8p commercial free, and re-air it commercial free back-to-back on the network until midnight. **OppenheimerFunds**, which had been headquartered at the WTC, will be the presenting sponsor. The original concert aired in Oct ’01 and raised more than \$30mln for victims of the terrorist attack. **Fox News** will be commercial free during the 8am hour of “FOX & Friends,” as well as during the moments of silence at other times during the day. Other 9/11 programming includes live coverage of the “Tribute in Light.”

Advertising: Nielsen bowed **KeepingTrac**, a Web-based commercial tracking system allowing clients to monitor ad runs from the previous day and modify ad campaigns in real time.

Competition: DirecTV deployed a **Tandberg** workforce mgmt/automation tool for multi-platform on demand services.

In the Courts: A sexual harassment suit that names **Cablevision**’s *James Dolan*, NY Knicks coach *Isiah Thomas* and **Madison Square Garden** as defendants began Mon in Manhattan federal court. Former franchise svp *Anucha Brown Sanders* accuses Thomas of making unwanted sexual advances toward her, and alleges that her complaints weren’t taken seriously and led to her ouster. “We have looked forward to having this matter heard in court. We believe it will



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be clear that this meritless lawsuit is riddled with fabrications and really is all about money," said MSG in a statement. Brown Sanders' is seeking \$9.6mln in damages.

Avalanche: The content slate at *Steve Bellamy's The Ski Channel* is beginning to snowball. The net, slated to hit the slopes early next year through a deal with **Time Warner Cable**, acquired from **Ride Guide TV** the premiere rights to 26 1-hour eps of "Ride Guide," a series focused on remote skiing and mountain biking destinations. Also included in the deal is a library of 300 eps and hundreds of hours of clips. Earlier this summer, Ski inked partnerships with filmmaker **Rege Films** and Olympic gold medalist *Jonny Moseley*, who will serve as a spokesman, on-air talent, analyst, instructor, show host and advisory staff member for the net.

Honors: HBO garnered 15 total **Creative Arts Emmy Awards**, topping all recipients and broadcast net leader **NBC** (12). Other multiple cable winners include **Cartoon Net** (8), **Discovery Channel** (4), **Showtime** (4), **Bravo** (2), **Nickelodeon** (2) and **TNT** (2). HBO's "Bury My Heart at Wounded Knee" (5) led all series/specials, followed by Discovery's "Planet Earth" and NBC's "Tony Bennett: An American Classic," which each earned 4.

Oops: **Millennium Digital** appointed as its chmn/chief strategic officer *Kelvin Westbrook*.

CableFAX Daily Stockwatch

Company	09/10 Close	1-Day Ch	Company	09/10 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	54.56	0.16	AMPHENOL:	36.81	(0.74)
DIRECTV:	22.84	(0.28)	APPLE:	136.71	4.94
DISNEY:	33.56	(0.03)	ARRIS GROUP:	14.07	(0.04)
ECHOSTAR:	41.20	(0.53)	AVID TECH:	29.97	(0.2)
GE:	39.19	0.44	BIGBAND:	9.54	(0.45)
HEARST-ARGYLE:	25.53	(0.04)	BLNDER TONGUE:	1.25	(0.01)
ION MEDIA:	1.36	0.04	BROADCOM:	35.24	0.69
NEWS CORP:	22.39	0.09	C-COR:	10.31	(0.38)
TRIBUNE:	27.04	0.12	CISCO:	31.74	0.22
MSOS					
CABLEVISION:	33.74	(0.21)	COMMSCOPE:	54.20	(2.46)
CHARTER:	2.67	(0.06)	CONCURRENT:	1.34	(0.01)
COMCAST:	25.11	0.11	CONVERGYS:	16.04	(0.09)
COMCAST SPCL:	24.93	0.09	CSG SYSTEMS:	21.78	(0.28)
GCI:	12.08	(0.02)	GEMSTAR TVG:	6.20	(0.05)
KNOLOGY:	15.80	0.31	GOOGLE:	514.48	(4.87)
LIBERTY CAPITAL:	115.05	0.77	HARMONIC:	9.85	(0.09)
LIBERTY GLOBAL:	41.51	0.17	JDSU:	14.39	(0.45)
LIBERTY INTERACTIVE:	18.68	(0.27)	LEVEL 3:	4.67	(0.12)
MEDIACOM:	7.61	(0.23)	MICROSOFT:	28.48	0.04
NTL:	28.22	0.00	MOTOROLA:	17.02	(0.11)
ROGERS COMM:	42.97	0.00	NDS:	49.11	(0.23)
SHAW COMM:	22.41	(0.01)	NORTEL:	16.82	(0.12)
TIME WARNER CABLE:	35.07	(0.3)	OPENTV:	1.33	0.03
WASH POST:	782.10	(12.9)	PHILIPS:	40.70	1.57
PROGRAMMING					
CBS:	30.73	(0.22)	RENTRAK:	11.93	0.18
CROWN:	6.68	0.02	SEACHANGE:	6.46	(0.29)
DISCOVERY:	25.88	0.47	SONY:	46.73	(0.58)
EW SCRIPPS:	41.14	(0.38)	SPRINT NEXTEL:	17.82	(0.14)
GRUPO TELEVISA:	25.58	(0.38)	THOMAS & BETTS:	54.56	(0.72)
INTERACTIVE CORP:	27.51	(0.09)	TIVO:	5.59	(0.05)
LODGENET:	24.73	(0.83)	TOLLGRADE:	9.91	(0.32)
NEW FRONTIER:	6.52	(0.27)	UNIVERSAL ELEC:	26.77	(0.42)
OUTDOOR:	8.99	(0.23)	VONAGE:	2.01	(0.02)
PLAYBOY:	11.12	0.00	VYYO:	5.72	(0.03)
TIME WARNER:	18.20	(0.17)	WEBB SYS:	0.07	0.01
UNIVISION:	36.23	0.00	WORLDGATE:	0.41	(0.01)
VALUEVISION:	7.81	(0.09)	YAHOO:	23.30	(0.46)
VIACOM:	38.67	(0.12)	TELCOS		
WWE:	14.95	(0.2)	AT&T:	38.78	0.05
TECHNOLOGY					
3COM:	3.86	(0.06)	QWEST:	8.84	(0.05)
ADC:	20.46	0.42	VERIZON:	41.25	(0.09)
ADVANTAGE:	7.28	(0.04)	MARKET INDICES		
ALCATEL LUCENT:	10.11	(0.17)	DOW:	13127.85	14.47
AMDOCS:	34.38	(1.01)	NASDAQ:	2559.11	(6.59)

HALLMARK MOVIE CHANNEL TOPS THE LIST OF CHANNELS YOUR CONSUMERS WANT



Hallmark Movie Channel ranks #1 on high interest among Adults 18-49, Adults 18+ and Women.

Source: BETA Research 2007 Cable Subscriber Interest Study Among Emerging/Mid-sized Networks; Ranked among measured ad-supported Emerging/Digital Networks and exclude commercial free networks.

Call for Nominations

CableWorld's 2007

Top 10 Places to Work in Cable

What are the best companies to work for in the cable industry? Help us decide by nominating the companies you think should be on our list of the **Top 10 Best Places to Work in Cable**. We will rank the top 10 in the Oct. 15, 2007, issue of **CableWorld**. Nominations are open to all cable operators, programmers and vendors.

**Deadline for nominations:
Monday, Sept. 17, 2007**

Nomination form can be found at:

www.cable360.net/top10workplaces.html

