

CableFAX Daily™

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What the Industry Reads First

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Diversity Conundrum: Holding the Industry to Account

The cable industry's diversity efforts continue to stagnate despite some notable strides and much well-intentioned hand wringing, said panelists Mon at the opening general session of **NAMIC's** annual conference in NYC. "This industry deserves only a 'B' for its diversity efforts," said NAMIC chmn *Manish Jha*, who also chairs **Mobile ESPN**. "There's far too much wheel spinning and not enough momentum." **Rainbow Media Holdings** pres/CEO and honorary NAMIC co-chmn *Josh Sapan* expressed frustration that some of Rainbow's past efforts to increase racial diversity "just didn't work" despite much success attracting women and gay/lesbian workers. He called for "more vigilance" going forward. **Insight** pres/COO *Dinni Jain* said cable's growth in recent years has made it particularly hard to stay focused on diversity, noting that "one of the big obstacles we have is [financial] success" that can push diversity efforts to the back burner. "Quite frankly, we're not very good at this," he said. In fact, NAMIC's just-released diversity study found a significant decline in the number of CEOs signing off on exec compensation tied to diversity goals. *Luke Visconti*—partner and co-founder of **DiversityInc**, which compiled stats for NAMIC's study—said CEOs need to get tough. "You set goals, and you accomplish them—and you fire people who don't achieve those goals," he said to applause. "You bet it's a numbers game. You go out, and you accomplish your numbers." Much of the panel focused on the business case for diversity, with wide agreement that changing demographics make diverse hiring a competitive necessity. "We have to stay passionate about this," said **Court TV** chmn *Henry Schleiff*. *Johnathan Rodgers*, pres/CEO of **TV One**, said commitments also must go beyond bottom-line justifications. "Sometimes you just have to do something because it's the right thing to do," he said.

The Tech Road Less Traveled: When it comes to technology, sometimes the knottiest questions are best served by simple answers. "A critical approach to ask is 'what assets do I have to make life better for customers, and to introduce technology that is not too complex or too cool,'" **Deloitte Consulting** principal *Ajit Prabhu* said Mon at **NAMIC**. An honest assessment of core competencies is imperative when deciding what new technology to embrace, said **TBS'** vp, new products *Tonia Lee*. Also helpful in making technology decisions, especially in regard to mobile phone apps, is studying trends and outcomes in mature markets such as Europe and Asia. **CNN** news services evp *Susan Grant* said much of the company's new products are tested across oceans before US roll out. One such product is broadband service "CNN Pipeline," which she said will launch in 10 additional countries this week, bringing the total to 24.

Boost from the Base Level: Organic growth in the evolving US multicultural landscape demands grassroots marketing, panelists said Mon at **NAMIC**. "We have had to think not so much in terms of millions [in marketing reach], but in the thousands and hundreds," said **TBS** vp, multicultural market development *Sandra Weber*. "In this day and age, you really have to think almost to the zip code." The lack of immediate results in the multi-racial market, however, requires "a

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leap of faith because results will not be in the next quarterly statement, but maybe in 5-10 years,” said **Comcast** senior dir, multicultural marketing **Mauro Panzera**. Said **Nusrat Durrani**, gm, **MTV World**: “For us it’s all about creating icons for Asian Americans and using our platforms for these personalities... Diversity is not just the right thing to do, but the smart thing to do.”

NAMIC Notebook: The 9/11 commemorative luncheon suffered an eerie peal of the hotel’s fire alarm as the panel discussion commenced, effectively (but inadvertently) driving home the importance of remembrance. Luckily it was a false alarm. **Court TV** anchor **Jami Floyd** moderated the 5-year look back at the tragedy, now inextricably fettered to the conference itself. Panelist and **Bloomberg TV** host **Monica Bertran** presented at the conference before the towers fell, and many others hold memories tied to both attendance and that fateful day.

Diversity Study: **NAMIC**’s 2006 diversity study found that people of color comprise 29% of the overall workforce, up from 26% in ’04. While diversity among sr management climbed to 14.2% from 7%, the industry has a way to go for less senior roles. People of color in middle management fell to 11% from 13% in ’04, while lower management dropped to 20% from 22.7%. The study was comprised of 14 companies (4 MSOs, 10 programming nets), however only 7 of the participants were part of the ’04 study.

At the Portals: The **FCC** granted **EchoStar**’s request to dismiss its program access complaint against **In Demand**. **EchoStar** and **DirecTV** filed complaints last summer alleging that **In Demand**’s pricing for **INHD** and **INHD2** channels discriminated against DBS providers. **In Demand** is owned by **Comcast**, **Time Warner** and **Cox**. The **FCC** granted **DirecTV**’s request to dismiss its complaint back in April. Neither DBS company said why they pulled their complaints. -- **NCTA** gave the **FCC** an earful last week on **Verizon**’s request that cable operators be prevented from entering into new (or enforcing existing) exclusive access agreements with multiple-dwelling units and other real estate developments (**Cfax**, 7/11). First, the cable group argued that **Verizon** brought the matter up in an inappropriate proceeding, the **FCC**’s consideration of local franchising rules. Second, **NCTA**’s **FCC** filing noted that the **FCC** recently found no reason for a prohibition on these type of contracts. **NCTA** chalked up **Verizon**’s move as “simply another effort to use this proceeding to give themselves regulatory advantages that others do not have.”

Advertising: **Larry Fischer** is out as the head of **Time Warner Cable** media sales. **ITV** and advanced advertising vp **Joan Gillman** will takeover as corporate svp and pres of media sales. **Fischer**, an 18-year **TW** vet, will help in the transition over the next few months. He has decided to explore “several other professional options,” the company said. -- **Texas Instruments**’ **DLP HDTV** is the exclusive **HD** sponsor for all **ESPN** “**Mon Night Football**” games.

Diversity Week Circuit: If you haven’t bought a ticket for **Wed** morning’s **CTAM NY** **Blue Ribbon** breakfast at the **Grand Hyatt**, you’re out of luck. The breakfast on mobile video is sold out, with a minimum of 425 attendees. -- Unable to make **NAMIC**’s annual **NYC** confab? Check out the group’s blog to see what you missed: <http://annualnamicconference.blogspot.com>. -- **The Actor’s Fund** squeaked past **HBO**, 8-7, to take 1st place once again in **Cable Positive**’s 14th annual softball touney **Sun**.

In the Courts: **Lafayette Utilities System** is asking the **LA Supreme Court** to approve a bond ordinance plan that would let it expand its **FTTH** project in the city to compete with **Cox** and **BellSouth**.

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looked to former **Nokia** exec **Bob Shallow** for its newly created vp, gm, mobile entertainment position. -- Former **CSTV** pres and co-founder **Chris Bevilacqua** joined **Sports Capital Partners** as a partner. -- **Telemundo's Kenetta Bailey** joined **WE** as svp, marketing. **Susan Smith** was upped to vp, trade marketing and **Jennifer Robertson** was promoted to vp, consumer marketing. -- **Comcast** regional svp **Mary Graham** is joining **Leo Hindery** subsidiary **Thomas Nelson Publishers** as COO of its Live Events Group. -- **AmericanLife TV** named industry vet **Renee Narrol** as vp, Central Region. -- Former Sen Commerce Democratic staffer **Jamie Gillespie** is **NAB's** latest govt relations hire.

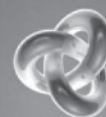
Business/Finance: Charter accepted \$450mln of convertible sr notes due '09 of the total \$499.9mln tendered in its exchange offer. Charter will use \$196.7mln in cash and will issue 45mln shares of Class A common stock and \$146.2mln in CCH II notes. -- **Liberty Global** will pay about \$1bln to buy back 40mln shares of stock. -- **Insight** plans to refinance certain **Insight Midwest** debt. The refinancing contemplates increased term and revolving credit facilities aggregating \$2.575bln and using proceeds to redeem all of **Insight Midwest's** 10½ % sr notes due 2010 and a portion of 9¾ % sr notes due '09.

CableFAX Daily Stockwatch

Company	09/11 Close	1-Day Ch	Company	09/11 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	41.86	(0.12)	AMPHENOL:	57.86	0.25
DIRECTV:	19.61	0.14	ARRIS GROUP:	11.66	0.03
DISNEY:	29.77	0.19	AVID TECH:	40.00	0.40
ECHOSTAR:	33.62	0.08	BLNDER TONGUE:	1.19	(0.03)
GE:	34.43	0.42	BROADCOM:	26.48	0.39
HEARST-ARGYLE:	23.15	(0.22)	C-COR:	7.83	(0.07)
ION MEDIA:	0.87	(0.01)	CISCO:	21.96	0.21
NEWS CORP:	19.14	(0.35)	COMMSCOPE:	29.05	(0.43)
TRIBUNE:	30.12	(1.18)	CONCURRENT:	1.59	(0.09)
MSOS					
CABLEVISION:	23.47	(0.05)	CONVERGYS:	20.55	(0.04)
CHARTER:	1.56	0.02	CSG SYSTEMS:	26.40	(0.52)
COMCAST:	34.72	(0.18)	GEMSTAR TVG:	3.17	(0.06)
COMCAST SPCL:	34.70	(0.11)	GOOGLE:	384.09	6.24
GCI:	12.93	0.19	HARMONIC:	6.84	0.13
KNOLOGY:	10.11	(0.09)	JDSU:	2.08	0.00
LIBERTY CAPITAL:	85.28	(1.44)	LEVEL 3:	4.35	0.19
LIBERTY GLOBAL:	25.13	0.81	LUCENT:	2.29	0.04
LIBERTY INTERACTIVE:	19.53	(0.06)	MICROSOFT:	25.91	0.31
MEDIACOM:	6.86	(0.16)	MOTOROLA:	23.97	0.27
NTL:	26.90	0.00	NDS:	44.77	(0.43)
ROGERS COMM:	51.88	1.16	NORTEL:	2.26	0.12
SHAW COMM:	29.61	0.37	OPENTV:	2.85	0.07
TELEWEST:	24.20	0.00	PATH 1:	1.34	0.00
TIME WARNER:	16.90	0.03	PHILIPS:	33.83	0.26
WASH POST:	751.00	(3.01)	RENTRAK:	11.38	(0.02)
PROGRAMMING					
CBS:	29.26	0.80	SEACHANGE:	8.73	(0.18)
CROWN:	4.07	(0.11)	SONY:	41.90	(0.63)
DISCOVERY:	13.72	0.04	SPRINT NEXTEL:	16.48	(0.03)
EW SCRIPPS:	45.90	(0.17)	THOMAS & BETTS:	42.60	(0.66)
GRUPO TELEVISA:	18.95	0.00	TIVO:	7.79	0.02
INTERACTIVE CORP:	27.94	(0.17)	TOLLGRADE:	8.37	(0.07)
LIBERTY:	8.63	(0.07)	UNIVERSAL ELEC:	18.98	0.20
LODGENET:	18.02	(0.48)	VONAGE:	7.22	(0.64)
NEW FRONTIER:	8.60	(0.19)	VYYO:	4.61	0.02
OUTDOOR:	10.15	(0.24)	WEBB SYS:	0.06	0.00
PLAYBOY:	9.14	(0.05)	WORLDGATE:	1.56	(0.04)
PLAYVISION:	34.85	0.22	YAHOO:	28.61	0.47
VALUEVISION:	11.20	0.10	TELCOS		
VIACOM:	35.13	0.58	AT&T:	31.60	0.25
WWE:	17.10	(0.2)	BELLSOUTH:	41.44	0.25
TECHNOLOGY					
3COM:	4.36	0.04	QWEST:	8.60	0.01
ADC:	13.90	0.42	VERIZON:	35.54	0.14
ADDVANTAGE:	3.77	(0.08)	MARKET INDICES		
AMDOCS:	39.01	0.01	DOW:	11396.84	4.73
			NASDAQ:	2173.25	7.46



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M.C. Antil's CableFolks

NAMIC's Johnson Digs In

Last week, I was having a tough time of it. Working on the pre-Kaitz daily for this publication, I was trying unsuccessfully to get some basic information on the NAMIC conference; info that would, ultimately, be helpful in promoting the event.

Finally, right at my drop deadline, NAMIC president Kathy Johnson rode to the rescue and saved the day. Later, after I had filed, I called Kathy back and we talked at greater length about a number of things: her career, NAMIC, diversity and the challenges of running a not-for-profit trade organization in times of increased scrutiny and corporate belt-tightening.

Much to my delight, what I found Kathy Johnson to be is what everyone had told me she was: a good woman who gets things done, a woman whose word is gospel and a woman whose dedication to doing things right is right up there with the best of them.

By now, most of you know NAMIC, an organization formed 16 years ago to promote a concept that for many years proved to be something of an oxymoron: cable diversity. What you might not know is that, unlike say NCTA and CTAM, until this past year NAMIC had no full-time staffers.

While NCTA and CTAM developed reputations for being airtight trade organizations run by well-compensated association professionals, NAMIC had always been considered a little looser-knit, a little less buttoned down, and ultimately, a little less professional. And while that reputation may or may not have been deserved, the fact of the matter is, the perception was there.

And, let's be honest, since they had no full-time people, NAMIC was less professional – if only by the narrowest of definitions.

Believe me, as someone who spent a few years at CTAM, I know how much full-time effort it takes to appear buttoned down. But it wasn't until Kathy and I talked this past weekend that I began to realize what an uphill struggle NAMIC had faced all these years.



M.C. Antil

Forget the fact that, as former chairperson Jenny Alonzo of Lifetime told me, in the past many industry minorities have chosen not to become active participants in NAMIC for fear they'd be stigmatized in their own companies. Forget that NAMIC has always had to compete with the hustle and bustle of Kaitz Week for both publicity and speakers. Even forget the fact that, by industry standards, NAMIC is still relatively young.

Until this past week, I never realized that, it has always been an all-volunteer organization. A major grant from the Kaitz Foundation in 2005 allowed NAMIC to begin hiring a full-time staff and open an office in New York. That bodes well for NAMIC and the cause of diversity in this industry, because not only does Kathy Johnson appear to be one terrific administrator, but she's slowly but surely assembling a staff of crackerjack professionals. In fact, her latest hire took place just last week as NAMIC added Daphne Leroy, late of CBS and MTV, as director of marketing and communications.

As someone with an ability to see both the 30,000-foot perspective and the smallest detail, Kathy promises to upgrade the quality of NAMIC events, with this week's terrific Town Hall meeting, hopefully, a portent of things to come.

I mentioned to her that, much like Branch Rickey told Jackie Robinson when he first broke baseball's color barrier: because of all the deep-rooted prejudice out there, you can't just be good; you have to be great.

"That's true," said Kathy. "It's the old adage that you have to work twice as hard if people think you're half as good. And that's exactly what we're doing."

And though I might not have said this a year or so ago, after my dealings with Kathy Johnson last week, I see that's true. And you can now count me among the hopeful believers.

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Deadline for nominations: **Sept. 22, 2006**

Submit by fax: 212-621-4895

By email: attach form or paste in email and send to Shirley Brady at sbrady@accessintel.com

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PLEASE FILL OUT THE FOLLOWING:

Nominee Information

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 Title _____
 Company _____
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 Title _____
 Company _____
 Address _____

 Email _____
 Phone _____

Why should this person make our list? (50 words max)

Does this person make/break deals? (50 words max)

Does this person's influence extend beyond his/her company? (50 words max)