

CableFAX Daily™

Wednesday — September 15, 2010

What the Industry Reads First

Volume 21 / No. 178

ADVERTISEMENT

The fastest-growing cable network group puts away the competition.

MORE UNSCRIPTED SERIES REACHING 1+ MILLION VIEWERS THAN ANY OTHER NETWORK.



©2010 A&E Television Networks, LLC. All rights reserved. 1019.



Source: The Nielsen Company, original cable series, 2010 thru 8/8, M-Su/8-11pm, A25-54 Live+SD (000). AETN defined classifications. Subject to qualifications upon request.

CableFAX Daily™

Wednesday — September 15, 2010

What the Industry Reads First

Volume 21 / No. 178

NAMIC: Census Will Show Changed America

It was an intelligent move by **NAMIC** to frame its opening session Tues with a presentation about the new **Census** from **UCLA** prof *Dr Leobardo Estrada*. Using preliminary data, Estrada said the Census will show the US is 2 countries: the 16 states that are growing and the rest. And America is graying (by '12 older citizens will be 25% of the population and own 75% of the assets). It's also more diverse. "There's a new base...the ethnic market is becoming the general market...this has huge implications for marketing." The biggest change in the labor force will be the growth of foreign-born workers. And older Americans will keep their jobs longer, reducing opportunities for younger workers, augmenting a gap between the generations. These changes will be resisted in some quarters, Estrada said. Reacting to Estrada, **Univision** pres *Cesar Conde* said, "[The Hispanic market] is not a niche business anymore." **NCTA** chief *Kyle McSillarow* argued the country's diversity is a fact smart businesses already have accepted. The Census confirms what we already know, he said, adding, cable was built on "letting diversity work for you." **Cox** chief *Pat Esser* agreed. Companies that fail to market to diverse communities, including older Americans, risk their existence, he said. **BET** pres/COO *Scott Mills* agreed that "sophisticated marketers" know how to segment their audience; ethnic groups "are one of those segments." Reflecting on her recent tenure in Hong Kong, **Travel Channel** chief *Laureen Ong* challenged the audience to "get out of your comfort zone" on understanding ethnic markets. "Learn more, even when you think you know everything."

Business Speak: **Cox Business** is on track to be a \$1bn revenue stream this year and on a trajectory to be a \$2bn business in the next 6 years. That was the skinny during a **Sanford Bernstein** conference call with **Cox** execs Tues. **Verizon** and **AT&T** are Cox's 2 largest business competitors. "Neither of them have the...local resources we have in a market. Our localism in that space is a key differentiator," said Cox Business svp *Phil Meeks*. As for **Qwest** and **Century Link**, Meeks expects both companies will be distracted as they go through their merger, while Cox continues to focus on customers. *Kristine Faulkner*, vp, product development and mgmt at Cox, called video for business customers "somewhat of a sleeper opportunity." Cox Business provides video in the expected places—doctor's offices, auto service waiting rooms, etc—but it's also seeing some action in the hospitality space. When it comes to viewing video on the PC and other devices



A DIFFERENT
SPIN
WITH **MARK HOPPUS**

Premieres Thursday
September 16th
7p/6c

fuse
where music lives

www.adifferentspin.com

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, 301.354.1790, mgrebb@accessintel.com ● Assoc Editor: Chad Heiges, 301.354.1828, cheiges@accessintel.com ● Asst VP, Ed Director: Seth Arenstein, 301/354-1782, sarenstein@accessintel.com ● Publisher: Debbie Vodenos, 301.354-1695, dvodenos@accessintel.com ● Assoc Publisher: Amy Abbey, 301.354.1629, aabbey@accessintel.com ● Marketing Dir: Carol Brault, 301.354.1763, cbrault@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: Carol Brault, 301.354.1763, cbrault@accessintel.com

es, “we’re definitely seeing some momentum [from educational institutions] wanting that for dorm rooms and other places on campus,” Faulkner said. DOCSIS 3.0 is available to about half of Cox’ footprint, and she expects it to scale above 2/3 by year-end. -- **AT&T** intro’d a series of service bundles built for businesses with up to 10 wired voice lines. Starting at \$90/mo, the bundles include phone, HSI and WiFi access while featuring options such as wireless services and shared Web hosting and tech support. -- **Verizon** now offers SMBs a cloud-based computing service that allows subs to customize the server, storage and network resources required to manage a Web presence or enable company apps.

In the States: Plenty of buzzing Tues over reports that **Time Warner Cable** and **Cox** having allegedly held preliminary talks about swapping systems in CA. *Reuters* reported that the early-stage talks involved systems valued at about \$2bln. Neither MSO is commenting. -- **Comcast** added 26 new Spanish-language nets including **Mexicanal** and **La Telenova** in Central CA, and also launched 5 Hispanic video packages in the area that range in price from \$17-\$77/month. -- **Mediacom**’s warning consumers of a scam using fraudulent checks bearing the MSO’s name, and disavowed any involvement in the flimflam that isn’t specifically targeting MCCC subs. The scam uses letters claiming that recipients have won prizes in 1 of several lotteries, encloses phony checks purporting to pay for taxes on the prize and directs recipients to call a claims agent who asks for payment of amounts less than the check bears. -- **Comcast** kicks off Sun a “freeview” of **NFL RedZone** for digital subs. The stunt follows **DirectTV**’s free offering of **Sun Ticket** for customers on Sept 12.

On the Hill: **NCTA** largely supports HR 5828, the Universal Service Reform Act of ’10, but like everyone else, it has a few suggestions. According to prepared testimony of **NCTA** evp *James Assey* for Thurs’ **House Communications** subcmte hearing, the trade assn will argue that support for broadband deployment should be limited to unserved areas. NCTA has long supported a high cost support cap, but it believes the cost model approach provided in the bill leaves open the question of the ultimate size of the high cost fund. The legislation, introduced in July by Reps *Rick Boucher* (D-VA) and *Lee Terry* (R-NE) would declare broadband a universal service and limit universal service support in areas where there is competition among voice and broadband providers.

Over-the-Top Overkill: Like other recent conferences and confabs, lots of chatter and buzz at **WICT** and **NAMIC** about alternative video platforms, over-the-top delivery and, of course, authentication. The basic question: What do we do? The basic answer: Keep brainstorming and have faith in consumers’ eventual willingness to pay for high-quality content. “The companies that control the content can pretty much set the rules,” said *Joan Gillman*, **Time Warner Cable** evp, media sales. She added that 99-cent TV eps will soon add up, and consumers will realize that they’re better off with the current model. “The more they consume, the more they’re going to look for a subscription service.” *Lisa Choi Owens*, evp, digital media at **Scripps Nets**, said new concepts like **Google TV** are good in the sense they push cable “to innovate a little bit... Let’s come up with a better search solution for television.” In another session, panelists were mostly skeptical that Google will succeed where so many others have failed, although **Discovery** svp, digital media *Douglas Craig* said “if anyone could pull it off, it’s probably them.” But he said the industry’s “long-term play” is authentication even though parties are still working through complicated business issues.

NAMIC Notebook: **NAMIC** chief *Kathy Johnson* finessed the return to the Big Apple from a few days in Denver. Opening the **NAMIC** conference, Johnson deadpanned, “Considering the increased attendance and interest—and the fact that it’s not snowing—I think it was a good idea to bring Diversity Week back to NY.” -- We liked **BET** pres/COO *Scott*

we transform
thursdays 10:00PM/9:00C

YOU'RE WEARING THAT?!?

A mother-daughter makeover journey.

we^{TV}
Simply Fascinating
rainbowaffiliate.com

Luciene Salomone

Mills' opening session jst: "I really enjoyed reading the list of The 80,000 Most Influential Minorities in Cable this morning." But his point was excellent. **CableFAX: The Magazine's** enlarged list illustrates the depth of cable's minority talent pool; the future is bright, he said. -- Sounding a note for change and diversity, **FCC** commissioner *Mignon Clyburn* told NAMIC's opening session, "We can't have an analog FCC in a digital world." She said having "opportunities for diversity" in proposed media mergers will be "critical" and noted too many minorities remain "on the wrong side of the digital divide," adding that broadband is no longer "a luxury." She lauded the FCC chief's effort to get investment capital for small and diverse businesses. -- Kudos to **CableFAX's** Most Influential Minorities in Cable, many of whom gathered with friends and supporters for the **CableFAX-NAMIC** breakfast Tues. At the event, graduates of NAMIC's Executive Leader Development Program talked about how it has shaped their careers and lives. "There's just something about it," explained Comcast svp, employee engagement *Ron Phillips*, noting the comradery that develops among ELDP graduates. "We lift each other up."

WICT Notebook: Personal stories and life advice dominated a Tues **WICT** morning panel that included **AETN** pres/CEO *Abbe Raven* and **FCC** commish *Mignon Clyburn*, with a common theme around teamwork as a path to success. "It's really a team that gets it done, and the successful leaders are really the ones who have the smartest people around them," said Raven. Clyburn said she has always "been a leader with a small 'I,'" meaning that she tries to drive consensus rather than micromanage. But in the past, "It was hard for me to ask for help. It was hard for me to accept help." So she urged WICT attendees to avoid trying to do everything themselves despite pressures to be fiercely independent. Raven said good leaders must make it about the team, not themselves, noting that she realized that right after taking over AETN when suddenly everyone started laughing at her jokes and a casual comment in the elevator about a show would make things "start shaking" around the office. That reminds her to keep things in perspective. She recounted how she no longer feels pressure to learn how to play golf after her exclusion from several outings earlier in her career. "I said eventually that I am who I am," she said. "I'm extremely proud that I'm a CEO who doesn't play golf." -- Kudos to **Animal Planet** pres/gm *Marjorie Kaplan*, who gave an intensely personal and advice-filled speech to WICT attendees emphasizing how diversity has impacted her life and business adventures. "The case for gender diversity is simple," she said. "It's just good economics." In fact, she opened with a story about an experience early in her career that reminded her of a scene from **AMC's** "Mad Men," with several cigar-chomping execs ignoring and even denigrating her during a pitch meeting. "There was no scotch on the table, but I really could have used one," she said. After talking to her mom and doing some soul searching, she soon realized that "those guys were completely wrong to leave me out of the discussion," adding with a smirk that in 2010 "almost all of them have no jobs, and I'm here running Animal Planet and talking to you today."

Mobile: The **Open Mobile Video Coalition** said participants in its **Mobile DTV Consumer Showcase** in DC, which since May has provided mobile content through 23 channels from 9 broadcast stations, primarily watched programming during the work week and most often viewed local news. **Reentrak** data also showed that participants have tuned into 2,600 different TV programs and cite convenience of a mobile device as the key reason for watching more TV than before. Broadcasters are also transmitting Mobile DTV signals in NYC, Philadelphia, Chicago, Atlanta and numerous other cities.

VOD: *On Demand Weekly*, an email newsletter devoted to VOD news, rolls out Wed (www.ondemandweekly.com). The Website was founded in '09 in Silicon Valley by former **Miramax Films** marketing execs *Britt Bensen* and *Doug Turner*. Now, they are aiming for niche email service in the vein of *Daily Candy* that will target young families with kids under 13.

Ratings: An estimated 18.3mln people tuned in to watch at least part of the "Stand Up 2 Cancer" special Fri—up 15.1% from '08, **Nielsen** said. The special aired on 4 broadcast and 11 cable nets. -- **TNT's** "The Closer" and "Riz-zoli & Isles," which the net said are now ad-supported cable's top 2 series of all time, closed out their summer runs Mon night with 7.2mln and 6.6mln total viewers (Live+Same Day), respectively. -- The season finale of **HBO's** "True

CableFAX's **PROGRAM** **October 4, 2010** & **Top Ops** **AWARDS** **12:00 – 2:00pm** **Grand Hyatt, NYC**

Join us as we celebrate the 3rd annual CableFAX Program Awards and honor the Top Operators of the Year. This outstanding event will bring together those who create amazing content and those who excel in bringing it to the viewers. CableFAX will also be inducting eight honorees to CableFAX's Programming Hall of Fame.

Questions: Contact Elizabeth Brown at ebrown@accessintel.com; 301-354-1610

View Finalists and Register today at www.cablefax.com/program2010

Special Issue: Program Award winners and honorees will be featured in CableFAX: The Magazine's October Programming Issue and distributed in print at the October 4th event, Cable Fall Connection and Telco TV.

Advertising & Sponsorships:

Debbie Vodenos, Publisher, at dvodenos@accessintel.com; 301-354-1695

Amy Abbey, Associate Publisher, at aabbey@accessintel.com; 301-354-1629

Ad Space Close: 9/15

Artwork Due: 9/20



CTAM SUMMIT

CONNECT. INNOVATE. SUCCEED.

OCTOBER 18-20, 2010 | NEW ORLEANS, LA

HILTON NEW ORLEANS RIVERSIDE

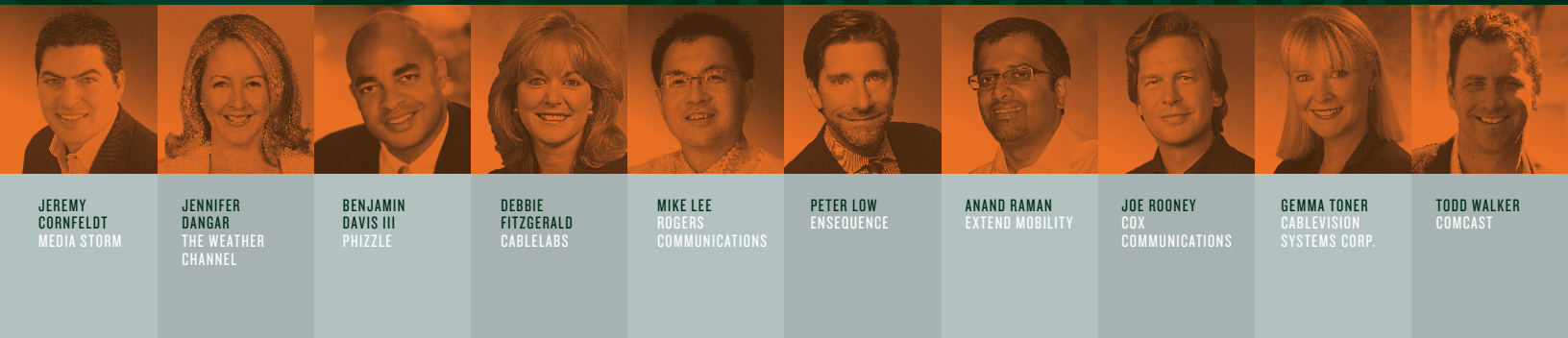
I WANT MY iTV

INTERACTIVE TV CAN BE A POWERFUL MARKETING TOOL FOR CONTENT PROVIDERS AND CABLE COMPANIES

CUSTOMIZED SESSIONS SHOW HOW iTV ENHANCES

- » The viewing experience
- » Customer affinity
- » Advertising
- » Cross-channel and tune-in promotion

VOTE FOR YOUR FAVORITE APP DURING THE iTV IDOL COMPETITION!



JEREMY CORNFELDT
MEDIA STORM

JENNIFER DANGAR
THE WEATHER CHANNEL

BENJAMIN DAVIS III
PHIZZLE

DEBBIE FITZGERALD
CABLELABS

MIKE LEE ROGERS
COMMUNICATIONS

PETER LOW
ENSEQUENCE

ANAND RAMAN
EXTEND MOBILITY

JOE ROONEY
COX COMMUNICATIONS

GEMMA TONER
CABLEVISION SYSTEMS CORP.

TODD WALKER
COMCAST



DINE **FREE** WITH FRIENDS AT A TOP 10 NEW ORLEANS RESTAURANT
SEE DETAILS AND REGISTER AT **CTAMSUMMIT.COM**

 New speakers and sessions announced on Facebook and Twitter.

BUSINESS & FINANCE

Blood” garnered 5.4mln total viewers despite battling the Cowboys-Redskins game on **NBC** that became the most-watched “Sunday Night Football” game ever. For the season, Blood averaged a series-high gross audience of 12.7mln viewers (linear plays, DVR and **HBO On Demand**).

Business/Finance: Charter shares returned to trading on **NASDAQ** Tues, closing at \$35.50 on light volume after opening at \$38. *Paul Allen* and affils own more than 35% of the combined voting power and have the right to elect 4 of 11 board members, which may impose restrictions on the trading of **CHTR** shares if an “owner shift” of at least 25 percentage points occurs and Charter’s equity value has fallen below \$3.2bln. **Miller Tabak’s David Joyce** initiated coverage with a “buy” and \$48 price target, believing the MSO, which counts 4.7mln subs and 12.9mln RGUs, “exhibits a unique opportunity to invest in a strong free cash flow growth story.” -- Of note from **Best Buy’s** quarterly results: the co achieved a low double-digit comparable store sales increase in mobile phones and a mid single-digit increase in mobile computers including tablets, but said the gains were “more than offset” by sales decreases in TVs and ent hardware and software. Also, Best Buy noted a sales increase from customers purchasing connectable devices such as mobile phones, computers, and TVs.

CableFAX Daily Stockwatch

Company	09/14 Close	1-Day Ch	Company	09/14 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	40.68	0.29	AVID TECH:	11.57	(0.07)
DISH:	18.58	(0.02)	BIGBAND:	2.81	0.00
DISNEY:	34.05	(0.22)	BLNDER TONGUE:	2.10	0.04
GE:	16.16	(0.09)	BROADCOM:	35.49	0.12
NEWS CORP:	15.58	0.13	CISCO:	21.45	0.19
MSOS					
CABLEVISION:	27.10	(0.39)	CLEARWIRE:	7.32	(0.04)
COMCAST:	17.79	(0.63)	COMMSCOPE:	21.71	(0.23)
COMCAST SPCL:	16.78	(0.6)	CONCURRENT:	6.50	0.03
GCI:	9.77	(0.12)	CONVERGYS:	10.37	0.03
KNOLOGY:	12.60	(0.19)	CSG SYSTEMS:	20.33	0.02
LIBERTY CAPITAL:	48.49	(0.56)	ECHOSTAR:	19.80	0.03
LIBERTY GLOBAL:	29.62	0.19	GOOGLE:	480.43	(1.84)
LIBERTY INT:	12.46	0.24	HARMONIC:	6.78	0.02
MEDIACOM:	6.49	0.05	INTEL:	18.74	0.18
SHAW COMM:	21.38	(0.38)	JDSU:	11.80	0.06
TIME WARNER CABLE:	55.17	(1.3)	LEVEL 3:	0.95	(0.21)
VIRGIN MEDIA:	21.75	(0.01)	MICROSOFT:	25.03	(0.08)
WASH POST:	371.98	(3.9)	MOTOROLA:	8.25	(0.03)
PROGRAMMING					
CBS:	15.72	(0.01)	RENTRAK:	22.72	(0.24)
CROWN:	2.27	(0.04)	SEACHANGE:	7.08	(0.17)
DISCOVERY:	40.45	0.58	SONY:	29.88	(0.25)
GRUPO TELEVISA:	19.31	0.25	SPRINT NEXTEL:	4.56	0.03
HSN:	30.23	(0.25)	THOMAS & BETTS:	40.99	0.23
INTERACTIVE CORP:	26.23	0.14	TIVO:	9.08	(0.03)
LIBERTY:	36.63	(0.23)	TOLLGRADE:	7.37	0.20
LIBERTY STARZ:	60.84	(0.04)	UNIVERSAL ELEC:	19.86	(0.62)
LIONSGATE:	7.30	(0.03)	VONAGE:	2.37	0.03
LODGENET:	2.91	(0.05)	YAHOO:	13.63	(0.1)
NEW FRONTIER:	1.74	(0.02)	TELCOS		
OUTDOOR:	5.39	(0.16)	AT&T:	27.93	0.00
PLAYBOY:	5.11	(0.02)	QWEST:	6.01	0.07
SCRIPPS INT:	45.00	0.80	VERIZON:	30.91	0.01
TIME WARNER:	31.80	(0.1)	MARKET INDICES		
VALUEVISION:	1.86	(0.02)	NASDAQ:	2289.77	4.06
VIACOM:	38.79	0.01			
WWE:	13.72	(0.29)			
TECHNOLOGY					
ADC:	12.70	0.00			
ADVANTAGE:	3.09	(0.03)			
ALCATEL LUCENT:	2.91	0.07			
AMDOCS:	27.32	(0.22)			
AMPHENOL:	47.43	0.03			
AOL:	23.24	0.31			
APPLE:	268.06	1.02			
ARRIS GROUP:	9.24	0.11			

CableFAX’s Top Case Studies in Cable Marketing & PR Guidebook

THIS ONE OF A KIND BOOK, from the publisher of CableFAX, exemplifies how cable programmers, operators and vendors cut through the clutter to mount PR and Marketing efforts that worked, gained revenue, ratings points and industry buzz. Each study demonstrates some facet of ingenuity, innovation or integrated thinking, illuminating communications as a function that has matured with poise and established its indispensability to business practices.



Order your copy and improve your power of PR today – www.cablefax.com/store/cfx

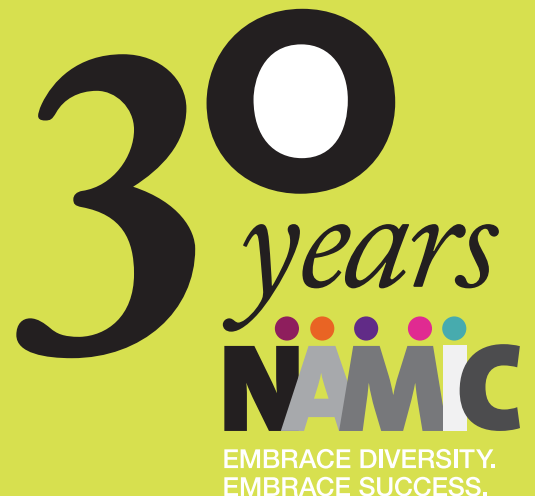
LEADERSHIP FELLOWSHIP SPONSORSHIP MENTORSHIP PARTNERSHIP

It all adds up to **MEMBERSHIP**

You may be asking yourself,
“What’s in **NAMIC** for **ME?**”

When you join NAMIC, you become part of a community dedicated to creating a communications industry that values and demonstrates diversity in leadership, programming, employment, ownership and supply chain. Whether you are an individual who aspires to advance in your career, or a practitioner who is looking for resources and intelligence to escalate your company’s diversity initiatives, NAMIC delivers the knowledge, strategic networking and insights that the new generation of business demands. And now, more than ever, that equates to your success.

Join Today. Lead Tomorrow. Visit NAMIC.com



The National Association for Multi-ethnicity in Communications educates, advocates and empowers for multi-ethnic diversity in the communications industry.