

# CableFAX Daily™

Thursday — September 21, 2006

What the Industry Reads First

Volume 17 / No. 183

## Wireless Details: Execs Chat Up Sprint-Cable Venture

**Sprint Nextel** CEO *Gary Forsee* confirmed Wed that the cable jv is testing wireless in 7 markets with friendlies. The service will launch later this year in Raleigh, NC (**Time Warner Cable**), Portland, OR (**Comcast**), Boston (Comcast), Austin, TX (**Time Warner**), 2 **Cox** markets and 1 **Bright House** market. "We've spent a little more time than I probably would've thought or any of my colleagues would've thought a year ago in getting the product right," Forsee said at a **Goldman Sachs** conference Wed, referring primarily to back office issues. In the cable markets trialing mobile, customers get a home page for their cable operator when they turn on their EV-DO Sprint device, Forsee said. "We've established joint messaging across the 2 platforms, joint emails, common voicemail, home and on-the-go calling plans," he said. "So we've done something that's different for customers than other experiences that may be in place today. This is Phase 1." Comcast's *Steve Burke* suggested that cable's interest in the recent FCC advanced wireless auction could portend offering video, voice and data wirelessly in the future. "When the dust settles, I think we'll be more clear about our plans," he said. Cable's jv with Sprint spent about \$2.4bln on 137 licenses. What's done with the spectrum remains to be seen, said Forsee, who suggested that Sprint could use it to fill some holes in its coverage or that cable companies could decide to do something independently with it. *Tom Rutledge* of **Cablevision**, which is not part of the Sprint jv, questioned consumer interest in getting mobile phone service from cable operators. "Whether people are willing to change out their cellular service to be connected to a quadruple play or not, I'm not sure," he said. While CVC isn't part of the consortium, Rutledge said he expects the MSO's invitation to participate in the future won't expire.

**Million Mile:** **Comcast** announced that it surpassed 1mln VoIP subs at the end of Aug, suggesting a weekly run rate of 31.5K subs. Analysts expect the MSO to post 3Q VoIP adds ahead of guidance; **Sanford Bernstein** predicts 414K.

**Technology:** **MTVN** said it's testing new social-networking platforms that integrate TV programming with virtual technology, a move foreshadowed by boss *Judy McGrath* at **CTAM Summit** in July. The goal: take viewers beyond passive consumption to active engagement with content and marketers' messages. **MTVN**, **Pepsi**, **Mediavest Worldwide** and **OMD** are developing a beta version of "Virtual Laguna Beach," the 1st platform debuting Wed at [www.vlb.mtv.com](http://www.vlb.mtv.com).

**In the States:** **Cable One** extended its relationship with **Amdocs** to provision customer management and billing solutions to help service the MSO's 720K subs. -- **Cablevision** made an HD feed of **WWOR-TV My9** available to its digital subs across the NY metro area. -- **Time Warner Cable** and **BIAP Systems** launched the MSO's "Fantasy Football Tracker" (*Cfax*, 9/11) in Columbia, SC, and San Antonio and Austin, TX. The app is also returning to Green Bay, WI.

**Broadband:** **Yahoo!** and *Al Gore's* **Current TV** on Wed announced the **Yahoo Current Network**, a Web video service jv positioned for young adults. The ad-supported service will launch 4 initial channels, tracking trends,

## Global Perspective

Now Available in the U.S.

Only BBC World delivers the international news that your subscribers demand. Give your customers a reason to upgrade. Give them BBC World.

Contact your Discovery Networks representative today.

©2006 DCI

**BBC**  
**WORLD**

CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefax.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: Dave Dekker, 301/354-1750, ddeker@accessintel.com ● Marketer: Doreen Price, 301/354-1793, dprice@accessintel.com ● Marketing Director: Carol Bray, 301/354-1763, cbray@accessintel.com ● Prod: Joann Fato, cdaily@accessintel.com ● Scott Gentry/VP and Group Publisher ● Online Publisher, Alison Johns, 212/621.4642 ● Paul Maxwell/Columnist. Subs/Client Services: 301/354-2101, fax 301/309-3847 ● Group Subs : Angela Gardner, 757/531-1369, cfaxgroupsub@accessintel.com

sports news, cars and vacations. 4 additional channels are expected by late '07.

**High-Powered Offense:** This week's ESPN "Monday Night Football" telecast earned a 10.6 HH rating and was seen in 9.81mln HHs, the largest audience in net history and 2nd-largest in cable history. This even as the Pittsburgh Steelers-Jacksonville Jaguars contest produced the lowest-scoring MNF game (9-0) ever. ESPN is averaging 8.99mln HHs through the first 2 games, a 14% increase over last year's avg for Sun night NFL telecasts.

**Research: WideOpenWest** is the highest ranked ISP in satisfying high-speed subs, according to **J.D. Power and Associates'** new study. **Bright House** ranks 2nd and **BellSouth** 3rd. 56% of ISP customers now subscribe to high-speed service, the study found, helping it overtake dial-up in market share for the 1st time. Pricing may have aided the trend, as the avg reported monthly price for high-speed service declined 5% since '04, to \$42.13 this year. Other results: 78% of US HHs subscribe to an ISP, up 9% over '05, and high-speed subs spend an avg of 23 personal hours online.

**Competition:** Offering perspective on the Middle East and the war on terror, **Bridges TV** announced Wed its addition to **Verizon's** "FiOS TV" service in several markets, enlarging the net's availability to 10 states (2mln cable homes and nationwide on satellite).

**Advertising: TiVo** and **Information Resources** launched Wed the "Consumer Insights Suite," a 2-pronged service for advertisers and marketers. It highlights the impact DVRs have on consumer viewing patterns and offers the ability to quantify the effectiveness of specific advertising campaigns and brand recognition programs in TiVo DVR households.

**Programming: HBO** greenlit a 4th season (12 eps) of "Entourage." The series' 3rd season will finish with 8 eps airing early next year. -- **Discovery Health's** "Anatomy of a Giant" (Oct 15, 8pm) will present *Sun Ming Ming*, an **NBA** hopeful and the world's 2nd tallest man at 7'9". Ming suffers from a tumor in his pituitary gland, causing it to secrete excessive amounts of growth hormone and spur abnormal height. -- **G4** and **MGM** are among the producers of "Spaceballs – The Animated Series," based on *Mel Brooks'* comedy film "Spaceballs." It's slated to debut in fall '07. -- **MavTV** will begin Fri airing extreme sports programming from Red Bull Intl. Content includes "Crashed Ice," featuring a downhill ice course competition, and "Fuel & Fury," in which snowmobilers tackle 80-foot jumps and other stunts.

**Doing Good:** With 5 legislative victories under its belt, **Lifetime's** readying for # 6, unleashing the celebrity of singer/songwriter *Jewel* to make sure the Breast Cancer Patient Protection Act (S.910/H.R. 1849) becomes law. The tactic worked Wed, when national media packed a be-Jeweled Capitol Hill press conference. Lifetime unveiled CDs containing signatures and addresses of 12mln supporters of the Act; the discs will be given to every member of Congress, Lifetime evp *Meredith Wagner* said. The 12mln signed up on *lifetimetv.com*. The bill would end so-called 'drive-through mastectomies,' where women are forced to leave the hospital just hours after the surgery. "I've never enjoyed it particularly when artists are didactic, and I don't think my views should be imposed on anybody," Jewel told *Cfax*. "But this isn't a faith-based or values-based bill... there's too much knowledge in health care to let women go home half-healed with tubes hanging out of them simply because insurance companies don't want to pay for it."

**On the Circuit:** This is one of the things that's great about the cable industry. Tech columnist *Leslie Ellis* has gathered a contingent of cable execs, including *Tom Robey* of **Time Warner Cable** and *Mark Francisco* of **Comcast**, to run in next month's Marine Corp Marathon to raise money for the family of *Roger Brown*. The former editor of *CED* magazine

The hidden-camera show with a TV twist

Trapped in TV Guide is the all-new, hidden-camera prank show that lures unsuspecting people into playing roles in our best-known TV programs.

Hosted by Tracey Gold

FRIDAYS 8/7c

TV GUIDE CHANNEL

TV Guide®, TV Guide Channel™, the TV Guide logo and the TV Guide Channel logo are trademarks of TV Guide Magazine Group, Inc.

# BUSINESS & FINANCE

died last year of melanoma cancer. The team has already raised \$26K of its \$40K goal. Visit [www.RunforRoger.com](http://www.RunforRoger.com). -- How's this for an original excuse: I had to miss part of **Diversity Week** to be in Beyonce's new video single "Irreplaceable"? In the case of cable PR hand *Portia Badham*, it's the truth. The one-time producer of **CTPAA's** Beacon Awards Ceremony tells us her 'other' career also includes appearances in upcoming print ads.

**People:** *Jeff Gregor* was named chief mktg officer for **TBS** and **TNT**. -- **Si TV** appointed former **Lifetime** exec *Lisa Black* svp, digital media. - **Rainbow Media** tapped *Sean Fassett* as vp, research for **AMC**, and *Daniel Marcu* vp, research for **IFC**.

**Business/Finance:** **S&P** assigned a 'BB-' rating to **Insight Midwest Holdings** proposed \$2.575bln of bank credit facilities. It also assigned them a '2' recovery rating, indicating expectations for substantial (80%-100%) recovery of principal in a default or bankruptcy. It cited the firm's high leverage and "challenges it faces from direct-to-home competitors, as well as from **AT&T** in the longer term as that company rolls out video services," said S&P credit analyst *Catherine Cosentino* said. Insight's new financing is slated to refinance borrowings under the current bank facility, and to repay the \$630mln of 10.5% notes due '10, and a portion of the 9.75% notes due '09.

## CableFAX Daily Stockwatch

Company	09/20 Close	1-Day Ch	Company	09/20 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
AVID TECH:	42.64	0.31	BLNDER TONGUE:	1.20	(0.02)
BRITISH SKY:	41.63	(0.36)	BROADCOM:	28.21	(0.02)
DIRECTV:	19.34	0.13	C-COR:	8.77	0.09
DISNEY:	31.03	0.56	CISCO:	23.27	0.51
ECHOSTAR:	31.83	0.04	COMMSCOPE:	32.15	0.62
GE:	35.02	0.17	CONCURRENT:	1.52	(0.02)
HEARST-ARGYLE:	23.26	0.11	CONVERGYS:	20.77	0.18
ION MEDIA:	0.86	(0.03)	CSG SYSTEMS:	26.18	0.18
NEWS CORP:	19.90	0.17	GEMSTAR TVG:	3.40	0.15
TRIBUNE:	30.69	0.08	GOOGLE:	397.00	(6.81)
<b>MSOS</b>					
CABLEVISION:	23.01	(0.22)	HARMONIC:	7.15	(0.01)
CHARTER:	1.55	0.08	JDSU:	2.19	0.04
COMCAST:	35.05	0.54	LEVEL 3:	5.36	0.18
COMCAST SPCL:	35.02	0.56	LUCENT:	2.28	0.00
GCI:	12.80	0.05	MICROSOFT:	27.16	0.30
KNOLOGY:	10.05	0.04	MOTOROLA:	25.25	0.32
LIBERTY CAPITAL:	82.04	(0.04)	NDS:	42.50	0.86
LIBERTY GLOBAL:	25.66	0.22	NORTEL:	2.32	0.02
LIBERTY INTERACTIVE:	19.68	(0.21)	OPENTV:	2.99	(0.03)
MEDIACOM:	7.24	0.12	PATH 1:	0.63	0.00
NTL:	25.24	0.90	PHILIPS:	34.66	0.46
ROGERS COMM:	52.63	0.53	RENTRAK:	11.35	0.12
SHAW COMM:	29.48	0.71	SEACHANGE:	8.72	0.05
TIME WARNER:	17.61	0.22	SONY:	41.54	(0.22)
WASH POST:	738.00	(3)	SPRINT NEXTEL:	17.48	0.14
<b>PROGRAMMING</b>					
CBS:	28.56	(0.08)	THOMAS & BETTS:	45.70	0.71
CROWN:	4.38	0.01	TIVO:	7.75	0.08
DISCOVERY:	13.98	0.09	TOLLGRADE:	8.65	0.25
EW SCRIPPS:	46.68	0.63	UNIVERSAL ELEC:	19.39	(0.08)
GRUPO TELEVISIA:	21.51	0.28	VONAGE:	7.14	(0.06)
INTERACTIVE CORP:	28.35	0.38	VYYO:	4.66	0.01
LODGENET:	18.99	0.38	WEBB SYS:	0.07	0.01
NEW FRONTIER:	8.56	(0.09)	WORLDGATE:	1.79	0.23
OUTDOOR:	11.00	0.33	YAHOO:	25.64	(0.11)
PLAYBOY:	9.79	0.42	<b>TELCOS</b>		
UNIVISION:	34.43	(0.01)	AT&T:	32.06	0.62
VALUEVISION:	11.75	0.10	BELLSOUTH:	42.07	0.74
VIACOM:	37.25	0.29	QWEST:	8.80	0.15
WWE:	16.84	0.23	VERIZON:	36.67	0.67
<b>TECHNOLOGY</b>					
3COM:	4.41	0.12	<b>MARKET INDICES</b>		
ADC:	14.45	0.12	DOW:	11613.19	72.28
ADDVANTAGE:	3.95	(0.12)	NASDAQ:	2252.89	30.52
AMDOCS:	38.85	0.37			
AMPHENOL:	61.17	1.41			
ARRIS GROUP:	11.80	0.55			

HGTV's Design Star was the **#1** Prime Time Cable Show on 9/10/06 <sup>1</sup>

HGTV also broke prime time monthly records in HH ratings and delivery of key demos (A25-54, W25-54, A18-49 & W18-49)! <sup>2</sup>

HGTV has always been the leader in lifestyle programming - and now a leader in all of cable programming!



Source: NMR; L+SD; 1 Design Star prog rtg Su 9/10/06 9P-10P, compared to all ad-supported cable progs 9/10/06 8P-11P among P25-54. 2 Nielsen Media via Star Media's Multi-Trak Analysis, Standard Prime Aug'06 TD (7/31/06-8/27/06)

## Think about that for a minute...

### Thanks, Uncle Louie

Sol Schildhouse died last Friday. If you don't know who Sol was, or even if you do, you would be well served to go to the CableCenter web site ([www.cablecenter.org](http://www.cablecenter.org)) and read the transcript of the oral history interview Sol did back in 1991. It's some of the most fascinating reading you will do on many different levels, both learning about Sol's life, and how he helped breathe life into the cable industry.

Sol was the first chief of the Cable Bureau at the FCC.



**Steve Effros**

He was the one who got the Cable Bureau created out of the ragtag guerrilla band of lawyers he put together in the Cable Task Force, which he led in the late 1960s. I became part of that band, and Sol was definitely the band leader. He almost single-handedly devised the strategy and had us engage in the battle to

get cable television legitimized under federal law.

That was no easy task.

I won't go into all the gory detail of the political and economic warfare between the fledgling cable industry and the established broadcast and programming (copyright/movie) industries over allowing cable to grow. It was tough and very well recounted in Sol's oral history. It's definitely something everyone involved in this industry should read, even if only to get the flavor of how these things actually happen in Washington. It's not pretty. Sol's memory is not perfect, but the flavor is certainly there, and absolutely tart.

I reread it the other day, upon hearing that Sol had died in his sleep at age 89. His recollections of his childhood and growing up in the 1930s is worth the read without ever getting to the story of cable. But it's that story for which he will be long remembered.

Sol was a damn good lawyer and one of the best legal writers in the business. He graduated from Harvard after his Uncle Louie took him up there from his home in New York City and informed him he was going to Law School. Sol was planning to be a baseball player. Uncle Louie, says Sol, always said "...that boy's going to be something," and so law school it was. Louie was right. Sol wound up on the Harvard Law Review.

Again, go look at the transcript to get the full story. I'm going to jump to the part I know about: Sol as the cheerleader, bandleader, guerilla battler for the cable industry at a time when the FCC was almost totally controlled by the broadcast industry.

I was part of the small team Sol put together to see if we could craft new regulations that would allow cable to reach major metropolitan areas. We got that opportunity, as I have mentioned in past columns, because Dean Burch became Chairman of the FCC at that time, and unlike many political appointees, Burch was not run by ideology; he was run by ideas. Sol had plenty of them!

The 1972 rules ended the federal "freeze" on cable development. The industry we know today happened because Sol got those rules through the legal and political maze. That's why Dean Burch gave him a leather-bound copy of them (it's in the CableCenter collection now) with gold embossed lettering saying "Sol's Baby."

He was so right.

We all have a lot to thank Sol Schildhouse for, and we also ought to thank Uncle Louie. He was right, too. That boy did, indeed, come to be something special to an entire industry.

*Steve*

T:703-631-2099  
[steve@effros.com](mailto:steve@effros.com)

### Troubleshooting Digitally Modulated Signals with a QAM Analyzer

[hosted web event]

**Title:** Trilithic and Communications Technology are presenting a free Webcast on troubleshooting digitally modulated signals with a QAM analyzer featuring Cisco System's Ron Hranac and Trilithic's Steve Windle.

**Date:** Wednesday, September 27

**Time:** 8 a.m. PST, 11 a.m. EDT, 4 p.m. GMT

To register for the event, please log on at [www.ct-magazine.com](http://www.ct-magazine.com) for more details and information.

Sponsored by



**Communications  
 TECHNOLOGY**

DISCOVERY  
**ATLAS**

**AN UNPRECEDENTED VISUAL JOURNEY**



Leverage the powerful appeal of Discovery ATLAS to drive connectivity to your HD service.

Stunning High Definition Photography  
Cutting Edge Special Effects

Discovery ATLAS premieres with *China Revealed*, narrated by actor James Spader, on October 1st at 9pm e/p.

Episode 2

*Italy Revealed*

October 8

Episode 3

*Brazil Revealed*

October 15

Episode 4

*Australia Revealed*

October 22





## CableWorld's Top 50 Influential Women in Cable Nomination Form

Who are cable's most influential women executives? Help us decide by nominating the executives you think should be on our list of the Top 50 Most Influential Women in Cable. We will rank the Top 50 in the Nov. 6 issue of *CableWorld*. Nominations are open to all cable operators, programmers, vendors and trade associations.

**Deadline for nominations: Sept. 29, 2006**

**Submit by fax:** 212-621-4895

**By mail:** Shirley Brady, *CableWorld*, 110 William St., 11<sup>th</sup> Floor, New York, NY 10038

**Online:** [www.cableworld.com/cableworld/](http://www.cableworld.com/cableworld/)

---

### PLEASE FILL OUT THE FOLLOWING:

#### ***Nominee Information***

Name \_\_\_\_\_

Title \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

Email \_\_\_\_\_

Phone \_\_\_\_\_

#### ***Nominator Information***

Name \_\_\_\_\_

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)**