

CableFAX Daily™

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What the Industry Reads First

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Cut to the Chase: News Corp Likes Sports, But Quiet About Possible Net

News Corp's Chase Carey declined to say whether or not **Fox** would launch a national sports network, but made it clear that the company likes sports. Really, really likes sports. Speaking at **Goldman Sachs'** conference Thurs, Carey said **Speed** and **Fuel** give Fox "a real opportunity to do some exciting things." Both have been discussed as possible channel flips for an upcoming national sports net. "We think sports content opens an array of opportunities for us," he said. The News Corp COO brushed aside the suggestion of competing with 800lb gorilla **ESPN**. "ESPN is in a different game...We're going to be prudent," Carey said, explaining that sports is complicated partly because of the associated costs. The upside? "It doesn't get fragmented. There's only 1 **NFL**, 1 **MLB**, 1 **Pac-12**... It becomes more important than ever." He was less cagey about renewals for **Fox News**: MVPDs are going to pay more. Fox News is in the process of negotiations for its next round of renewals (**Time Warner Cable** inked a deal last month). "By the beginning of next calendar year, we will have renegotiated half of that universe," Carey said. "We aim to take that business closer to what we think reflects the value of the channel." And there is room for more Fox Cable growth. "We've got channels that still haven't come close to reaching their potential," he said, calling out **Nat Geo** (former **Fox Reality** head **David Lyle** took over the channel in Aug '11). Carey has spent time on both sides of the negotiating table having previously served as CEO of **DirectTV**. While he said he understands the economic concerns out there for consumers (and MVPDs worried about increasing their bills), he pointed to his time at DirectTV. "As much as people care about price, if you give them a great experience, they'll pay for a great experience."

Goldman Sachs Notebook: Sorry, "Take My Money, **HBO**" fans. Looks like you'll have to move to Scandinavia for an a la carte HBO product. **Time Warner** did launch such a service there, but doesn't have any interest in creating a cord-cutter friendly HBO offering in the US because the take-rate for cable and satellite is so high, CEO **Jeff Bewkes** said at the conference Thurs. The Scandinavian a la carte launch was because there wasn't a good alternative for regular TV distribution, but the broadband plant was very good, he said. "If that were the situation in the US, we'd do the same thing," he said, noting that affiliate contracts do not prevent HBO from offering a standalone product. "In the US, we've

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Robert Irvine
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Sources: Beta Research, Cable Subscriber Evaluation Study, August 2012. Based on Women 18+.

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got a bunch of longstanding distributors—cable, satellite and telco—that reach basically 94% of the population. Of the other 6% that they don't reach, there probably are some people that you'd want. But there are some people who if you signed them up, they'd probably die the next day. Because they're old." That got some laughs. Bewkes said HBO Go makes pushing premium HBO more attractive to distributors. "There are 90mln+ homes on multichannel and only 30mln have HBO," he said. "Our effort for now is to go through that 70mln HH multichannel group that isn't currently signed up for HBO and get our affiliates to offer it to them in a more attractive, better priced way. And it's happening." -- **Frontier Comm** has its eyes on cable subs affected by service outages and rate changes, COO *Dan McCarthy* said. "We are looking at what is the right mix of messaging and promotional offers that really allow us to do that. I think you will see us be pretty aggressive in that area," he said. "People don't wake up every day and say 'I want to switch broadband providers.' It's about finding what's that lever to pull," he said. "Sometimes it's a message at a key point... It could be during an outage, it could be during change of prices for them," he said. Meanwhile, the rural telco recently launched "Simply Broadband," a standalone service without an associated access line. "We are seeing success in attracting and retaining customers with this product and it is having a positive impact on our Q3 residential customer counts," McCarthy said. -- Online franchise deals with companies like **Netflix** don't hurt **Disney's** linear TV viewership, CFO *Jay Rasulo* said. Citing Disney's solid summer ratings, Rasulo said the online deals have helped Disney market its content domestically and internationally. When it comes to sports content, Rasulo's bullish about **ESPN's** financial outlook. "We see ESPN as a business that continues to be a growth vehicle." ESPN's solid position is supported by long-term deals and strong affiliate relationships, he said. The company will continue to expand the net to alternative platforms aggressively.

HBO Doings: After 30 years at **HBO**, CEO *Bill Nelson*, 63, is retiring at the end of the year, handing the net over to co-pres *Richard Plepler*, who has been with HBO since '92. The new management structure also includes *Eric Kessler* as pres/COO. *Michael Lombardo* continues as pres, programming. "I feel very comfortable in taking this step now because I know HBO will continue in its tradition of innovation and acclaimed programming and retain its superior position in our industry in the hands of Richard, Eric, Mike and the entire team," said Nelson, who started his career at **Time Inc.** "I am proud to say that I feel the company has never been in better shape financially or creatively" since an "ambitious agenda" was set 5 years ago when he became CEO. Under Nelson's tenure, the net saw a resurgence of original programming and most recently 81 Emmy nominations. HBO's been a revenue generator for parent **Time Warner**. "Bill and I have worked together for many, many years and though I'm sad to see him leave, I respect his decision to enjoy retirement," said Time Warner CEO/chmn *Jeff Bewkes*, calling Nelson a "world-class CEO" who leaves the company "well-positioned for the future." Shares of Time Warner rose slightly to \$45.79 in late pm trading Thurs.

M&A Watch: **Liberty Global** proposed a \$2.5bln bid for the other half of Belgian cable op **Telenet** that it doesn't already own. "As a long-term, industrial player in European cable, this shows our commitment to the Belgian market. Telenet is one of our most successful operations and a core part of our growing pan-European platform. We remain very supportive of the existing management team and employees at Telenet, all of whom have contributed to the company's success," Liberty said in a statement.

Survey: Cable ops beat telcos in **J.D. Power's** latest residential telephone customer satisfaction survey, with **Cablevision**, **Bright House Networks**, **Cox** and **WOW!** ranked as the top regional providers. In the East Region, Cablevision's Optimum Voice was the top phone service, scoring 706 on a 1,000-point scale, followed by **Verizon** and **AT&T**. Cox ranked the 1st in the West Region with 704 points, followed by **Comcast** and **Verizon**. Bright House dominated the South Region with 728 points, followed by Verizon and Cox. WOW! led the North Central region with 732 points, followed by **Cincinnati Bell** and **AT&T**.

In the States: The long-awaited start to **Voom's** breach of contract lawsuit against **DISH** will wait a while longer. There weren't enough people Thurs in the jury pool. Things won't resume until Monday. -- **HRTV** picked up carriage in Winona, MN, through **Hiawatha Broadband** and in Whitley County, KY, via **Access Cable Television**.

Programming: **Spike TV** picked up 10 eps of the 30min-show "Urban Tarzan," which follows extreme animal handler who rescues, captures and relocates dangerous and exotic animals. The series is scheduled to debut in spring '13. -- **CBS Sports Network** added a weekday late night show "Lead Off" to its daily sports conversation.

BUSINESS & FINANCE

Hosted by *Doug Gottlieb*, the 1-hour show that premieres Oct 22 marks Gottlieb's CBS Sports debut since leaving **ESPN**. -- The most-decorated Olympian swimmer is venturing into golf. *Michael Phelps* will join golf's funnyman *David Fherty* for a special Ryder Cup-themed Feherty Live from Chicago, airing Wed at 9pm on **Golf Channel**. The special will feature appearances by former Ryder Cup captains *Paul Azinger*, *Sam Torrance* and *Lanny Wadkins*.

Ratings: Heavenly numbers for **GMC's** "Touched by an Angel" premiere marathon over the weekend, which generated the net's highest weekend ratings in net history for HHs, women 25-54 and adults 25-54. It peaked Sun at 10pm with a 0.5 HH rating.

On the Circuit: **WICT** NY hosts an Executive Women's Luncheon Mon titled "Developing the Next Generation of Women Leaders," 11am-2pm, Mandarin Oriental, NYC. **CNN's** Soledad O'Brien leads a panel that includes **ESPN's** *Sean Bratches*, **Girl Scouts of the USA's** *Anna Maria Chavez*, **Comcast's** *D'Arcy Rudnay* and **White House Project's** *Marie Wilson*.

People: **GSN** hired former **Zynga** exec *Jeff Karp* to the newly created post evp, mobile & social games. -- **Nat Geo** hired *Hoel Siegel* as svp, production and development and promoted *Lynn Sadofsky* to vp, production and development.

CableFAX Daily Stockwatch

Company	09/20 Close	1-Day Ch	Company	09/20 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	52.35	(1.29)	CONCURRENT:	4.40	0.08
DISH:	30.98	(0.37)	CONVERGYS:	16.11	0.05
DISNEY:	52.66	(0.04)	CSG SYSTEMS:	23.04	0.16
GE:	22.43	0.17	ECHOSTAR:	28.60	(0.56)
NEWS CORP:	25.22	0.13	GOOGLE:	728.12	0.62
MSOS					
CABLEVISION:	16.49	(0.23)	HARMONIC:	4.75	(0.11)
CHARTER:	80.28	(0.1)	INTEL:	23.18	0.03
COMCAST:	35.95	0.57	JDSU:	13.03	(0.16)
COMCAST SPCL:	34.90	0.48	LEVEL 3:	23.58	(0.26)
GCI:	9.84	0.10	MICROSOFT:	31.45	0.40
LIBERTY GLOBAL:	57.69	0.41	RENTRAK:	16.73	(0.25)
LIBERTY INT:	18.52	(0.08)	SEACHANGE:	7.88	(0.17)
SHAW COMM:	20.64	(0.2)	SONY:	12.87	(0.42)
TIME WARNER CABLE:	93.58	0.22	SPRINT NEXTEL:	5.44	(0.12)
VIRGIN MEDIA:	30.44	0.12	TIVO:	9.72	0.03
WASH POST:	361.76	(1.41)	UNIVERSAL ELEC:	16.87	(0.15)
PROGRAMMING					
AMC NETWORKS:	42.01	0.76	VONAGE:	2.50	0.01
CBS:	36.70	(0.36)	YAHOO:	15.79	(0.07)
CROWN:	1.69	(0.01)	TELCOS		
DISCOVERY:	59.58	0.14	AT&T:	37.94	0.18
GRUPO TELEVISA:	23.88	(0.66)	VERIZON:	45.49	0.22
HSN:	48.40	0.17	MARKET INDICES		
INTERACTIVE CORP:	54.01	1.32	DOW:	13596.93	18.97
LIONSGATE:	15.60	(0.01)	NASDAQ:	3175.96	(6.66)
LODGENET:	0.40	0.01	S&P 500:	1460.26	(0.79)
NEW FRONTIER:	1.36	0.01	TECHNOLOGY		
OUTDOOR:	7.22	0.02	ADVANTAGE:	2.25	0.11
SCRIPPS INT:	61.84	0.18	ALCATEL LUCENT:	1.20	(0.01)
TIME WARNER:	45.79	0.28	AMDOCS:	33.36	(0.19)
VALUEVISION:	2.23	(0.05)	AMPHENOL:	61.89	(0.52)
VIACOM:	55.07	0.63	AOL:	34.48	(0.12)
WWE:	8.71	UNCH	APPLE:	698.70	(3.4)
MARKET INDICES					
			ARRIS GROUP:	13.33	(0.13)
			AVID TECH:	9.57	(0.38)
			BLINDER TONGUE:	1.07	0.03
			BROADCOM:	36.11	(0.46)
			CISCO:	19.11	(0.01)
			CLEARWIRE:	1.44	(0.12)

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PROGRAMMER'S PAGE

Emmy Picking


It's that time of year, when **CableFAX** editors make predictions of who will (or should) win Emmys Sun. Bragging rights and a free soda are on the line as editors *Amy Maclean* and *Kaylee Hultgren* make their picks. **Outstanding Comedy and Outstanding Lead Actress and Actor in a Comedy** *Amy*: HBO's "Girls" has heaps of praise, but the boys of CBS' "The Big Bang Theory" take this one. "Girls" *Lena Dunham* may bring home an actress win. As best actor, *Louis C.K.* of FX's "Louie." *Kaylee*: I totally disagree. "Girls" will win precisely because of the press—which, by the way, was not all good. Best Actress is the "adorkable" *Zooey Deschanel* and for Best Actor I agree on *Louie*. We'll split the soda.

Outstanding Drama Series and Outstanding Lead Actress and Actor in a Drama *Amy*: AMC's "Breaking Bad" has this one, finally. **Showtime's** "Homeland" should get it, but its newbie status will prevent that. Still, *Claire Danes* has an excellent shot at lead actress. *Jon Hamm* finally wins, but *Bryan Cranston* should. *Kaylee*: Though I agree Hamm deserves it for previous performances, this season was not "outstanding." Cranston will clinch his 4th. For Drama it's "Downton Abbey." No argument with *Claire Danes*. **Outstanding Miniseries or Movie and Lead Actress and Actor in a Mini/Movie** *Amy*: Sorry, "American Horror Story." **History's** "Hatfields & McCoys" is going to (and should) win. Best actress? *Honey Boo Boo*. Kidding. *Julianne Moore* should win for her transformation into *Sarah Palin* in HBO's "Game Change." *Kevin Costner* or *Bill Paxton* for best actor. *Kaylee*: Agree "Hatfields," but will go with *Connie Britton* for lead actress. *Idris Elba* as John Luther should win for best actor. **Outstanding Variety Series** *Amy*: As much as I love *Colbert* and *Stewart*, it's *Jimmy Kimmel's* year. *Kaylee*: I'm going with *Colbert*. His show recently has upped the "variety," adding more music acts and zany numbers than in the past.

Reviews: "Curvy Girls," Tues, 9p, **nuvotv**. Reality TV can be interesting when it focuses on largely unseen niches. An example is **nuvotv's** fine docu-series that probes the world of 4, gorgeous plus-size Latina models. What makes it watchable is the ladies' dreams, desires and issues seem similar to those shared by many: they juggle home and career, worry about their looks, relationships and weight, but with a twist, several models fight to keep their weight high enough. There's a problem many of us wouldn't mind having. -- "Boardwalk Empire," Sun, 9p, **HBO**. For those concerned that Atlantic City kingpin "Nucky" *Thompson* (*Steve Buscemi*) has gone straight, not to worry. Viewers' bloodlust will be sated this season by gangster *Gyp Rosetti* (played with appropriate viciousness by *Bobby Cannavale*). There's also Al Capone (*Stephen Graham*) and Lucky Luciano (*Vincent Piazza*). Oh, and Nucky's far from an angel. -- "Treme," Season 3 premiere, Sun, 10p, **HBO**. This post-Katrina New Orleans drama deserves a larger following. It's simply a delight, with rich, layered characters and stories and live music. This season emphasizes New Orleans' gritty side by focusing on everyday characters like police Lt. *Terry Colson* (*David Morse*), musician *Sonny* (*Michiel Huisman*) and schoolteacher *Desiree* (New Orleans native *Phyllis Montana-LeBlanc*). -- "Croom," Tues, 7p, **ESPNU**. A fabulous look at the SEC's 1st black coach.

Basic Cable Rankings (9/10/12-9/16/12)			
Mon-Sun Prime			
1	ESPN	2.5	2442
2	USA	2.0	1986
3	FOXN	1.9	1841
4	NFLN	1.6	971
5	DSNY	1.5	1509
6	TNT	1.4	1410
6	HIST	1.4	1385
8	TBSC	1.2	1216
9	A&E	1.1	1086
10	HGTV	1.0	1005
10	FX	1.0	965
10	TLC	1.0	945
10	AMC	1.0	824
14	ADSM	0.9	925
14	FAM	0.9	859
14	MSNB	0.9	858
14	SYFY	0.9	841
14	DSE	0.9	67
19	FOOD	0.8	828
19	LIFE	0.8	777
19	TRU	0.8	775
22	DISC	0.7	740
22	NAN	0.7	671
22	BRAV	0.7	641
22	TVLD	0.7	631
22	NKJR	0.7	556
22	ID	0.7	535
28	MTV	0.6	597
28	SPK	0.6	571
28	HALL	0.6	533
28	LMN	0.6	495
32	CNN	0.5	522
32	EN	0.5	501
32	CMDY	0.5	490
32	BET	0.5	411
32	OWN	0.5	381
37	APL	0.4	385
37	VH1	0.4	379
37	ESP2	0.4	361
37	TRAV	0.4	336
37	GSN	0.4	324
37	NGC	0.4	313
37	WE	0.4	235
44	OXYG	0.3	263
44	DXD	0.3	254
44	HLN	0.3	249

*Nielsen data supplied by ABC/Disney



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