

CableFAX Daily™

Tuesday — September 25, 2012

What the Industry Reads First

Volume 23 / No. 185

Homeland Sweet Homeland: Blank Calls Emmy Wins 'Tipping Point' for Net

It was the rookie series that many critics thought would have to wait another year to earn a deserved Emmy, but "Homeland" dominated Sun's awards telecast. The series netted **Showtime** its 1st-ever Outstanding Drama Series win, with the series also scoring a best writing award and leads *Damian Lewis* and *Claire Danes* winning. It also broke **AMC** and **HBO's** streak of dominating in Drama. "We've really had a terrific series of shows in the past several years, and the business success has come along with it in terms of our growth in earnings and subscribers. But I do think this is a moment in time that's a real tipping point for the network," **Showtime** Nets chmn/CEO *Matt Blank* told us Mon. "It's a tipping point in terms of all the terrific equity that's been built for the brand. This show has done things for us that no other show has done for us before." The timing of the win couldn't be more perfect for the net, with Season 2 set to debut Sept 30. Showtime announced Tues that it will air a marathon of the 1st season on Sept 29. "Homeland" is the story of a CIA operations officer (Danes) who suspects an American prisoner of war deemed a war hero (Lewis) has been turned by Al-Qaeda. Can Showtime parlay the Emmy night success into getting affiliates to promote the network? "I think they have been, and they will," Blank said. "Look at what **Time Warner [Cable]** is doing in their markets around the country. They've been using 'Homeland' as the basis of a campaign. Yes, we hope more affiliates do that, and I think they will." The publicity the show received on Mon certainly helps put it front and center. In the meantime, Showtime will have to build on the momentum. Its popular "Weeds" just wrapped its final season, and "Dexter" will reportedly end in Season 8 (Blank said "to never say never... We're not willing to throw in that towel yet."). Two 1-hour dramas are in the works for next year, "Masters of Sex" and Hollywood fixer saga "Ray Donovan." "They are 2 of the best pilots we've seen here over the years, and we'll probably launch them next summer or fall," Blank said. "One of the great things about having these types of successes, this is a place where people want to work. Great projects are going to continue to come in the door, and even more so today." Less happy Mon was AMC, whose "Mad Men" didn't capture a single win, despite 16 nominations. "Breaking Bad" didn't fare much better, with it losing out for Best Drama and Best Actor. The net's lone Emmy win Sun was in the supporting actor category for *Aaron Paul* of "Breaking Bad." HBO did still lead the night with 6 wins. The premium net's "Game Change" did especially well, picking up wins in Outstanding Miniseries or Movie, Lead Actress for a Miniseries or Movie as well as Directing and Writing for a Miniseries or Movie. It had the most wins of any series for the evening. "Veep's" *Julia Louis-Dreyfus* took home the Best Actress honor. Showtime's final tally for the night was 4, all of which came for "Homeland." **FX** scored 3 wins Sun, including Outstanding Writing to *Louis C.K.* for "Louie" and Best Supporting Actress in a Mini or Movie for *Jessica Lange* of "American Horror Story." **History** took home wins in 2 categories ("Hatfields & McCoys" *Kevin Costner*, Lead Actor for Mini/Movie and co-star *Tom Berenger* for Supporting Actor in a Mini/Movie). **Comedy Central's** "Daily Show" took home its 10th straight win in the Variety Series category.

Exclusive Club: Google's new to the fiberhood, but it's already raising the same concerns cable's competitors have for

RIGHT NOW

THERE'S NEVER BEEN A BETTER TIME TO LAUNCH USN

Following the most-watched Olympic Games in history, now is the time to launch Universal Sports, the only network dedicated to Olympic and endurance sports year-round. USN showcases the world's best athletes in more than 30 Olympic sports, and in 2013 will televise 25 World Championships and over 1,200 hours of exclusive event coverage. USN affiliates also get full TV Everywhere rights, extensive VOD content and Universal Sports MAX, a virtual second channel online.



Expand Your Sports Universe



Contact Emily Love | P: 310.995.6934 E: elove@universalsports.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, 818.945.5309, mgrebb@accessintel.com ● Editor: Joyce Wang, 301.354.1828, jwang@accessintel.com ● Community Editor: Kaylee Hultgren, 212.621.4200, khultgren@accessintel.com ● Advisor: Seth Arenstein ● Group Publisher, Media Entertainment: Denise O'Connor ● Publisher: Debbie Vodenos, 301.354.1695, dvodenos@accessintel.com ● Assoc Publisher: Amy Abbey, 301.354.1629, aabbey@accessintel.com ● Marketing Dir: Barbara Bauer, 301.354.1796, bbauer@accessintel.com ● Prod: Joann Fato, 301.354.1681, jfato@accessintel.com ● Diane Schwartz/SVP Media Communications Group ● Subs/Client Services: 301.354.2101, fax 301.309.3847 ● Group Subs: Amy Russell, 301.354.1599, arussell@accessintel.com

years. Late last week, Google told the **FCC** that it was having difficulty obtaining must-have live regional programming. In a phone conversation with FCC staffers, Google reps "inquired about the continuing ability of competitors and new entrants to access essential regional sports programming" as the FCC considers allowing the program exclusivity ban to sunset on Oct 5, according to an ex parte filing. FCC chmn *Julius Genachowski* has circulated an order that would allow the ban to sunset, but let MVPDs file complaints on a case-by-case basis. **DirectTV** chimed in on Fri, saying that it thinks such an ad hoc approach would create a "regulatory morass." In the absence of a cable exclusivity prohibition rule, the satellite provider said the FCC needs to adopt a rebuttable presumption that such exclusive arrangements of sports content aim to hinder any MVPD (similar to the presumption the FCC applied to terrestrial cable programming for RSNs, but taking it further to include national nets with sports content). **Comcast**, which challenged the FCC's extension of the rules in '07, would be subject to program access arbitration conditions through '18 for Comcast-controlled networks. The condition would not apply to Comcast-affiliated networks, such as **A&E**, **MLB**, **Comcast Sports Net Chicago** and **Weather Channel**. Overbuilder **RCN**, an **ACA** member serving Boston, NYC, DC, and other areas, said allowing the rule to sunset would harm consumers. "Were a cable operator to withhold any of this programming, the results would be devastating, particularly for a mid-sized company like RCN that already pays more than our larger rivals for programming in the 1st place," RCN CEO *Jim Holanda* wrote to the FCC Fri. If the FCC proceeds with lifting the ban, it wants similar presumptions to what DirectTV requested, including an automatic temporary standstill when a complaint is filed.

Internet Essentials: "If we can find the kind of alignment" that can benefit both the public and business, "it's perfectly fine," said FCC chmn *Julius Genachowski* at a forum by the **Joint Center for Political and Economic Studies** Mon. He was referring to **Comcast's** Internet Essentials program, which offers low-cost Internet services for eligible customers. The program is a condition of the agency's approval of the Comcast/NBCU merger. As the program's being rolled out, execution is key. "We need to make it work smoothly" or the program would lose eligible subs, Genachowski said. Closing the broadband gap is clearly high on Genachowski's to-do-list. "We do everything we can think of to tackle the adoption challenge," he said, noting teachers often cite lack of broadband access at students' homes as a major obstacle. Meanwhile, Comcast celebrated the 2nd year of Internet Essentials at an event at DC's Kramer Middle School, distributing hundreds of backpacks filled with school supplies and info on Essentials in conjunction with the **Backpacks 4 Kids** program. To date, more than 100K families nationwide, including 2K families in DC, have signed up for the service, according to Comcast evp *David Cohen*, who also appeared with chmn/CEO *Brian Roberts*, Philly Mayor *Michael Nutter* and former **NFL** coach (and Essentials spokesman) *Tony Dungy* at a Philly high school Fri. New to the program this year: expanded eligibility, doubled broadband speeds (up to 3 Mbps down/768 Kbps up), upgraded online protection software, improved literacy training, a streamlined approval process and a bulk order program that allows community-based groups to purchase Essentials accounts for eligible families they serve. The program was expanded to include families with children eligible for the National School Lunch Program, bringing the total number of eligible families to 2.3mln.

In the Courts: **Cablevision's** network DVR victory is an important part of **Aereo's** legal defense. So, maybe the court will find it significant that Cablevision filed a brief Fri in support of **Fox** and other broadcasters suing the Internet streaming start-up. The MSO believes Aereo is seeking an expansion of CVC's public-performance holding that would extend it far beyond the case's facts. Cablevision said Aereo is really no different from a cable system other than the fact its content is

CableFAX Webinar

REGISTER NOW

Killer Cable Apps: Using Online Games and Apps to Drive Consumer Engagement

Thursday, September 27 1:30 - 3:00 PM ET | Go to: www.webcasts.com/CableGames

• ONLINE REGISTRATION CLOSES ON OCTOBER 5TH •

OCTOBER 14 - 16 • ORLANDO • 2012

insights
CTAM

summit
CTAM



Shawn Achor
CEO, Good Think Inc.



Porter Bibb
Managing Partner,
MediaTech Capital
Partners LLC



Deepak Chopra
Author and Founder,
Chopra Foundation
and Chopra Center



Dustin Garis
Corporate Innovator,
Procter & Gamble



David Gregory
Moderator, "Meet the
Press," NBC News



Peter Intermaggio
SVP, Marketing
Communications,
Comcast



Alex Iskold
CEO and Founder,
GetGlue



Judith Meyka
EVP of Programming,
NCTC



Alice Norsworthy
Executive Vice President,
Marketing & Sales,
Universal Orlando Resort



Ericka Pittman
Vice President, Blue
Flame Agency | A Sean
Combs Company



David Purdy
SVP Content, Rogers
Communications



Andrew Rosenberg
SVP Content Acquisition,
Time Warner Cable



**Meghann Sills
Elrhoul**
VP Client Services &
Analytics, Trendr



Allan Singer
SVP, Programming,
Charter
Communications

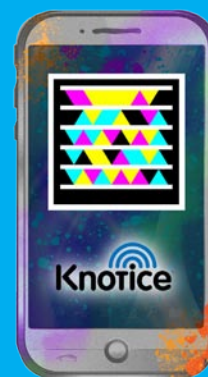


Dan York
Chief Content Officer,
DIRECTV, Inc.



Alan Wurtzel
President, Research,
NBC Universal
Global Networks

GET UPDATES
scan this tag to
watch a short
preview about
each conference



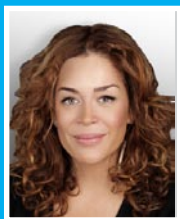
THESE FACE TIME SESSIONS ARE FILLING UP FAST!



Nomi Bergman
President,
Bright House Networks



Jerry Dow
Chief Marketing & Sales
Officer, Suddenlink
Communications



Susie Fogelson
SVP, Marketing, PR and
Brand Strategy,
Food Network and
Cooking Channel



Jeffrey Hirsch
EVP and Chief
Marketing Officer,
Time Warner Cable



Henry Schleiff
President and General
Manager Investigation
Discovery, Military
Channel and
Destination America



Jack Wakshlag
Chief Research Officer,
Turner Broadcasting
System Inc.

CTAMconferences.com

transmitted over the Internet, and it's not paying the statutory licensing and retrans fees. It isn't buying the argument that Aereo's individual antennas create private performances versus public ones, comparing the antennas to modern VOD systems. For example, if 10 subs all want to watch the same VOD movie, 10 separate transmissions are sent. Because any sub can receive a performance, they are public performances, even if rendered one at a time, CVC said. Another key difference in the cases, according to the MSO, is that Cablevision's RS-DVR recordings are independent from its licensed cable delivery system, while Aereo's hard-drive copies are an "inherent part of Aereo's delivery process." In July, a federal judge rejected broadcasters' temporary injunction for Aereo. Fox & friends are appealing. -- The Court of Appeals for the DC Circuit rejected a broadcast petition to stay the **FCC's** viewability order. The Commission voted in June to allow the rules requiring cable ops to carry analog and digital signals of must-carry stations to sunset Dec 12. Last month, the FCC denied the request for a stay by the trio of broadcasters and **NAB**; they then turned to the federal court (**Cfax**, 8/28).

Settlement Day: Verizon's patent settlements with **TiVo** and **ActiveVideo** came at hefty prices: \$510.4mln+ in total. The telco's agreement with TiVo, worth at least \$250.4mln, includes an upfront cash payment of \$100mln by Sept 28, followed by recurring quarterly payments totaling an additional \$150.4mln through July '18. The telco also will pay monthly license fees through July '18 for each Verizon DVR sub in excess of certain pre-determined levels. Additionally, the enemies-turned-friends are exploring the opportunity to make Internet video services developed by Verizon's joint venture with **Redbox** accessible through TiVo's DVRs. The settlement "positions us well with respect to future enforceability of our patents," TiVo CEO *Tom Rogers* said in a statement. The firm's looking forward to "working together on a variety of future opportunities..." he said. The deal is the latest reached by TiVo. The company struck a similar deal with **AT&T** in Jan with the telco agreeing to pay at least \$215mln, following settlements with **DISH** and **EchoStar** in '11 for \$500mln. TiVo is "moving forward" on its other cases involving **Motorola**, **Cisco** and **Time Warner Cable**, Rogers said during the company's 2Q earnings call (**Cfax**, 8/30). The agreement with CloudTV developer ActiveVideo has a \$260mln price tag. While the terms are confidential, the parties also agreed to cross-license their patents, agreed not to sue each other for a period of years, according to CEO *Jeff Miller*. Verizon simply said it's pleased to have reached settlements with both companies.

Advertising: **FEARnet** is now selling dynamic ad insertion for its free VOD content via **Canoe** software and services. **Sony Pictures TV**, which reps FEARnet's ad sales efforts, began inserting commercial DAI spots last month for 10 advertisers, including **Volvo** and **Anchor Bay Ent** ("The Walking Dead" Season 2 DVD). **Comcast** had the initial launch while FEARnet simultaneously began conducting rollout tests with **Time Warner Cable**. In the coming months, it expects to launch DAI to all its VOD carriers. FEARnet VOD is in 27mln homes, while the linear net is in 7mln.

OTT: **WWE** launched on **Hulu Plus** (\$7.99/mo) under an exclusive, multi-year deal. The service will offer unlimited instant streaming of additional WWE content and will be the exclusive home for next-day telecasts to all WWE programming.

COPPA Update: Mon marks the deadline to submit comments on **FTC's** proposed rulemaking on COPPA, announced a year ago. In a letter to the agency, Rep *Ed Markey* (D-MA) voiced his support for FTC's proposals to expand privacy protections to include mobile devices, location-based services and connected games. He also backs the agency's supplemental proposal to clarify that Websites directed to children and 3rd parties collecting personal info on children's websites are both responsible for COPPA compliance. Markey also urged the Congressional action in addition to FTC rulemaking. Markey and *Joe Barton* (R-TX) have introduced the "Do Not Track Kids Act" to update COPPA, which includes prohibition of targeted ads to children and teens 15 and younger, and methods to allow kids and parents to delete their personal info online.

Carriage: **Big Ten** returned to **DISH** over the weekend, with the 2 announcing a deal Sat morning. Short-term extensions had kept the channel on DISH past the contract's Aug 31 expiration, but the signal went dark on Sept 14.

PRNews SOCIAL MEDIA MEASUREMENT CONFERENCE

Reputation | Media Relations
Video | Crisis | Engagement

Learn to effectively measure your PR programs across all social media platforms!

Sponsored by:



20812

Tuesday, October 2 Grand Hyatt New York

Become an expert in:

- Aligning social media activity with your organization's business objectives
- Boosting your facebook engagement with meaningful metrics
- The nuts & bolts of social media measurement
- Proving PR's value with metrics that matter to your organization

Questions? Email Saun Sayamongkhun at saun@accessintel.com.

Register Online Today at
www.SocialMediaMeasureConference.com!

BUSINESS & FINANCE

Honors: HBO leads the pool of 192 CTAM Mark Awards finalists, with 25 nods. **Time Warner Cable** led distributors with 8 finalists. The awards are bestowed at CTAM Summit Oct 14.

Editor's Note: Learn more about how to use games and apps to drive engagement at Thurs' **CableFAX** Webinar. Among speakers: **Discovery's Miguel Monteverde**, **Verizon FiOS TV's Jason Henderson** and **AMC's Mac McKean**. More info at cablefax.com.

On the Circuit: NASA astronaut **Stephanie Wilson** and itaas pres/CEO **Vibha Rustagi** will deliver keynotes at **WICT's** Tech it Out Conference, Oct 18, during **SCTE** Cable-Tec Expo in Orlando. The program also will feature the '12 Women in Tech Award honoree **Jennifer Yohe Wagner** of **Comcast**.

People: **Viacom Intl Media Networks** announced leadership changes Mon. **Fernando Gaston**, svp, content & creative for **MTV, VH1** and **Comedy Central Latin America**, will expand his role to become brand manager of the company's US Hispanic net **Tr3s**, succeeding the net's former gm/evp **Jose Tillan**, who's leaving for personal reasons. **Federico Cuervo**, vp, programming & production for **MTV, VH1** and **Comedy Central Latin America**, will replace **Gaston** as brand manager of **Comedy Central Latin America**. -- Former **Discovery** and **Nat Geo** exec **John Ford** is working as a programming consultant to **RLTV**. He's advising the 50+ net on programming, content development, prod and scheduling.

CableFAX Daily Stockwatch

Company	09/24 Close	1-Day Ch	Company	09/24 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	52.70	0.40	CONVERGYS:	16.42	0.17
DISH:	31.33	(0.58)	CSG SYSTEMS:	22.92	(0.06)
DISNEY:	52.92	0.18	ECHOSTAR:	28.67	0.29
GE:	22.36	(0.17)	GOOGLE:	749.38	15.39
NEWS CORP:	25.03	(0.05)	HARMONIC:	4.79	(0.04)
MSOS					
CABLEVISION:	16.38	0.06	INTEL:	22.80	(0.33)
CHARTER:	76.37	(3.06)	JDSU:	12.76	(0.14)
COMCAST:	36.43	0.20	LEVEL 3:	23.31	(0.23)
COMCAST SPCL:	35.37	0.26	MICROSOFT:	30.78	(0.41)
GCI:	10.26	0.01	RENTRAK:	17.09	0.19
LIBERTY GLOBAL:	60.28	0.71	SEACHANGE:	8.17	0.16
LIBERTY INT:	18.37	0.12	SONY:	12.36	(0.34)
SHAW COMM:	20.54	(0.08)	SPRINT NEXTEL:	5.70	0.05
TIME WARNER CABLE:	95.79	1.33	TIVO:	9.94	0.38
VIRGIN MEDIA:	29.75	0.14	UNIVERSAL ELEC:	17.24	(0.16)
WASH POST:	369.72	0.47	VONAGE:	2.27	(0.13)
PROGRAMMING					
AMC NETWORKS:	42.50	(0.12)	YAHOO:	16.00	0.27
CBS:	37.24	(0.66)	TELCOS		
CROWN:	1.70	0.05	AT&T:	38.25	0.17
DISCOVERY:	59.24	(0.66)	VERIZON:	45.68	0.04
GRUPO TELEVISA:	23.49	0.37	MARKET INDICES		
HSN:	48.48	(0.41)	DOW:	13558.92	(20.55)
INTERACTIVE CORP:	52.20	(1.02)	NASDAQ:	3160.78	(19.18)
LIONSGATE:	15.04	(0.33)	S&P 500:	1456.89	(3.26)
LODGENET:	0.40	0.02			
NEW FRONTIER:	1.31	UNCH			
OUTDOOR:	7.25	0.05			
SCRIPPS INT:	61.49	(0.13)			
TIME WARNER:	45.82	(0.08)			
VALUEVISION:	2.25	(0.09)			
VIACOM:	55.76	1.09			
WWE:	8.38	(0.22)			
TECHNOLOGY					
ADVANTAGE:	2.20	0.04			
ALCATEL LUCENT:	1.15	(0.04)			
AMDOCS:	33.00	(0.25)			
AMPHENOL:	60.71	(1.18)			
AOL:	33.76	(0.03)			
APPLE:	690.79	(9.3)			
ARRIS GROUP:	13.44	(0.11)			
AVID TECH:	9.62	(0.14)			
BROADCOM:	35.64	(0.59)			
CISCO:	18.80	(0.1)			
CLEARWIRE:	1.48	(0.07)			
CONCURRENT:	4.53	(0.21)			

SCTE CABLE-TEC EXPO '12
 OCTOBER 17-19 / ORLANDO, FL
 TECHNICAL SESSIONS: OCT. 16-19

Last Chance For Savings
 Pre-registration savings of \$100 ends Oct. 3
 Register today! expo.scte.org/cable



Keynote Speaker
Dean Kamen



Mike LaJoie
 Time Warner Cable Inc.

DON'T MISS THE HIGHLY-ANTICIPATED OPENING GENERAL SESSION

...with a can't miss keynote by renowned entrepreneur and inventor **Dean Kamen**

Kamen will be joined by Time Warner Cable's Mike LaJoie and will engage in a conversation-style discussion on entrepreneurship and innovation; helping the next-generation cable workforce to prepare for 21st-century jobs and next-generation energy sources and thinking for modern broadband networks.



EYE ON ADVERTISING

Don't Change that Channel...

TV ad spending rose 4.4% during Q2 from the same quarter a year prior, says new research from **Kantar Media**, which shows strong gains in Spanish-language TV (178%), syndication (10%), spot TV (4.6%) and cable (4.2%). To the contrary, print and online media spending declined during the quarter. Jon Swallen, chief research officer at Kantar Media North America, tells Cathy Applefeld Olson why advertisers continue to stay tuned.

Where is most ad money being spent?

JS: It continues to be disproportionately spent in television; the growth rates are far and away much higher than in the other sectors. If you divide advertising into three forms—video, audio and text—video advertising still remains the preference for advertisers, and right now video advertising means conventional linear television, or increasingly online video on the Web.

What do your findings mean for cable, which has less breadth but more depth with each audience?

JS: We paint these broad brush strokes—network television cable television, Spanish-language television... But those brush strokes are too broad. If you take the example of cable, it's really an amalgamation of 80, 90, 100 ad-supported networks with different targets and different audiences, profiles and ratings.

OK, let's dig down. Kantar data shows strong ad growth in the Spanish-language market.

JS: Spanish-language television is growing on the broadcast side and the cable side, though its distribution and ratings points are [still] heavily concentrated on the broadcast side. It's one of those market segments advertisers have been expressing their intent towards for the last 15-20 years. Reality hasn't always lived up to expectations, but in the past several years we've seen more sustained growth, even in the recession years. There's a stronger commitment from advertisers toward the Spanish-language marketplace. The demographics speak for them-

selves. This share of the population continues to expand even in a slow-growth economy. For packaged food and other mass merchandisers, when it's harder to generate sales they look for growth opportunities, and the Spanish market represents tremendous potential.

What some other pockets that offer growth potential?

JS: We segment the market based on advertising categories. Where I see the current growth in cable advertising is coming from some of the traditional bellwether categories: Automobile, restaurants, telecom, financial services. Those have always been categories that were very important and drew high spenders not only in cable but in broadcast as well. And those categories have a disproportionate effect and influence on the total amount of money that flows into the media.

Ad spending in Q2 slipped in online and print. Print is not so surprising. What's going on with digital?

JS: We are currently only reporting on display advertising—not online video—and traditional display advertising is the most mature form of online advertising. Things like search and video and social have come along and competed for line budgets. Display ads are predominately text, and money is beginning to move out of display, and growth rates are lagging behind other forms of digital.

Is the 360-degree advertising approach needed?

JS: Digital is sexy, and sexy sells. Individual media companies have shareholders and growth rates and profit margins they are trying to achieve, and in a slow-growth world it's harder to grow your slice of the pie. One of the logical ways try to increase your slice is to add to your shelf space. The barriers to entry for digital are fairly low, and everyone feels if you're going to continue to grow you have to look outside your traditional acreage. That's what we're seeing now. Everyone is trying to develop online extensions of their non-digital business offerings, and that creates a much more complex market.



CableFAX

PROGRAM AWARDS Top Ops AWARDS

Tuesday, October 30 • Breakfast 8-10am • NYC

Register Here: www.cablefax.com/ProgramAwards