

# CableFAX Daily™

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What the Industry Reads First

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## Election '12: CNN Talks About Using TVE in Presidential Race

*With the final presidential debate set for Mon night, we checked in with Alex Wellen, CNN vp, video products and business, for the net's strategy on Election '12 with TV Everywhere. What's CNN's strategy to cover the election with TV Everywhere technology?* With more than a million video sessions lasting longer than an average of 22 mins across all digital platforms, the 1st presidential debate confirmed how crucial TVE is to the future of news consumption. First and foremost, our strategy is to (1) make it easy for viewers to access the CNN TV live stream and (2) deliver the most reliable, best-in-class video experience across all devices. As part of our strategy to weave TV Everywhere into our election coverage, we built and now feature a "On Live TV Now" module on CNN.com's homepage and across our apps that makes our TV Everywhere products a click away. **How do you inform viewers without overwhelming them?** We have a cross-functional team from editorial, product, design, usability, technology, and business dedicated to surfacing core election data as well as differentiated editorial coverage and analysis. For video, this team is always giving considerable thought around each election milestone and what consumers expect to find, discover, and enjoy. **How has TVE changed how people consume election content?** Our users don't necessarily make a distinction between what is on CNN TV and what is on CNN.com. They expect to see Wolf Blitzer and Anderson Cooper streaming live across our digital platforms, and now we can differentiate ourselves from the competition by delivering on this anywhere-anytime promise to a mass audience. TV Everywhere also enables us to evolve the experience on both TV and digital platforms, whether it's recruiting a new audience or complementing our television coverage with a companion experience. For example, as part of the presidential debates, we began rolling out video technology that addresses these goals including live closed captioning, real-time clip and share technology, and DVR or "start over" capabilities. **Does TVE hurt primetime ratings?** We're seeing TV Everywhere reinforce our existing audience and grow our overall viewership by expanding the number of access points. Whether they lean forward at work, lean back at night, or find themselves on the go, our digital platforms enable them to stay connected to CNN and CNN TV in real-time. This is particularly crucial in a breaking news environment like elections where most people turn to the closest screen. **What about sponsorships for online streaming of debates?** For the 1st debate, we saw nearly 5mln live and VOD streams, and the new video experience enables us to launch unique advertising executions on behalf of our existing elections sponsors. Our sales team is always pursuing additional sponsorship opportunities, including the remaining debates that will include some pretty exciting and innovative custom ad executions. *[The online stream of Mon's debate was sold to Tyco as one media element for an overall branding campaign, a spokeswoman said. Upon launch of the video player, CNN.com users will be shown a Tyco-branded billboard, and the video player will be skinned as well. This also extends to viewing on the CNN YouTube channel.]*

**Lucas Out:** After a little more than a year as pres/CEO of **TV One**, Wonya Lucas will step down as **Radio One** pres/CEO Alfred Liggins adds oversight of the net to his job effective Nov 1. "Wonya has created a strong foundation for



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TV One's future success with the launch of two new hit series, 'R&B Divas' and 'The Rickey Smiley Show,'" Liggins said. "I and the Radio One family thank her for her leadership and guidance and wish her well in her next endeavor." Radio One owns 51% of the net, with **Comcast-NBCU** also an investor.

**Voom-DISH:** Those **Voom** settlement talks proved fruitful (*Cfax*, 10/19), with DISH customers getting to watch Sun night's "The Walking Dead" on AMC. All well and good for them, but what about those of us who wanted to see *Charlie Ergen* take the stand Mon? Under the settlement, DISH will pay \$700mln in cash (to be split between **Cablevision** and **AMC Nets**). Of that sum, \$80mln is for 500 MHz of wireless multichannel video distribution and data service spectrum licenses covering 45 DMAs. In addition to AMC's return to DISH Sun (it had been off since July), a multi-year agreement was signed for **IFC**, **WE**, **Sundance** and **Fuse**. Those channels return Nov 1. DISH also transfers its 20% interest in Voom HD to **Rainbow Programming Holding** (an indirect wholly owned subsidiary of AMC Nets). How did it play with analysts? **Wells Fargo's** *Marci Ryvicker* called it a positive catalyst for DISH because the outright cash payment was well below Street expectations (the lawsuit sought \$2.4bln) and it removes a significant level of uncertainty. Plus, she likes the spectrum, saying it could possibly be paired with AWS-4 spectrum for a triple play offering. **BTIG's** *Rich Greenfield* declared Voom the winner. "Given that *Chuck* and *Jim Dolan* knew they had an incredibly strong hand that was growing stronger by the day in court, we believe the distribution deal for AMCX was attractive relative to AMCX's other MVPDs deals for them to settle ahead of a verdict," Greenfield wrote.

**NBCU Doings:** **NBCU** made *Mac Budill's* appointment official Mon, announcing the well-known **Cablevision** exec will serve as NBCU TV nets distribution pres. He'll report to *Matt Bond*. Budill, who begins his post in the coming weeks, will oversee strategic direction for the company's network portfolio. Interesting fact: Budill was on the **NCTC** board while at **Cablevision**; **NCTC's** deal with **NBCU** expires Dec 31. **Cablevision** hasn't announced Budill's successor yet, but is expected to soon. "We would like to thank Mac Budill for his contributions to **Cablevision** over many years and wish him well in the future," the MSO said. **NBCU** pres, TV nets distribution *Bridget Baker* is leaving at the end of Nov (*Cfax*, 10/16).

**SpectrumCo:** About 2 months after the **FCC** approved **Verizon's** \$3.6bln spectrum deal with **Time Warner Cable**, **Bright House Networks**, **Cox** and **Comcast**, the cable ops continued to expand the joint promotions with **Verizon Wireless** as part of the joint-marketing agreement. In parts of CA, Cox will offer Visa prepaid debit cards valued from \$100 to \$400 to new and existing subs that purchase products from Verizon and Cox, depending on the type of products. **Time Warner Cable** launched similar programs in parts of NY, AZ, CA and MA, offering Visa prepaid cards valued at up to \$200. Earlier this month, Cox and the telco launched their joint-programs in KS, Omaha and Northwest AR.

**Media Mogul-ing:** **Bloomberg L.P.** pres/CEO *Dan Doctoroff*, this year's recipient of the Frank Stanton Award for Excellence in Communications, got roasted the media exec at a Center for Communications luncheon in NYC Mon. Doctoroff thanked his colleagues, saying that there's "no greater honor to be cruelly ridiculed" by them. [*More at CableFAX.com*]

**Programming:** **Showtime** ordered a 3rd season of "Homeland," which returned for its sophomore year on Sept 30. Production begins in spring '13. The explosive confrontation between *Carrie* and *Brody* helped **Showtime's** "Homeland" draw 1.75mln viewers Sun night, outperforming its season 2 premiere (1.73mln). On the VOD front, 4 weeks into the season, On Demand has increased views of the "Homeland" season 2 premiere to a total of 5.7mln viewers.

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# BUSINESS & FINANCE

**People:** As cable tries to get a foothold in the home security and automation space, it's worth noting that former cable exec **Arthur Orduña** has joined **ADT** as chief innovation officer. Following stints at **Canoe** and **Bright House**, Orduña served as a consultant to **PayPal**. -- **Megan Ring** was upped to svp, production at **Comedy Central**. -- **Time Warner Cable** hired **Todd Baxter**, ex-general counsel at the **Texas Cable Association**, as regional vp, govt relations in TX. Replacing retiring **Ron McMillan**, Baxter will start Nov 5.

**Obit:** **Bill Strange** passed away Thurs after a brief illness. He was 91. The WWII and Korean War vet started and operated various communications companies, working as vp for **Sammmons Comm**. His love for life shined through in this obituary from the *Dallas Morning News*: "He shot his age in golf, learned how to use an iPhone and secretly took lessons so he could surprise everyone by tap dancing at his 90th birthday party." A memorial service was held Mon in Dallas. In lieu of flowers, the family asked that donations be made to your favorite charity.

**Business/Finance:** **Oak Hill Partners** and **GI Partners**, in conjunction with **WaveDivision** CEO **Steve Weed** and other members of **Wave** mgmt, have completed the acquisition of **Wave** from its previous owners, led by **Sandler Capital**. Terms of the deal were not disclosed. **RBC Capital** acted as lead M&A adviser to **Wave**.

## CableFAX Daily Stockwatch

Company	10/22 Close	1-Day Ch	Company	10/22 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
DIRECTV:	51.33	(0.02)	CONCURRENT:	5.20	(0.25)
DISH:	36.63	1.16	CONVERGYS:	16.01	0.12
DISNEY:	51.79	(0.11)	CSG SYSTEMS:	21.53	(0.26)
GE:	21.70	(0.33)	ECHOSTAR:	31.13	0.18
NEWS CORP:	25.19	(0.17)	GOOGLE:	678.67	(3.12)
<b>MSOS</b>					
CABLEVISION:	18.45	0.06	HARMONIC:	4.31	0.04
CHARTER:	78.17	(0.37)	INTEL:	21.46	0.20
COMCAST:	37.03	0.08	JDSU:	10.23	0.06
COMCAST SPCL:	36.14	0.11	LEVEL 3:	22.31	(0.3)
GCI:	9.01	0.01	MICROSOFT:	28.00	(0.64)
LIBERTY GLOBAL:	62.05	(0.05)	RENTRAK:	16.87	0.12
LIBERTY INT:	20.25	0.22	SEACHANGE:	8.52	0.16
SHAW COMM:	20.80	0.05	SONY:	12.35	0.20
TIME WARNER CABLE:	99.29	(0.41)	SPRINT NEXTEL:	5.68	0.03
VIRGIN MEDIA:	32.87	0.07	TIVO:	9.81	(0.13)
WASH POST:	342.32	(3.43)	UNIVERSAL ELEC:	16.70	(0.09)
<b>PROGRAMMING</b>					
AMC NETWORKS:	47.30	1.77	VONAGE:	2.17	0.01
CBS:	33.93	0.19	YAHOO:	15.77	(0.07)
CROWN:	1.67	0.01	<b>TELCOS</b>		
DISCOVERY:	60.75	0.31	AT&T:	35.26	(0.06)
GRUPO TELEvisa:	23.40	(0.13)	VERIZON:	44.77	(0.39)
HSN:	48.88	0.40	<b>MARKET INDICES</b>		
INTERACTIVE CORP:	53.52	0.83	DOW:	13345.89	2.38
LIONSGATE:	16.10	0.05	NASDAQ:	3016.96	11.34
LODGENET:	0.38	0.03	S&P 500:	1433.81	0.62
NEW FRONTIER:	2.00	0.01	<b>TECHNOLOGY</b>		
OUTDOOR:	7.29	0.09	ADVANTAGE:	2.06	0.01
SCRIPPS INT:	63.72	0.53	ALCATEL LUCENT:	1.09	(0.03)
TIME WARNER:	44.99	0.06	AMDOCS:	32.80	(0.06)
VALUEVISION:	2.26	(0.17)	AMPHENOL:	61.56	0.45
VIACOM:	55.69	0.43	AOL:	35.78	(0.49)
WWE:	8.13	0.07	APPLE:	634.03	24.19
<b>TECHNOLOGY</b>					
ARRIS GROUP:	12.91	(0.12)	ARRIS GROUP:	12.91	(0.12)
AVID TECH:	6.69	(1.48)	AVID TECH:	6.69	(1.48)
BLNDER TONGUE:	1.25	0.10	BLNDER TONGUE:	1.25	0.10
BROADCOM:	33.42	0.09	BROADCOM:	33.42	0.09
CISCO:	18.19	0.15	CISCO:	18.19	0.15
CLEARWIRE:	1.94	0.09	CLEARWIRE:	1.94	0.09

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## EYE ON ADVERTISING

### A Standing Ovation...

*Who says business and fine arts don't mix? Certainly not Liz Janneman, vp, ad sales, at **Ovation**, which is connecting the dots between artistic expression and corporate messaging from brands ranging from **Hallmark** to **Acura** to **Red Lobster**. Advertisers have good reason to flock to the network these days. According to a new **Mendelsohn** study of 95 cable and broadcast channels, Ovation ranked No. 1 both in viewers' average amount spent in the computers, electronics and entertainment category, and the apparel and accessories category. Janneman tells Cathy Applefeld Olson how the network is expanding its advertising palette by putting a broad lens on artistic expression.*

**According to the study, Ovation viewers tend to spend well in the electronics, apparel and skin care categories. How are you leveraging these markets in advertising?**

LJ: There are lots of examples of networks doing things for endemic advertisers you'd naturally associate with a channel, but I want to tell you about something with Red Lobster, an advertiser you'd never think about as being a sponsor on Ovation. There is an artist named Annie Sessler, who lives in Montauk, N.Y. Her husband is a fisherman and every day through this Japanese silk-screen process she take the fish and creates an artist's expression that's used for Red Lobster's menu and their tagline, Sea Food Differently. We went to Red Lobster with the concept of combining the art of fish and how she's creating their menu using this work of art. We took a camera crew to Montauk and shot how she uses the fish to create the silk screen, and then they cook and eat the fish for an interstitial and then we tailed it with a Red Lobster message. It's not a blatant sell for Red Lobster, provides a connection between the advertiser and the viewer. And for us the connection always has to be about some sort of artistic expression.



We did another interstitial for Ikea, where we looked at the art of kitchen design. It's not just choosing the flooring and appliances, and Ikea wanted to be thought of as aiding people in designing their kitchen, so it was a good way to make a the career and artistic link.

### Do you ever do longer sponsored programming?

LJ: Sometimes we do a half-hour show if the material warrants it. With Hallmark, we went to their offices and interviewed their designers and did a half-hour show on the art of creating greeting cards. We enlightened viewers; we got access to the Hallmark secret sauce. It's all about finding value for the viewers and ways for advertisers to reach them that stays true to our brand.

### Ovation is involved it share of live events. How do you leverage brand relationships around them?

LJ: We have done things where we crafted an event—in one city, or multiple cities—on behalf of a sponsor. For Acura we did a show around the launch of a new model and the design of the car, and Acura wanted the car to be hands-on experience, so we chose eight cities they deemed important markets and brought a photographer who's part of the Ovation family who displayed works of art in a gallery, where we also had the car on display. We invited hundreds, in some cases thousands, of people from the Ovation database and potential Acura customers they got from the local dealers to come... and schedule an appointment for a test drive. Having the physical car there connected it with works of art.

### Which are the strongest categories advertising on the network and which are you looking to build up?

LJ: Automotive is incredibly strong, as is travel and skin care and cosmetics. There aren't really categories we are lacking. What we're going to do now is approach all the advertisers within the categories we haven't approached. It's more about fully penetrating a category we already have.

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