

CableFAX Daily™

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What the Industry Reads First

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IP Focus: IP Center Stage, But tru2way Not Forgotten

It was all IP, all the time (more or less) at **SCTE's** Cable-Tec Expo opening session Wed. "Can you imagine anyone today building a consumer gadget without an IP connection?" asked *John Schanz*, **Comcast** evp, natl engineering and technical ops. "It is becoming as ubiquitous as water. If IP is like water, then we as cable operators need to be the well." **Bresnan** vp, engineering & technology *Pragash Pillai* reminded the crowd that the consumer doesn't really care how cable transports within our networks, but that IP is important because it will allow consumers to navigate vast amounts of content, creating their own content libraries. With all the emphasis on IP networks and IP-enabled consumer devices, the panelists discussed whether tru2way would become irrelevant before it ever gets off the ground. "We have made a commitment that we will enable the majority of our networks to tru2way," said **Charter** evp, CTO *Marwan Fawaz*. "It's not an either/or for us. We will support tru2way and transition to an IP platform." Earlier this week, Comcast evp *David Cohen* said Comcast would be tru2way-capable across its entire footprint by year-end, but questioned whether CE makers were rethinking tru2way because devices can become outdated due to fast-changing technology (**Cfax**, 10/27). **CableLabs**, which has done a lot of work on tru2way, has an interest in seeing it deploy. But CableLabs pres/CEO *Paul Liao* said each MSO will have to evaluate its particular situation. "It's going to depend on the nature of what's already deployed, and what they would like to deploy next," he said. "Tru2way is a very flexible platform. You can add EBIF agents on top, you can add an IP agent on top. My guess is the benefits of tru2way are so substantial you'll see a lot of deployment." *Dermot O'Carroll*, svp engineering and network ops with **Rogers Cable**, said his company is looking at its options. "We're potentially looking at other solutions based on more Web-based technologies. Competitors are deploying IPTV; we need to compete with that." — *Communications Technology*

Conference Room Needed: It would be a shame if cable programmers, technologists and operators lose large opportunities for want of a place to meet, but it seemed so during **NAMIC's** general session Wed morning. Panelists began by treading on well-worn ground: content is king, consumers want it when/where they want it and cable must work to satisfy consumers in this new-media atmosphere, viable business models have yet to emerge. **Disney** evp *Albert Cheng* noted the theoretical possibility of **Apple** or **Microsoft** entering the IP video space, delivering content

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via their devices and thus pressuring cable. The tone changed when **SeaChange Intl** chief strategy officer *Yvette Kanouff* challenged the assumptions that cable is sitting back on all this. She argued the technology exists to let subs watch a VOD film on TV, pause it, pick it up at the same point on a wireless device, pause it again and pick it up again on a PC. "We run this technology today, much of it is feasible," she said. Some cable operators are eyeing delivering content to 1K ports and even setting up systems to deliver content globally, she said. "I think you'd be surprised" at what cable is doing, she said. The issues preventing a 'content everywhere' scenario are not technical, Kanouff said. The hurdles include rights management and billing. **AETN** svp *Mark Garner* said "we have to get in a room and say 'how can we get it done?' but there's been no coalescing force" compelling us to get into that room.

In the Courts: Oral arguments in **Comcast's** appeal of an **FCC** order that found the MSO violated the Commission's open Internet principles by blocking P2P traffic is set for Jan 8, 9:30am. Comcast, which is questioning the legal process behind the decision, has said it was managing network traffic. Meanwhile, comments are due Jan 15 to the FCC on a notice of proposed rulemaking regarding net neutrality.

Survey Says: The latest **J.D. Power** ISP survey found that overall customer satisfaction with residential high-speed Internet providers has increased from '08, primarily due to improvements in performance and reliability. Overall satisfaction is 639 on a 1K-point scale, a 22 index point increase. Satisfaction with performance and reliability increased 43 points to an average of 687. **Verizon** ranked highest in the East Region, with a score of 673. **Cablevision** was 2nd (666). **Bright House Networks** scored highest in the South (686), followed by **Insight** (668). Scoring well in all 5 satisfaction measurements, **WOW!** won the North Central Region (723 score). **Cincinnati Bell** was a distant 2nd (678). **EarthLink** ranked highest in the West (653), followed closely by Verizon (650) and **Cox** (647).

Hall of Fame: Congrats to all the **Cable Hall of Fame** inductees who gave poignant and sometimes humorous speeches about their lives in cable Tues night in Denver. Fitting that the event took place on the closing day of **CTAM** Summit, as pres/CEO *Char Beales* accepted her much deserved induction (We enjoyed the video documenting Char's many hair-styles over the years). Our favorite speech came from **Showtime** chmn/CEO *Matt Blank*, whose top 10 list of reasons he was inducted had the packed room rolling in the aisles (Blank's video was also hilarious). Our favorite quote came from inductee *Bernard Shaw*, who summed up his years as the top anchor at **CNN** by reminding attendees of how cable fought for respect in those early days. Among ridicule from broadcast news operations when CNN launched in 1980, Shaw said he was determined to prove them wrong. "My singular goal was to beat the bastards," he said to applause. With cable stealing market share and ratings points from broadcasters these days, it was perhaps the best way to sum up cable's spirit and tenacity over the many decades. Congrats also to the other inductees: *James Cownie*, co-founder and past pres, **Heritage Comm**; *Robert Hughes*, founder, **Prime Cable** and chmn, **Prime II Investments**; **Cablevision** COO *Tom Rutledge*; and former **NCTA** chief *Tom Wheeler* (now managing dir, **Core Capital Partners**).

In the States: **Cablevision** has completed deployment of WiFi in Brooklyn, the Bronx and NJ, making free wireless available to all Optimum HSD subs. -- **Comcast** is launching its Extreme 50Mbps wideband service in central CA and Santa Barbara County (starts at \$99.95/month).

Carriage: **Sportsman Channel** has launched on **Comcast's** digital preferred service in Portland, OR; Chattanooga, TN;

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BUSINESS & FINANCE

and Jackson, MS. -- **Insight** will carry Univ of KY football/basketball games in HD on channel 929 in Louisville, Lexington and Northern KY as an interim measure until the MSO can carry **Fox Sports South** in HD. The MSO said "technical issues" had to be worked out before the net could launch in those areas.

Keep Teching: While **WICT's** coming PAR report will show improvements in the number of women entering cable's tech sector, more is needed, panelists at WICT's Tech It Out breakfast Wed concluded. "We don't do enough to attract talented women to cable technology" as companies or as an industry, said **Charter** CTO *Marwan Fawaz*. "The pipeline is not there... we have 30 positions open... we've advertised... and the ratio [of men to women applying] is worse than 10:1!" WICT's Tech It Out aims to encourage mid-level and young cable execs to enter technology, but also women in college and high school, new WICT chief *Maria Brennan* said in her 1st official appearance. The panel focused on urging women to move from non-tech posts to the tech field. While the panel agreed it's a difficult move, numerous success stories were shared. Indeed, host *Barbara Jaffe* of **HBO** noted she began at HBO as an account rep, but HBO tech chief *Bob Zitter* took "a chance on me." She currently is svp, advanced tech & ops and was named tech woman of the year by *Communications Technology* magazine.

CableFAX Daily Stockwatch

| Company | 10/28 Close | 1-Day Ch | Company | 10/28 Close | 1-Day Ch |
|------------------------------|----------------|-------------|-----------------------|----------------|-------------|
| BROADCASTERS/DBS/MMDS | | | | | |
| BROADCASTERS/DBS/ | | | AMPHENOL: | 40.15 | (1.47) |
| BRITISH SKY: | 34.69 | (0.73) | APPLE: | 192.40 | (4.97) |
| DIRECTV: | 25.44 | (0.14) | ARRIS GROUP: | 10.42 | (0.17) |
| DISH: | 17.28 | (0.42) | AVID TECH: | 12.96 | (0.22) |
| DISNEY: | 27.24 | (0.93) | BIGBAND: | 3.85 | (0.1) |
| GE: | 14.42 | (0.51) | BLNDER TONGUE: | 1.15 | (0.05) |
| NEWS CORP: | 13.54 | (0.54) | BROADCOM: | 26.65 | (0.6) |
| MSOS | | | | | |
| CABLEVISION: | 22.34 | (0.7) | CISCO: | 23.02 | (0.52) |
| COMCAST: | 14.65 | (0.06) | CLEARWIRE: | 6.32 | (0.42) |
| COMCAST SPCL: | 14.11 | 0.04 | COMMSCOPE: | 28.07 | (0.79) |
| GCI: | 6.09 | (0.05) | CONCURRENT: | 3.91 | (0.3) |
| KNOLLOGY: | 10.41 | (0.17) | CONVERGYS: | 10.69 | (0.32) |
| LIBERTY CAPITAL: | 20.60 | (0.89) | CSG SYSTEMS: | 16.62 | 0.47 |
| LIBERTY ENT: | 29.93 | (0.45) | ECHOSTAR: | 18.08 | (1.15) |
| LIBERTY GLOBAL: | 20.74 | (0.81) | GOOGLE: | 540.30 | (7.99) |
| LIBERTY INT: | 11.17 | (0.45) | HARMONIC: | 5.94 | (0.24) |
| MEDIACOM: | 4.94 | (0.32) | INTEL: | 19.03 | (0.71) |
| RCN: | 8.34 | (0.56) | JDSU: | 5.81 | (0.3) |
| SHAW COMM: | 17.92 | (0.35) | LEVEL 3: | 1.19 | (0.17) |
| TIME WARNER CABLE: | 38.87 | (1.54) | MICROSOFT: | 28.02 | (0.57) |
| VIRGIN MEDIA: | 13.69 | 0.07 | MOTOROLA: | 7.96 | 0.06 |
| WASH POST: | 437.00 | (15.93) | OPENTV: | 1.54 | 0.01 |
| PROGRAMMING | | | | | |
| CBS: | 11.74 | (0.7) | PHILIPS: | 25.12 | (0.97) |
| CROWN: | 1.75 | (0.01) | RENTRAK: | 15.65 | (0.74) |
| DISCOVERY: | 27.98 | (1.07) | SEACHANGE: | 6.78 | (0.16) |
| EW SCRIPPS: | 6.56 | (0.53) | SONY: | 28.63 | (0.59) |
| GRUPO TELEVISIA: | 19.80 | (0.39) | SPRINT NEXTEL: | 3.24 | 0.07 |
| HSN: | 15.27 | (1.23) | THOMAS & BETTS: | 34.30 | (1) |
| INTERACTIVE CORP: | 18.80 | (0.44) | TIVO: | 11.07 | (0.65) |
| LIBERTY: | 33.57 | (1.08) | TOLLGRADE: | 5.92 | 0.05 |
| LODGENET: | 4.76 | (0.18) | UNIVERSAL ELEC: | 20.75 | (0.2) |
| NEW FRONTIER: | 1.98 | (0.02) | VONAGE: | 1.50 | (0.13) |
| OUTDOOR: | 6.74 | (0.02) | YAHOO: | 16.04 | (0.65) |
| PLAYBOY: | 2.74 | (0.19) | TELCOS | | |
| RHI: | 2.81 | (0.13) | AT&T: | 26.08 | 0.48 |
| SCRIPPS INT: | 38.41 | (0.51) | QWEST: | 3.54 | 0.09 |
| TIME WARNER: | 29.58 | (0.81) | VERIZON: | 29.95 | 0.75 |
| VALUEVISION: | 3.20 | (0.24) | MARKET INDICES | | |
| VIACOM: | 28.91 | (0.81) | DOW: | 9762.69 | (119.48) |
| WWE: | 13.63 | (0.4) | NASDAQ: | 2059.61 | (56.48) |
| TECHNOLOGY | | | | | |
| 3COM: | 5.30 | (0.06) | | | |
| ADC: | 6.58 | (0.18) | | | |
| ADVANTAGE: | 2.28 | (0.12) | | | |
| ALCATEL LUCENT: | 3.99 | (0.28) | | | |
| AMDOCS: | 24.86 | (0.16) | | | |

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Think about that for a minute...

Join Them

You know the old saying; if you can't beat them, join them! That's where I am on the current trend of citing "cable" for all that ails us.

Yes, I get touchy about this, but I'm really tired of things like the "balloon boy" story breaking, ALL networks going to it, all covering it, headlines blaring and then when it's all over and a hoax, the television talking heads scoff saying the whole thing was "caused" by the constant cable news network excess. It's as though "cable" news



Steve Effros

is different from the rest of the media, and "causes" these things. Nonsense.

ABC, NBC and CBS led with "balloon boy" on their evening telecasts. The difference, of course, is that we have supplied diversity to the market, and one of those is 24-hour news channels. Yes, they run the same stories over and over. If you choose to read

the front page of the *Washington Post* each hour, guess what... same news, over and over! But you don't have to, and when things change, that's when a 24-hour news channel shows its value. Right now it's a target for all of those who seem to forget what the state of "journalism" was pre-cable.

We take the snide shots from folks who ignore the fact that the term "yellow journalism" was coined before the cable era. Same thing with "muckrakers." There's all sorts of noise about the "fight" between the White House and Fox News, one of what I term the "bloviator channels." There are several. But that's not unique to cable either. Remember when the "right" always decried the *New York Times* as a "liberal mouthpiece," and no "liberal" politician even bothered to be interviewed by the *Manchester Union Leader*? Remember Hearst's *New York Journal* and Pulitzer's *New York World* newspapers "credited" with triggering the Spanish-American War?

Not cable.

Well, like it or not, cable has introduced multichannel 24-hour video diversity, and with it we have the FOX, CNN, MSNBC bloviator ratings battles. Nothing particularly new to the "news wars," but it sure gives critics lots of room to deride cable! For a long time I fought it, but now I have decided that's not going to work, so I suggest we join the trend. Since everyone seems to enjoy underlining the "cable" part when they refer to what folks seem to be watching and listening to, we should do the same;

HBO/AMC/FX/TNT **CABLE**... getting more Emmy awards for high quality original dramatic programming than anyone else. CSPAN **CABLE**... one of the most significant alterations to journalism in our lifetimes, allowing folks to see and judge for themselves, without editorial intercession, what our politicians are saying and doing (...talk about bloviators!) DISCOVERY **CABLE**... from documentaries to health to investigative reporting to nature and the environment, you can't get any better, more imaginative and interesting information than these channels provide. It could be a full curriculum for students around the country, certainly better than the single "Kids" page in some dailies, and of course it's far from just for kids!

You get the idea, and there are lots of others, from Showtime to National Geographic to History, Biography and the rest. They are all channels we can point to as initiated and originally financed by the CABLE industry (sure, DBS carries them now, but they're CABLE channels!)

It's time for us to stand up and wave the flag. If we can't beat 'em, join 'em. That's what diversity and choice is all about. You're darn right they're CABLE channels, and we're proud of it!

Steve

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