

CableFAX Daily™

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What the Industry Reads First

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More to Come: Hurricane Sandy Disruptions Expected to Continue

Despite making landfall, Hurricane Sandy continues to churn across the U.S. And FCC chmn *Julius Genachowski* during a Tues press call said communications outages could get worse before they get better. *David Turetsky*, public safety & homeland security chief, said initial reports suggest that 25% of communications services across platforms (including cable) were affected in areas hit by Sandy. No specifics at this point, including the number of subs affected, as agencies and companies are still assessing damage. Reports also showed fewer wireline service outages vs. wireless, Turetsky said. The agency also granted 5 Special Temporary Authorities to 2 power companies and 3 broadcasters to help assist recovery and reach audiences. The chmn noted one ISP saw Internet traffic on its network jump 30% overnight, and another ISP is opening its WiFi hotspots to non-subs in the affected areas. He didn't name the ISPs, but we know **Comcast** is making its Xfinity WiFi hotspots available along the East Coast to anyone who needs them, including non-subs. In terms of service outages, most issues relate to commercial power outages, with Comcast restoring service as power comes back, a spokeswoman said. The op continues to work with local, state and federal officials, including **FEMA**, **DHS** and the FCC, and power companies, she said. The severe flooding left NYC without power or mass transit Tues. **Time Warner Cable's** corporate hq closed again Tues, and "folks are working from home the best they can, given their individual situations," a spokesman said. The company expects business as usual at corporate hq Wed, though he said much will "depend on many factors that are still in flux." TWC's not reporting any significant damage to its infrastructure as of Tues. Having said that, subs without power are also without cable, a spokesman said. "As power is restored we will work to identify customers who are offline and work as quickly as we can to restore service." The op tweeted on Tues that "damage to our network/lines near you may impact service even if you still have power..." Additionally, TWC stores in NYC (Manhattan, Brooklyn and Jamaica) are open Tues, TWC NYC tweeted. With most subs residing in the hardest hit areas, including NY, NJ, CT and parts of PA, **Cablevision** is experiencing "widespread service interruptions, primarily related to the loss of power," the company said in a statement. Crews are in the field, working around-the-clock to restore services, in close coordination with local utilities, it said. Updates will be posted at Optimum.net. **Cox** told us "this will be more of a power event than about damaged network plant or downed drops." Service to hospitals and first responders is up, and "we will

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continue assessing outages and restoring services” as safety and power permits. Cox is “actively working downed drops in VA, RI and CT” and deploying generators in the 3 states, plus Cleveland. Additional generators are en route, as well as gas dispensing tanks. Nearly all Cox retail stores are open in RI and CT Tues. However, in Cleveland, 1/3 of Cox’s footprint was without power early Tues, and weather conditions were still unsafe. Crews are on standby for mobilization. **Charter** reported “minimal damage to our cable lines, and our network remained operational,” said *Gregory Garabedian*, vp/gm, New England, in a statement. Charter’s crews are “out there, working long hours” as the op works to restore services, he said. Meanwhile, a **Verizon** rep said 2 critical switching centers in Manhattan were “severely affected” from flooding and power outage issues. The flooding that began to impact a handful of Verizon central offices in Lower Manhattan, Queens and Long Island Mon night remains the same, he said. While these sites are currently on battery power, the inevitable loss of power requires all equipment at these sites be powered down to prevent damage, he said. As a result, subs served by these central offices will lose their FiOS, HIS and telephone services. Some subs may experience intermittent busy signals while attempting to dial 311 service for non-emergency calls.

Storm Cover: As Hurricane Sandy pummeled NY, some **Time Warner Cable** subscribers thought they had lost the MSO’s 24-hour news net **NY1**. With power out in Lower Manhattan, the net was working off of a generator. So, it was on the air, but not in HD... hence the confusion. Customers were advised on **Twitter** to change the settings on their cable box to turn auto-tuning to HD off, and then turn to channel 1. The net was back in HD after about 2 hours. Reporting missteps along the way included **CNN** issuing a correction after network meteorologist *Chad Myers* noted 3 feet of water on the floor of the **NYSE** (his source was a **National Weather Service** local storm report, which attributed it to media, the *Washington Post* reports. The rumor seems to have started on Twitter, the same source of those fake Statue of Liberty photos). **Weather Channel**’s coverage included reporters sticking it out through Sandy’s worst. *Mike Seidel* had to stop live reports from Point Pleasant, NJ, late Mon for safety reasons, and *Jim Cantore*’s live truck in Battery Park had to power down because it was surrounded by water. At one point overnight, several NY1 news crews got stranded in flooded zones and retreated to high ground. The D.C. area wasn’t hit as hard as some had feared. **C-SPAN** reported no major problems, with “Washington Journal” airing live as normal. As a precaution, about 50-60 staffers hunkered down in hotels near the studio. C-SPAN did have to ground its Campaign 2012 Bus in DE because of the storm; it was slated to visit the Univ of DE and DE State Univ campuses Wed. Some literally raced against the storm. Following the conclusion of the World Series, **ESPN**’s “Baseball Tonight” commentators *Karl Ravech* and *Curt Schilling* provided a humorous Twitter look at their drive from Detroit to the Bristol area as they tried to beat the brunt of the storm and get back to help their families with possible power outages. You can check out a **Storify** play-by-play of their adventure with driver #FranktheTank here: <http://storify.com/espnprdscoot/karl-and-curt-in-a-car-getting-home>. Props to Frank, who Ravech said had never been more than 4 hours away from home. It was a 14-hour journey through wind and rain to Medfield, MA, Schilling’s residence. Most NY and DC offices closed Tues, with employees told to work from home. With NY’s subway system possibly out of commission for another 4 or 5 days, expect teleworking to be the norm for the NY area this week as **NBCU** put essential employees up in hotels to keep broadcasts operational. The company is providing 24-hour shuttle buses from the hotels to the facilities. Some production, including “30 Rock” and “Celebrity Apprentice,” was postponed. A little Sandy couldn’t stop “Late Night with Jimmy Fallon,” though, which taped a show for air last night with no studio audience (they were sent home). Check out Fallon’s opening monologue, which begins in the rainy streets of NYC and finishes with an empty studio and some awkward stand up. <http://www.latenightwith-jimmyfallon.com/blogs/2012/10/our-hurricane-sandy-cold-open-and-monologue>. **Bravo**’s “Watch What Happens Live” host *Andy Cohen* did a special Hurricane Sandy show, with no guests and in his PJs. Tonight’s show is cancelled as a result of the power outage. -- **Weather Channel**’s *Reynolds Wolf*, who was in Stonington, CT, told us he saw massive waves that looked to be at least 20 feet. “It’s a big shock that something like that is coming out of darkness,” he said. **CableFAX** caught up with him as he trekked to Queens where both floods and fire have damaged homes. “The amazing thing to see is a lot of people in that community were not waiting for assistance—it was neighbor helping neighbor,” he said of the coastal flooding in CT. “It’s the spirit of the Northeast. New Englanders are very hearty people.”

Deals: Prepare for Episode 7. **Disney** will acquire **Lucasfilm** in a stock and cash transaction valued at \$4.05bln. The company plans to release first new *Star Wars* film in 2015, with one film every 2-3 years. Disney will pay approx half of the con-

sideration in cash and issue 40mln shares at closing. Final consideration will be subject to customary post-closing balance sheet adjustment. Lucasfilm is wholly owned by chmn/founder *George Lucas*. "For the past 35 years, one of my greatest pleasures has been to see 'Star Wars' passed from one generation to the next," said Lucas. "It's now time for me to pass Star Wars on to a new generation of filmmakers. I've always believed that Star Wars could live beyond me, and I thought it was important to set up the transition during my lifetime. I'm confident that with Lucasfilm under the leadership of *Kathleen Kennedy*, and having a new home within the Disney organization, Star Wars will certainly live on and flourish for many generations to come." In 2009, Disney acquired **Marvel** for \$4bln, with execs seeing similar benefits from the Star Wars deal.

Windy Cities: Hurricane Sandy's effects could be felt as far as 4G World in Chicago. *Praveen Atreya*, director, network technology and head of the Verizon Innovation Center for **Verizon Wireless**, actually drove the 15 hours from New Jersey to deliver his keynote Mon. Other speakers joined their colleagues via the Internet because they couldn't physically get to the event, which featured **Clearwire** pres/CEO *Erik Prusch* asserting that video has become the key wireless app. "Sixty percent of the traffic on our network is video," he said. "This space is growing so fast, we can barely see the CAGR in front of us." Prusch said monthly exabytes of data will go from 1 in 2011 to 10.8 by 2016. He also made no apologies for only deploying hot spots in lucrative urban corridors such as New York City, Los Angeles, Chicago, San Francisco and Seattle rather than in rural or suburban areas. "We put capacity where it is needed the most, even in different parts of the same metro," he added. Clearwire's "hot zones" will reach 2,000 sites by mid-2013, with the ultimate goal being 8,000.

Seaside Sadness: The Jersey Shore boardwalk and Funtown pier featured prominently in MTV's "Jersey Shore," currently in its final season, was badly damaged by the storm. "Sandy destroyed Seaside—our second home. It's devastating to see our boardwalk and favorite spots ruined. My prayers go out to everyone affected by the storm," said *Nicole "Snooki" Polizzi*.

TWC SportsNet: Time is running out for **DirectTV**, **DISH** and **Cox** to sign a deal for Time Warner Cable SportsNet before Wed's Lakers game. But we're told negotiations are ongoing with all 3. **Charter**, **Bright House**, **TWC**, **Verizon FiOS** and **AT&T U-Verse** are carrying (or soon will be carrying) the RSN. Those without deals keep reminding subs that at least 25 of the Lakers games are on channels that they do carry, including Tues night's season opener against Dallas on **TNT**. On Mon, TWC SportsNet announced a long-term agreement with the West Coast Conference for a minimum of 15 live men's basketball games this season, including games from Pepperdine and Loyola Marymount.

Weather Numbers: **Weather Channel** reports that more than 39mln people tuned into the net for breaking coverage on Sun. It outpaced #2 **ESPN** in reach by 21% and delivered an avg audience of 1.4mln total viewers. Weather delivered an average audience of more than 2.035mln total viewers on Mon, making it the net's 3rd highest 3a-3a Total Day average in network history among P2+ and HHs. Weather.com had nearly 300mln page views Mon, beating its old record of 141mln in Feb '11. Across platforms, Weather had 450mln page views, more than doubling the 183mln during Irene last year. There have been more than 9.6mln live streams over the course of the storm on weather.com and YouTube.

Carriage: **AT&T U-Verse** launched **GSN's** HD service. -- **Cartoon Network** and **Adult Swim** are on **Verizon FiOS TV** now. Cartoon Network airs from 6am to 9pm, with Adult Swim taking over from 9pm to 6am. -- **The CW Network** signed a deal with **Comcast** to bring its primetime lineup to Xfinity on Demand. Effective Thurs, subs can watch the 4 most-recent eps from each CW series the day after they air no live TV. It's the 1st time CW has made its shows available on VOD to an MSO.

Ratings: Given **Fox News'** ratings domination during the presidential debates, it's no surprise the net was the most-watched cable net in prime for Oct (1.4 HH rating/3.47mln viewers). Football put **ESPN** in the #2 spot (1.2/3.1mln), followed by baseball-benefactor **TBS** (1.1/2.7mln), prime powerhouse **USA** (0.9/2.35mln), ad-free **Disney** (0.9/2.3mln) and zombie-loving **AMC** (0.7/1.4mln). -- **Showtime's** "Homeland" posted a series high rating Sun of 2.07mln viewers, while the 5th ep of "Dexter" attracted 2.28mln viewers (the highest rating since the season premiere of 2.4mln).

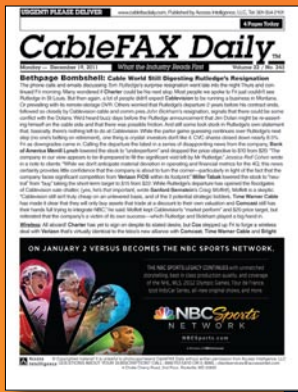
Programming: The Long Drivers of America's RE/MAX World Long Drive Championship will move to **Golf Channel** in '13 after 17 years on **ESPN**, under a new long-term TV rights agreement. The annual world championship will be aired through Oct next year through 3 primetime specials and the 1st live, 2-hour finale.

Public Affairs: **WWE** raised \$1mln for *Susan G Komen* for the Cure during its month-long campaign to help cure breast cancer. *John Cena* presented the check to the foundation during "Monday Night Raw." If you're asking "women and WWE?," consider that approx 5mln women watch WWE's weekly programming.

People: Former **Walt Disney Studios** chmn and **Disney Channels Worldwide** pres *Rich Ross* was tapped as **Shine America** CEO. He succeeds *Carl Fennessy*, who will return to Australia in mid-2013 as planned where he remains joint CEO of **Shine Australia**. Ross joins the company in Jan. Shine America's slate of programming includes **NBC's** "The Biggest Loser" and its upcoming 1st scripted series "The Bridge" on **FX**.

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