

CableFAX Daily™

Friday — November 3, 2006

What the Industry Reads First

Volume 17 / No. 214

At Deadline: The FCC pulled consideration of the AT&T-BellSouth merger from Fri's agenda.

Mediacom's Mix: Sinclair, Phone Dominate 3Q Earnings Discussion

It doesn't look like a federal appeals court will delve into Mediacom and Sinclair's retrans spat before the broadcaster's Dec 1 deadline for removing its signals. The court released its briefing schedule for the case Thurs, calling for the 1st briefs to be filed Dec 11. However, Mediacom says it did not ask the 8th Circuit to immediately rule. "We are pleased that the Circuit Court has set a rapid briefing schedule," a rep said. The MSO is pursuing an antitrust case against Sinclair in the Southern District of Iowa; it turned to the appeals court after the Iowa court denied its request to force Sinclair to leave the stations on while the antitrust case is pending. Mediacom chief *Rocco Commisso* touched on the ongoing retrans spat during Thurs' 3Q earnings call. "We have already told Sinclair that we're not asking for nothing better or nothing worse than the deals they've claimed to already negotiated with Comcast or Insight," he said. "Alternatively, they could have any of the deals we negotiated with 475 stations in all." Mediacom's 3Q results were a mixed bag. Financials were quite impressive (revenue climbed 11% to \$305.6mln; cash flow increased 10.3% to \$110.8mln), but subscriber metrics were erratic, with a 6K basic sub loss and fewer-than-expected VoIP adds (17K)—thanks partly to 3K-4K bad-debt phone disconnects. Operations chief *John Pascarelli* also blamed college students for some of the phone lag. "A lot of our incremental connect activity is tied to students, and they all use cell phones," he said. Digital (18K adds) and data (28K) gains were more remarkable. VoIP's available to about 65% of MCCC's footprint, with plans to reach 80% by year-end. Part of Mediacom's plans for gaining subs going forward is to go after customers who switched to DBS with a triple-play offer that will probably be below the industry standard \$99/month, on a targeted basis, Pascarelli said.

Playing a New Card: Cable continues to exert pressure on the FCC, hoping to push the agency to rule on delaying a July 1 deadline for cable ops to begin only deploying set-tops with CableCARDS. But Thurs' letter to the FCC was novel in that it came from 11 programming nets instead of cable ops. The July 1 rules "will adversely affect our ability to provide new and innovative content and services to cable customers," stated the letter, whose signers include **Landmark, Disney, Turner, BET, Showtime, Discovery, Oxygen, MTVN, A&E Nets, TV One** and **NBCU**. The programmers pointed to the hundreds of millions of dollars operators say they will have to divert to CableCARD implementation and deployment—money they won't have to spend on programming or new services. **NCTA** has asked the FCC to delay the ban until downloadable security is ready or 2010, whichever comes first. On Tues, NCTA CEO *Kyle McStarrow* fired off a letter to the **Dept of Commerce** and FCC chmn *Kevin Martin*, warning that the ban could endanger the digital transition.

Competition: **Verizon** filed Thurs an application for a statewide video franchise in NJ, and pending approval hopes to begin offering **FiOS TV** to some state communities by Dec. VZ is seeking authorization video service to 316 overall NJ communities, covering 2.1mln HHs, or 70% of the state's homes. **Cablevision** downplayed the news,

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SOURCE: SIMMONS NATIONAL CONSUMER STUDY, FALL 2005, WOMEN 18+

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noting that it has attracted more than a million phone customers in NJ. "We compete successfully because our Internet access is faster, our phone service delivers much more value and our television product is far superior to satellite or telephone company TV, and consumers know the difference," it said. -- **Verizon** and **Intel** announced a partnership that allows consumers to play PC video games on their TV sets through PCs equipped with Intel's "ViiV" technology. The subscription "Verizon Games On Demand" service may be accessed via remote control, and runs \$9.95/month. The companies will also market a version of "PlayLinc," a free service providing VoIP integration and the ability for players to track when friends are online and ready to join a game.

In the States: **Cox** says its entire expanded basic channel lineup in Northern VA will go all digital by early next year. -- **Oceanic Time Warner Cable** and **Ligos** announced the launch of "SportsChoice," a channel available to more than 400K Hawaiian HHs. Using Ligos' "MediaRig Mosaic," the channel displays thumbnails of live video streams on TV, which viewers may scroll through to find desired programming. The channel also includes rotating banners for sponsors.

Deals: **Atlantic Broadband** paid \$62mln for **G Force's** 21K Aiken, SC, cable system. It plans to invest \$7mln in upgrading the system. The deal bumps Atlantic's sub base up to 286K.

5Qs with NFL Net COO Kim Williams: Happy birthday. Is this where you thought NFL Net would be in 3 years—there are still several cable operators who don't have deals? It's been a great 3 years across the board. Programming-wise, we feel really proud about what's on screen. I think from a subscriber standpoint, we're pleased about where we are. Our interests are to make sure that what is some of the most popular content out there is as broadly distributed as possible. **What are some goals for the coming year?** From a programming standpoint, enhancing what we've already got. Broadening college coverage, more of the kinds of experiments we're doing with NFL Replay. On the distribution side, we'll continue to be a good partner to the cable industry by helping them grow the business. But we're not going to do that by limiting customers' access to the content. **What's going to happen if Comcast follows through with plans to move NFL Net to a digital sports tier as of Jan 1?** We feel pretty strongly that they don't have the right to do that. We will stand by our position and fight that fairly vigorously. **What's NFL Network going to bring to these regular season games that's different?** We'll be taking a lot of what's great about NFL Films—whether it's the camera angles, sound, perspective. You'll see a lot of additional content in game broadcasts that enhances the experience, but we're not going to forget that people are tuning in to see the games. **How are things going in getting existing affiliates to commit to a surcharge for those games?** As well as expected. There are many that see the value and sign up immediately, and others who have to make their business models work. It's a mixed bag. Nothing that's unexpected. We would like to see cable operators embrace the network a bit more readily. We're not going away.

Ratings: **TNT's** Tues season-opening NBA double-header averaged a 1.7 HH rating and 1.93mln HH delivery, a 41% jump over last season's opening night delivery. The 18-34 demo surged 61% to 790K. -- The 10th anniv of "Monsterverfest" on **AMC** (Oct 22-31) ranked #5 in delivery of 18-49s among cable nets (704K) and #6 among 25-54s (664K). -- **Court TV** achieved last month its most watched Oct in history, delivering a nightly viewership avg of 901K (+10%).

Discovering A New Planet: **Discovery** announced **Animal Planet Media Ent**, a new business unit combining **Animal Planet** with newly acquired **Petfinder.com** and **PetsIncredible**. Petfinder.com facilitates pet adoption; PetsIncredible

Free Webcast

Time-Shifted TV: A Case Study on Time Warner Cable's Start Over Service

This Webcast will define Time-Shifted TV, outline the requirements and review lessons from Time Warner Cable's Start Over deployment. It will answer the following questions:

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- What are the unique requirements of deploying Time-Shifted TV?
- How did Time Warner Cable prepare its network for Start Over?
- What are the results and benefits of the Start Over deployment?

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Honors: Former **DirecTV** vice chmn **Eddy Hartenstein** will receive the **Life-time Achievement Award** in during the Technology & Engineering Emmy Awards, Jan 8 at **CES**. Several familiar names are up for Emmys, including **Time Warner Cable, Concurrent, Big Band, Harmonic** and **S-A** for **Start Over** (funny to see nominator **Bob Gold & Assoc** listed as the nominee in one version of the press release); **HSN's Shop By Remote, NBC Olympics Now** from **BIAP** and **Digeo** for the **Moxi Adelphia VOD** Browser. Visit emmyonline.tv for a complete list.

People: **MTVN** named **Carole Robinson** to the new post of evp/chief of staff.

Business/Finance: **GE Commercial Finance** announced the provision of a \$60mIn senior secured facility to **Northland Cable**. It will be used to refinance NCP's existing debt, and to provide for cap ex. -- **MobiTV** announced the 2nd closing of its Series C funding, with an additional \$30mIn from **Adobe Systems** and **Hearst**. Bringing the total round to more than \$100mIn, the funds will be used to satisfy demand for **MobiTV's** mobile and broadband TV and radio services.

CableFAX Daily Stockwatch

Company	11/02 Close	1-Day Ch	Company	11/02 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	41.91	0.73	AVID TECH:	35.98	0.08
DIRECTV:	21.96	0.36	BLNDER TONGUE:	1.39	0.02
DISNEY:	31.70	(0.03)	BROADCOM:	29.91	0.48
ECHOSTAR:	34.76	0.33	C-COR:	9.57	(0.11)
GE:	34.71	(0.19)	CISCO:	24.05	(0.05)
HEARST-ARGYLE:	25.15	(0.14)	COMMSCOPE:	30.07	(0.48)
ION MEDIA:	0.78	0.01	CONCURRENT:	1.84	0.15
NEWS CORP:	21.30	0.01	CONVERGYS:	21.06	0.00
TRIBUNE:	32.26	(0.36)	CSG SYSTEMS:	26.94	0.33
MSOS					
CABLEVISION:	27.51	(0.17)	GEMSTAR TVG:	3.30	(0.04)
CHARTER:	2.56	(0.1)	GOOGLE:	469.91	2.41
COMCAST:	40.13	0.28	HARMONIC:	7.78	(0.18)
COMCAST SPCL:	40.00	0.27	JDSU:	15.06	(0.69)
GCI:	13.03	(0.04)	LEVEL 3:	5.34	0.04
KNOLOGY:	10.24	(0.18)	LUCENT:	2.40	(0.01)
LIBERTY CAPITAL:	89.25	1.07	MICROSOFT:	28.77	(0.04)
LIBERTY GLOBAL:	26.13	0.33	MOTOROLA:	22.60	(0.17)
LIBERTY INTERACTIVE:	22.10	(0.03)	NDS:	47.94	(0.56)
MEDIACOM:	8.11	(0.07)	NORTEL:	2.23	0.00
NTL:	26.84	(0.21)	OPENTV:	2.96	(0.02)
ROGERS COMM:	60.10	0.02	PHILIPS:	34.67	0.11
SHAW COMM:	31.35	0.04	RENTRAK:	12.91	(0.07)
TIME WARNER:	19.98	0.21	SEACHANGE:	8.30	(0.03)
WASH POST:	737.80	(0.2)	SONY:	40.57	(0.25)
PROGRAMMING					
CBS:	28.73	(0.08)	SPRINT NEXTEL:	18.86	0.00
CROWN:	3.71	(0.11)	THOMAS & BETTS:	49.76	(0.3)
DISCOVERY:	14.92	0.17	TIVO:	6.14	(0.13)
EW SCRIPPS:	49.10	(0.01)	TOLLGRADE:	7.78	(0.29)
GRUPO TELEVISIA:	24.38	0.03	UNIVERSAL ELEC:	21.26	(0.02)
INTERACTIVE CORP:	31.59	(0.01)	VONAGE:	6.50	0.00
LODGENET:	22.01	(0.18)	VYYO:	3.80	(0.06)
NEW FRONTIER:	8.95	0.00	WEBB SYS:	0.07	0.00
OUTDOOR:	13.61	(0.4)	WORLDGATE:	1.19	(0.04)
PLAYBOY:	10.37	(0.04)	YAHOO:	26.53	0.54
UNIVISION:	35.08	0.03	TELCOS		
VALUEVISION:	12.78	0.01	AT&T:	34.02	0.26
VIACOM:	38.32	(0.72)	BELLSOUTH:	44.65	0.45
WWE:	16.04	(0.25)	QWEST:	8.47	(0.1)
TECHNOLOGY					
3COM:	4.80	0.06	VERIZON:	36.99	0.02
ADC:	13.78	(0.04)	MARKET INDICES		
ADDVANTAGE:	3.87	(0.11)	DOW:	12018.54	(12.48)
AMDOCS:	39.10	0.67	NASDAQ:	2334.02	(0.33)
AMPHENOL:	65.64	0.32			
ARRIS GROUP:	12.54	(0.41)			

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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

The Best Medicine

A classic fundraiser that will elicit barrels of belly laughs is returning to cable, its mission to provide victims of Hurricane Katrina with much need money and a healthy dose of humor. The Comic Relief organization launched its 1st cable special on **HBO** in '86 and through 12 years of televised efforts on the net has raised more than \$50mln for causes such as homelessness and the South Florida victims of Hurricane Andrew. Now, after an 8-year hiatus, the show will return to HBO on Nov 18 (9pm ET). **TBS** will also air this year's special, which is blessed with an unbelievable lineup of comedic all-stars. *Jimmy Kimmel, Ray Romano, Rita Rudner, Roseanne Barr* and the cast of HBO's "Entourage" are all slated to appear. Hosting will be *Billy Crystal, Robin Williams* and *Whoopi Goldberg*, the triumvirate that MC'd the original show 2 decades ago. "This is our baby," said HBO svp, entertainment *Nancy Geller*. "We have all been affected by the events in New Orleans, and when something like that happens, there isn't enough awareness you can do." The net is currently shooting segments from the Crescent City featuring recovery efforts and stars' reaction to the area devastation, which with live cut-ins will augment the show with sobering but necessary content. These additions, said Geller, are part of HBO's effort "to embrace the entire cause." TBS is with HBO a co-sponsor of The Comedy Festival, for which the show serves as the finale. "The Katrina situation really cried out to us, and we are excited to be a part of the show," said Ken Schwab, svp, programming, **TNT** and **TBS**. During the telecast, viewers will be prompted to contribute to the effort with phone and Web information. A little donation and the show will go a long way to giving the people of the Gulf Coast a fantastic gift: the return of a little laughter. It seems to always cure what ails. *CH*

Highlights: "Directed by John Ford," Tues, 8pm ET, **TCM**. New interviews with *Scorsese & Spielberg* nicely augment what was a beautiful doc by *Peter Bogdanovich*, reviewing Ford's career as a master painter of film. - "The F Word," Mon, 9pm ET, 10 PT, **IFC**. Clever fiction/doc hybrid about protests against the Republican Convention in NYC, Aug '04. Any links between IFC chief *Evan Shapiro*'s past and this film are purely coincidental. -- "Vincent," Mon, 9pm ET, 10pm PT, **BBC A**. OK, another mystery from **BBC A**, but the ensemble and writing in this are excellent. *SA*

Worth a Look: "Roseanne: Blonde & Bitchin'," tomorrow, 10pm, **HBO**. Looking well, Roseanne still complains about her weight: "I defend a woman's right to chew." And she can't fathom why gays want to marry, "haven't they suffered enough?" If your subs aren't big fans, watching her set may elicit a similar plea. - "Paparazzi," Wed, 9pm ET, 11 PT, **BBC A**. Dispassionate but interesting doc look at British "paps." -- "Underfunded," Wed, 10pm, **USA**. Your subs must be in the mood for a quirky James Bond spoof; if so, this works. - "Shootout," "Lost Evidence," and "Dogfights," tonight, 8,9 & 10pm, **History**. We thought "Friday Night Fights" involved boxing; no more, as History cleverly groups strong, hr-long battle docs. Our favorite is "Shootout," detailing the battle of Iwo Jima (8pm). *SA*

Basic Cable Rankings
(10/23/06-10/29/06)

Mon-Sun Prime			
1	ESPN	2.9	2713
2	DSNY	2.2	1984
3	USA	2.1	1961
4	TNT	1.5	1390
5	TBSC	1.4	1257
6	LIFE	1.3	1156
6	TOON	1.3	1154
6	NAN	1.3	1152
9	HALL	1.2	919
10	FOXN	1.1	1027
10	A&E	1.1	1021
12	HGTV	1	918
12	AMC	1	880
12	SCIF	1	852
15	SPK	0.9	830
15	CORT	0.9	782
17	HIST	0.8	754
17	DISC	0.8	752
17	FX	0.8	750
17	MTV	0.8	731
17	VH1	0.8	705
17	CMDY	0.8	683
23	TLC	0.7	648
23	TVLD	0.7	630
23	FOOD	0.7	612
23	CNN	0.7	600
27	FAM	0.6	585
27	BET	0.6	468
27	SOAP	0.6	304
30	ESP2	0.5	485
30	APL	0.5	459
30	BRAV	0.5	409
30	NGC	0.5	280
30	LMN	0.5	272
35	EN	0.4	399
35	MSNB	0.4	374
35	TTC	0.4	315
35	WGNC	0.4	308
35	OXYG	0.4	244
35	TV1	0.4	118
41	HLN	0.3	285
41	CMT	0.3	248
41	TVGC	0.3	235
41	GSN	0.3	206
41	DHLT	0.3	189
41	TDSN	0.3	151

*Nielsen data supplied by ABC/Disney

CableFAX
MAGAZINE

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THE FAXIES

CableFAX 100

What a difference a year makes! *CableFAX Magazine*, published twice yearly, is written with the same zest and vigor readers have come to expect in *CableFAX Daily*. Both issues provide an in-depth look at the people, deals and events that shape the cable industry and are true coffee-table publications that are received with great anticipation each year.

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TRIBUTE: drama|music|variety|comedy

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