

CableFAX Daily™

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What the Industry Reads First

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Ziddio Video: Comcast Launches Beta User Video Website

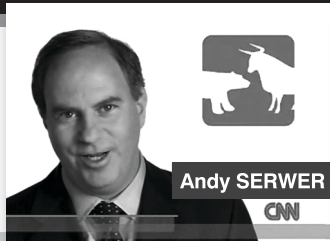
Back in Aug, **Cfax** reported that **Comcast** was considering launching a video Website called **Ziddio.com** (Cfax, 8/28), and this week the MSO filled in the blanks. On Mon, a beta version of Ziddio.com went live, with Comcast expected to launch it for real by early Dec. While the user-generated video site is sure to draw **Youtube** comparisons with its rankings and Webcam productions, it is a little different. For starters, it's ad-supported and was created in partnership with interactive ad agency **Genex**. Ziddio also has a slicker feel and is much easier to navigate (not to mention that copyrighted material is strictly forbidden). And instead of featuring Youtube's hodge-podge of everything, users submit videos for specific categories—comedy, games, music, action/drama, animation, movies, horror/sci-fi, reality. Comcast is currently just posting content for its "Be a Jedi" and "The Messiest Home in America" sections, featuring contests being conducted with **HBO** and **Style**—though with the site in beta mode, there's little to watch. Ziddio carries the tag, "Shoot, Share and Get on TV," touting another aspect in which Comcast hopes to be novel: Some of the best Ziddio.com content will be posted on Comcast VOD, which also will be ad-supported. Still, not everyone's ready to pull out their Webcams. "While companies continue to copy Youtube's business model, there is clearly a 'network effect' that is driving Youtube's dominance," **Pali's Rich Greenfield** told **Cfax**. "We struggle with the notion that the core Youtube audience will upload their content to Ziddio in hopes of being seen on cable channel 1000, and even whether the core Youtube user even watches video on demand?" Comcast isn't the only MSO playing the user-generated VOD game. Take **Time Warner SC**, which is currently collecting funny and/or touching holiday videos for its **Carolina On Demand** channel. Like Comcast, it's also dangling prizes (\$500 cash) to entice submissions.

Advertising: At last, an explanation as to why we haven't seen any commercials during **CBS's** free VOD offerings on Comcast (**Cfax**, 9/27). **GM** has stepped up to sponsor the 6 shows through Dec 31. The shows will feature only 3 brief commercial messages, and GMC trucks will appear during some of the programs. -- As part of a deal with **WE**, **Match.com** will receive product integration within the net's original series "Cinematherapy." The online dating site will also receive a custom vignette and an online presence at wetv.com, including a hyperlink and a banner ad.

Competition: **AT&T** said it has inked a deal with **Fox News** for its "U-verse TV" channel lineup. -- **Fitch** upgraded the Issuer Default Rating of **Qwest** and 4 of its subsidiaries to 'BB' from 'B+,' and also upgraded the issue ratings assigned to various debt to 'BBB-' from 'BB+'. -- **Cavalier** announced that Richmond, VA, customers are now receiving VOD content in MPEG-4 format. It plans to roll out the service, powered by **ViewNow's** VOD aggregation technology, by year's end in Norfolk, VA, Baltimore, Philadelphia and DC.

Elections: The numbers are already in—the **C-SPAN** numbers, that is. The net originated more than 300 hours of

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programming and aired 161 debates during the mid-term election cycle. Other stats: Sen *Conrad Burns* (R-MT) had 6 debate appearances on C-SPAN, the most of any senator. Rep *Chris Shays* holds that distinction for the House, with 3 appearances. The net featured 58 House debates, 55 Senate and 48 gubernatorial. -- With Tues' elections quite possibly putting *John Dingell* (D-MI) in the House Commerce chmn seat, the committee's current chmn has eyes on another leadership post. *Joe Barton* (R-TX) was quoted over the weekend as saying he'd pursue such a Republican leadership post if one opens up. House Speaker *Dennis Hastert* is expected to step down from a leadership role if Dems win the House as expected. Even if the Republicans manage to hang on to the House, Hastert's chances of keeping the job appear to be iffy.

In the States: **Cox Business Services** announced a 28% increase in 3Q commercial subs, due largely to greater availability of telephone service to business customers (Can you hear me now **Verizon**?). The MSO said 55% of new data customers in its legacy voice markets also subscribe to its VoIP service. -- 13 **Comcast** business units filed applications Oct 30 with the state of IN for statewide video franchises, just beating the Nov 1 deadline. Also filing since Aug were 2 **Time Warner Cable** units, 2 **Charter** units, and a pair of telcos (**AT&T** and Daviess-Martin County Rural Telephone).

Technology: Garnering a lot of ink Mon was **BroadLogic's** launch of "TeraPIX," a video processor that promises to let cable ops triple their digital spectrum. BroadLogic said it's capable of decoding dozens of digital streams and generating a full analog and digital service tier, including an 80-plus analog lineup and up to 160 SD or 50 HD programs.

IPTV: **MTVN**, **Scripps Nets**, **The Weather Channel** and **Fox News** are among those who recently signed "IP-Prime" transport agreements with **SES Americom**, upping the satellite comm provider's IPTV lineup to 290 channels. -- **TVN** launched an end-to-end MPEG-4 VOD delivery platform for IPTV services.

Online: Beginning Mon, **Foodnetwork.com** users may choose what holiday dishes they want to watch chef and net show host *Tyler Florence* prepare on the site's broadband player. "Tyler's Ultimate Holiday Menu Planner" is an interactive, customizable video menu planner that allows viewing at any time. -- Now available for viewing at adultswim.com is a 90-sec clip of "Aqua Teen Hunger Force," a feature film based on the net's series slated for theatrical release next year.

Ratings: **Nielsen** created the African American Advisory Council, consisting of 12 industry, community and business leaders who will advise the ratings agency on sampling of African Americans. The Council's members include **NAACP**, Hollywood Bureau exec dir *Vic Bulluck* and **CAB** vp, diversity marketing **Cynthia Perkins Roberts**.

Programming: **Cartoon** will debut Dec 8 (8pm) its 1st animated movie, "Re-Animated," which chronicles a 12-year-old boy's life as it changes following an amusement park accident. -- **Comcast/Charter Sports Southeast** announced a partnership with **Conference USA** and **CSTV** for the broadcast of 14 men's basketball games featuring conference squads. The slate tips off Dec 9 with Ole Miss vs. Memphis. -- *Jai Rodriguez* of "Queer Eye" fame will host and co-produce the 3rd season of **Sí TV's** "Styleeyes." Set in Miami, the show will bow in Mar.

People: Internet TV company **Veoh Networks** tapped former **Fine Living** gm *John MacDonald* as pres, content and programming. Veoh's investors include *Michael Eisner* and **Time Warner**. -- *Quincy Smith* was named pres of **CBS Interactive**, a new position in which he will oversee CBS' entire interactive strategy and help guide its implementation. -- **ReelzChannel** appointed *Wayne Aaronson* vp, West Coast ad sales. -- Former **AOL** exec *Erik Flan-*



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BUSINESS & FINANCE

nigan was named svp, digital media, for **Comedy Central** and **Spike**.

-- **Cox** appointed *Mark Bowser* vp, commercial services. -- Kudos to *Keith Coccozza*, who has left **Time Warner Cable** to join **TW** corporate's comm team.

Earnings: Liberty Media now wholly owns **QVC** after doling out \$482mln in Oct to purchase the stake it didn't own, the company said in its 3Q earnings filing. The home shopping channel's 3Q total rev increased 12% to \$1.65bln and operating cash flow jumped 20% to \$366mln. -- **Starz Ent's** 3Q rev inched up 3% to \$253mln, primarily due to an increase in the avg number of subscription units for its services. The avg sub units for both **Starz** and **Encore** increased 7%, to 14.9mln and 26.6mln, respectively. -- **OpenTV's** 3Q rev jumped 36% to \$26.6mln, led by middleware and integrated technologies (+25%) and apps (+44%). The company reported a net loss of \$1.8mln, compared to a year-ago net loss of \$4.1mln.

Business/Finance: Arris announced plans to offer \$225mln of convertible senior notes due '26 through a public offering, for which **UBS** and **Deutsche Bank** will act as joint book-running managers. Arris will grant the underwriters a 30-day option to purchase up to an additional \$33.75mln of the notes, solely to cover over-allotments.

CableFAX Daily Stockwatch

Company	11/06 Close	1-Day Ch	Company	11/06 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	42.64	0.18	AVID TECH:	36.40	(0.08)
DIRECTV:	22.45	0.76	BLNDER TONGUE:	1.41	0.00
DISNEY:	32.46	0.57	BROADCOM:	30.24	0.03
ECHOSTAR:	35.31	0.92	C-COR:	9.97	0.06
GE:	35.27	0.50	CISCO:	24.68	0.91
HEARST-ARGYLE:	25.90	0.36	COMMSCOPE:	31.11	0.93
ION MEDIA:	0.79	0.01	CONCURRENT:	1.98	0.00
NEWS CORP:	21.73	0.38	CONVERGYS:	21.98	0.78
TRIBUNE:	32.24	(0.03)	CSG SYSTEMS:	27.32	0.66
MSOS					
CABLEVISION:	27.88	0.11	GEMSTAR TVG:	3.29	0.04
CHARTER:	2.63	0.05	GOOGLE:	476.95	5.15
COMCAST:	40.85	0.83	HARMONIC:	8.39	0.09
COMCAST SPCL:	40.65	0.68	JDSU:	15.06	(0.69)
GCI:	14.03	0.31	LEVEL 3:	5.36	(0.04)
KNOLOGY:	10.64	0.16	LUCENT:	2.46	0.08
LIBERTY CAPITAL:	89.29	1.37	MICROSOFT:	28.84	0.11
LIBERTY GLOBAL:	26.34	0.35	MOTOROLA:	22.83	0.37
LIBERTY INTERACTIVE:	22.50	0.56	NDS:	48.05	0.03
MEDIACOM:	8.22	0.07	NORTEL:	2.39	0.13
NTL:	27.33	0.45	OPENTV:	2.92	(0.03)
ROGERS COMM:	60.36	(0.1)	PHILIPS:	35.60	0.60
SHAW COMM:	31.43	0.15	RENTRAK:	13.25	0.21
TIME WARNER:	19.95	0.11	SEACHANGE:	8.89	0.40
WASH POST:	735.00	(1.38)	SONY:	40.76	0.27
PROGRAMMING					
CBS:	29.15	0.64	SPRINT NEXTEL:	19.05	(0.1)
CROWN:	3.57	(0.12)	THOMAS & BETTS:	49.95	0.67
DISCOVERY:	14.84	(0.11)	TIVO:	6.06	(0.01)
EW SCRIPPS:	50.35	1.05	TOLLGRADE:	8.35	0.24
GRUPO TELEVISIA:	25.12	0.90	UNIVERSAL ELEC:	21.83	0.03
INTERACTIVE CORP:	32.29	0.53	VONAGE:	6.73	0.17
LODGENET:	22.00	0.09	VYYO:	3.70	(0.05)
NEW FRONTIER:	9.16	0.22	WEBB SYS:	0.07	0.00
OUTDOOR:	13.66	(0.11)	WORLDGATE:	1.22	0.04
PLAYBOY:	10.46	(0.05)	YAHOO:	26.59	0.41
UNIVISION:	35.10	0.12	TELCOS		
VALUEVISION:	12.97	0.07	AT&T:	34.30	0.58
VIACOM:	39.40	0.51	BELLSOUTH:	44.87	0.75
WWE:	16.31	0.11	QWEST:	8.73	0.31
TECHNOLOGY					
3COM:	4.71	(0.01)	VERIZON:	36.98	0.28
ADC:	13.76	0.25	MARKET INDICES		
ADDVANTAGE:	4.00	0.01	DOW:	12105.55	119.51
AMDOCS:	39.14	0.25	NASDAQ:	2365.95	35.16
AMPHENOL:	66.80	0.55			
ARRIS GROUP:	11.49	(1.21)			

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:

- What is Time-Shifted TV and how does it work?
- 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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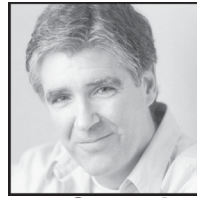
Cedar Point's Dzuban No Garden Variety Geek

I've always been a little bit of a geek, albeit one with no sense of engineering, design or how things actually work. And I suppose that simple fact has allowed me to hide my geek tendencies over the years. But it is also, perhaps, why I get such a kick out of Cedar Point vice chairman Mark Dzuban, a true, card-carrying geek and man who couldn't be more proud of it.

For those of you who don't know, Cedar Point is one of the hottest vendors in the industry, designing and manufacturing high-quality integrated media switches that allow cable operators to provide voice and multimedia applications via a single system. And Dzuban is the guy who helped transform Cedar Point from just another hardware supplier whose name meant virtually nothing to most people to a hardware supplier whose name bolted to the top of everyone's list of small but growing companies prime for acquisition.

But back to Dzuban. Consider some of the noteworthy items on his personal geek dossier:

- o He and his father once built a rocket on the family picnic table, and tested it by attaching it to the table and watching it motor across the backyard.
- o He is an avid collector of centuries-old munitions, with a particular soft spot for Revolutionary and Civil War cannon balls.
- o He has recently begun collecting vintage airplane propellers, and in his office in Hatteras, NC, is a 100" prop from a World War I Sopwith Camel.
- o He is an avid ham radio operator (call K4MHZ), a hobby he's had since childhood when he made a name for himself by attempting to improve reception by stringing wire across a number of lots on his block.
- o He once studied law enforcement in his spare time, is a passionate marine conservationist and a rabid



M.C. Antil

fisherman.

But I am writing about him today, not for who he is personally, but what he's done professionally. A few years ago as head of the Cedar Point advisory committee, Dzuban—who at 21 years old developed concepts that would lay the foundation for cable telephony, who helped roll out cable telephony in the UK, and who helped design voice products and

services for both TCI's Cross Country Cable and AT&T Broadband—told the company's leadership they needed to start thinking less like a vendor and more like a cable operator. He said the engineers needed to focus less on what they had the ability to do and more on what the marketplace wanted them to do.

It was classic top-down recalibration and forced Cedar Point into true outside-in thinking. It also allowed them to develop a line of products that turned Comcast and Charter into customers, and helped complement their international roster of clients with two US heavyweights.

Today, Dzuban, along with president and CEO Andy Paff, have stopped thinking so much about being acquired. Instead, if the word on the street is true, they now seem more focused on an IPO as a means of generating cash. When I asked him about those rumors, he said simply, "Let's just say we're focusing on valuation right now, and beyond that I can't comment."

And just in case you were wondering, Dzuban isn't one of those nerds doomed to spending the rest of his life alone with his peculiar hobbies. Twenty-seven years ago he married and remains madly in love with Shawn, a one-time Ivory Soap baby who later became an actress and had a recurring role in the classic 1960s series, "Naked City."

"She may be my wife, but she's still my girlfriend," said Dzuban. "She's a sweetie and I'm a very lucky guy."

M.C. Antil can be reached at m.c.antil@att.net.



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