

CableFAX Daily™

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What the Industry Reads First

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Sports Talk: Judiciary Tees Up NFL, DirecTV, Time Warner for Hearing

Remember *Brian Roberts'* call for a "dialogue" on sports programming (*Cfax*, 9/22)? It seems Congress certainly does. One of the 1st items of business for the Senate Judiciary Committee, fresh from its mid-term elections break, is a hearing titled "Competition in Sports Programming and Broadcasting: Are Consumers Winning?". The hearing, slated to begin at 9am Tues, will drill down into **NFL's** exclusive deal with **DirecTV** for Sunday Ticket. Reps from DirecTV and NFL are on the witness list. It's also likely that the committee will touch on NFL Net's quest for cable carriage, with **Time Warner** COO *Landel Hobbs* scheduled to testify. Also on the panel is a Stanford economics prof. The hearing will be carried live on **C-SPAN3** or online at **C-SPAN.org**. With a lame duck Congress holding the reins, don't expect much to come out of the hearing, but it does get the ball rolling for Roberts' requested dialogue. Funny, Roberts doesn't seem to be having any trouble talking to **Disney** and **Fox**. **Comcast** is reportedly close to deals with both programmers, with *Sports Business Journal's Johnny O* reporting that Comcast would pay the same 7% license fee increase for **ESPN** for the next 7 years—the same rate the net cut with **Charter** and **Cox** 2 years ago. Under the deal, Comcast would add **ESPN Deportes** to its Spanish-language tier and ESPN would make some of its programming available on VOD, SBJ reports. The **Fox** deal, the pub said, will see Comcast pick up all of **FSN's** HD games for the first time.

Technology: Cable fulfilled its commitment to the **FCC** to make multistream CableCARDS available for retail plug & play devices. The cards allow multiple digital video streams (even on 1-way devices), meaning a sub using one can view 1 cable channel while recording another. **CableLabs**, with support from **TiVo**, **Motorola**, **Digeo**, **Solekai**, **Digital Keystone** and **ViXS**, is offering a test suite for the cards at its Website. CableLabs will begin offering verification testing of the M-Cards in Jan. -- **BigBand Networks** expanded the functionality of its "BMR" router to enable insertion of interactive advertising, TV-based eCommerce and interactive programming based on **CableLabs'** Enhanced TV specs. A platform from **Comcast/Cox** jv **TVWorks** also integrates apps based on the CableLabs specs, and allows for their deployment to digital cable set tops.

Research: Telcos added more broadband subs than cable ops in 3Q, marking the 8th straight Q that telcos have bested cable in the metric, according to **Leichtman Research**. As the 20 largest cable and phone providers collectively acquired more than 2.5mln net additional broadband subs in 3Q, telcos alone added 1.33mln. Of the 51mln high-speed Internet subs owned by the 20 providers, cable counts more than 28mln subs, versus the 23mln owned by telcos. **Comcast** led all providers with 536K net adds, followed by **Verizon** (448K), **AT&T** (374K) and **Time Warner Cable** (251K).

Silver Screen Starz: **Liberty's Starz** formed "Overture Films," a motion picture studio that will produce, acquire and distribute 8-12 feature films per year. Former **MGM** execs *Chris McGurk* and *Danny Rosett* will serve as CEO and

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COO, respectively, of the new venture. The studio will be based in L.A. and releases will begin in mid-'07.

Advertising: **Time Warner Cable** launched active advertising in NYC. Area spots, to run on more than 30 nets, now offer viewer interactivity through voting opportunities, information requests, and viewing of long-form videos in an on demand environment. -- **TV One** launched local ad sales through **Cox Media** in Baton Rouge, LA; Herndon, VA; and Pensacola and Fort Walton Beach, FL; and through **Comcast Spotlight** in Nashville, Baltimore, Jacksonville, FL, and Savannah, GA. -- **SportsNet NY** selected **NCC** to handle its national spot advertising and sponsorship business.

Competition: **Verizon** tapped former **MTVN** exec *Jason Malamud* to head ad sales across its **FiOS** platforms. As vp/gm of Verizon FiOS Media, Malamud will develop and direct programs for targeted, interactive and measurable ad campaigns for "FiOS TV," IP VOD, and broadband video. The telco currently counts 6.6mln broadband subs and 118K video subs.

In the States: **TV One** now reaches 1mln new HHs with fall launches on **Time Warner Cable** systems in Milwaukee, Buffalo and L.A.; and on **Comcast** in the San Francisco Bay area and Albuquerque, Los Alamos and Santa Fe, NM.

Online: **ESPN** launched Phase 1 of a nationwide local podcasting network, offering affiliate station radio programs at **ESPN.com** and through **iTunes**. Select shows from NY, L.A., Chicago, Dallas and Pittsburgh are now available, and Spanish-language podcasts will launch next week at **ESPNdeportes.com**. -- **VH1** will launch Nov 27 at vspot.vh1.com a syndicated video player and 8-ep broadband series, "Home Purchasing Club." The syndicated player allows users and Web publishers to add VSPOT content to their own sites.

Ratings: To accommodate delays by broadcasters and DVRs, **Nielsen** redefined "live" TV as anything watched within 25 seconds of its broadcast. The original definition time introduced in Jan was 8 seconds.

Programming: **Fox Soccer Channel** will produce and air next season a 3-hour programming block surrounding its Sat **MLS** telecasts that includes live pre-game, halftime and post-game shows. -- **TNT** announced a 2-hour special (Dec 4, 8pm) of its wildly popular series "The Closer." The net will also offer a Thanksgiving Day (8am-8pm) marathon of Season 1, and Dec 5 (10pm) will begin re-airing the show's 2nd season. -- **TBS'** "The Comedy Festival Presents: A Salute to the Troops and USO" (Nov 19, 10pm) will feature *D.L. Hughley*, *Kid Rock* and *Carmen Electra*, and will pay tribute to *Bob Hope*. -- A partnership with **Pro Elite** has added mixed martial arts events to **Showtime's** programming corner. The 1st event rivaling the **UFC** will air on Feb 10, and others will follow through '09.

Marketing: **The Weinstein Co** and **CNN** ad sales and marketing are partnering for a sweepstakes surrounding upcoming feature film "Bobby." **CNN** viewers and **CNN.com** users may share their thoughts on inspiring people, ideals and issues at a branded "Bobby" microsite at cnn.com/politics. Each submission will be entered into a sweepstakes offering a trip to Washington, D.C. Promotional spots for the sweepstakes will air on **CNN** and **Headline News**.

People: *Sean Kelly* was named vp, western ad sales for **Hallmark Channel** and **Hallmark Movie Channel**. -- **Tandberg TV** appointed *Robin Main* svp, application-software development. -- **Comcast SportsNet Chicago** named *Jaclene Tetzlaff* vp, marketing. -- *Jennifer Mirgorod* was promoted to svp, sales and marketing for **Turner Network Sales**.

On the Circuit: Following up on *Paul Maxwell's* "Boys on the Side" column in this week's **CableWorld**, **WICT's**

my story is falling in love. again.

GREY'S ANATOMY

The show that goes right to the heart of young female viewers is coming to Lifetime. THIS JANUARY, SEE IT FROM THE BEGINNING.

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my story is on **Lifetime**
lifetimeconnection.com

BUSINESS & FINANCE

Benita Fitzgerald Mosley reports that men make up 10% of the organization's members. WICT is celebrating an all-time record of nearly 5600 total members this year.

Stork Visits: Double congrats to an **ESPN** couple on their roster addition; props go to PR svp *Chris* and vp of programming and acquisitions *Leah LaPlaca* on the birth Sat of 7lb, 12oz *Grace Lily*. No truth to the rumor that since the couple was unable to purchase a high chair, *Grace Lily*'s been sitting in the **Budweiser** Hot Seat.

Editor's Note: Who made **CableWorld's** list of the top 50 women in cable? Check out www.cable360.net/cableworld to see if your name's on the list.

Earnings: Driven by distribution growth, 3Q rev for **Discovery's** US nets swelled 10% to \$469mln. Distribution rev jumped 18% due to a 13% increase in paying subscription units and contractual rate increases. Much of the sub growth occurred at emerging nets carried on digital tiers. Ad rev was down 1%. Growth in distribution and ad rev fueled a 23% increase in Int'l Nets rev to \$223mln.

Business/Finance: Merrill Lynch raised AK operator **GCI** to "Buy" from "Neutral," saying it believes the company has options to improve shareholder returns—most likely through a higher dividend rate.

CableFAX Daily Stockwatch

Company	11/13 Close	1-Day Ch	Company	11/13 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
AVID TECH:	37.74	0.83	BLNDER TONGUE:	1.54	0.04
BRITISH SKY:	41.90	(0.54)	BROADCOM:	32.28	0.64
DIRECTV:	21.58	(0.42)	C-COR:	10.25	0.18
DISNEY:	32.26	(0.14)	CISCO:	26.68	(0.06)
ECHOSTAR:	36.66	0.35	COMMSCOPE:	31.78	0.08
GE:	35.36	0.19	CONCURRENT:	1.93	(0.09)
HEARST-ARGYLE:	25.61	(0.2)	CONVERGYS:	23.08	0.41
ION MEDIA:	0.75	(0.02)	CSG SYSTEMS:	27.70	0.52
NEWS CORP:	22.26	(0.11)	GEMSTAR TVG:	3.22	(0.06)
TRIBUNE:	32.46	0.43	GOOGLE:	481.03	7.48
MSOS					
CABLEVISION:	27.93	(0.02)	HARMONIC:	8.34	0.14
CHARTER:	2.60	0.10	JDSU:	15.06	(0.69)
COMCAST:	40.45	0.14	LEVEL 3:	5.46	(0.07)
COMCAST SPCL:	40.13	0.15	LUCENT:	2.52	0.02
GCI:	14.16	(0.16)	MICROSOFT:	29.35	0.11
KNOLOGY:	10.31	0.24	MOTOROLA:	21.17	(0.21)
LIBERTY CAPITAL:	89.56	(0.04)	NDS:	48.50	(0.05)
LIBERTY GLOBAL:	27.43	0.02	NORTEL:	2.05	0.02
LIBERTY INTERACTIVE:	22.60	0.35	OPENTV:	2.77	0.05
MEDIACOM:	8.28	0.13	PHILIPS:	36.33	(0.02)
NTL:	25.11	(1.44)	RENTRAK:	13.00	0.07
ROGERS COMM:	59.43	(0.16)	SEACHANGE:	8.79	(0.06)
SHAW COMM:	30.35	(0.49)	SONY:	40.01	0.17
TIME WARNER:	19.99	0.28	SPRINT NEXTEL:	20.50	0.13
WASH POST:	734.49	(1.06)	THOMAS & BETTS:	52.20	0.84
PROGRAMMING					
CBS:	30.01	0.14	TIVO:	5.92	0.10
CROWN:	3.50	(0.09)	TOLLGRADE:	8.47	0.15
DISCOVERY:	15.08	0.05	UNIVERSAL ELEC:	21.48	(0.13)
EW SCRIPPS:	49.71	(0.43)	VONAGE:	6.53	(0.1)
GRUPO TELEVISA:	24.91	0.06	VYYO:	3.31	0.09
INTERACTIVE CORP:	33.49	0.09	WEBB SYS:	0.07	0.00
LODGENET:	22.85	(0.19)	WORLDGATE:	1.40	(0.09)
NEW FRONTIER:	8.98	0.04	YAHOO:	27.40	0.01
OUTDOOR:	13.16	0.05	TELCOS		
PLAYBOY:	12.24	0.23	AT&T:	33.06	0.01
UNIVISION:	35.25	0.04	BELLSOUTH:	43.17	(0.04)
VALUEVISION:	13.33	(0.06)	QWEST:	8.20	(0.03)
VIACOM:	38.59	0.43	VERIZON:	35.95	0.36
WWE:	16.00	(0.18)	MARKET INDICES		
TECHNOLOGY					
3COM:	5.05	0.09	DOW:	12131.88	23.45
ADC:	13.78	0.00	NASDAQ:	2406.38	16.66
ADDVANTAGE:	3.97	(0.03)			
AMDOCS:	38.95	(0.04)			
AMPHENOL:	68.39	0.46			
ARRIS GROUP:	12.20	(0.04)			

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Symonds Says...

Some reflections on the midterm elections, from a cable perspective:

Can we give it up for Duane Winslow? The man emerged as my personal hero of the week. Winslow, an election coordinator from Montana,

made a mistake that caused the entire nation to wait longer than we should have to in order to learn who won the Montana Senate race—and, by extension, control of the U.S. Senate. While tabulating votes in his county, Winslow forgot to save some information that forced his team to go back to square one and count all over again, a task that put the eyes of the nation, not to mention CNN, Fox News, MSNBC and the broadcast news divisions, squarely on him throughout the evening.

But I'm fan of Winslow, not because he made a mistake. I'm a fan because of how he reacted to it. On the final day of nastiest mid-term campaign in recent memory, one in which candidates spent millions to do little more than point fingers at each other, here was a simple, plain-spoken man from Montana willing to stand up and be straight with us. With no lawyers or media handlers by his side, with boxes of votes behind him waiting to be

counted, and with the eyes of the whole world fixed on him, he stood there and told us point-blank he made a mistake.

The irony, of course, is that almost all the anchors who watched Winslow take the heat without looking to spread blame, said in so many words that the guy deserves a medal. Think about that: at the end of an extended beauty pageant in which all the contestants put their best foot forward and worked overtime to impress us with who they are, we found ourselves giving extra credit for simple honesty and unique courage.

This past month, Fox News made a big deal out of its celebration of its 10th birthday. And while I know Fox News has become something of a cultural phenomenon, has inspired as much rhetoric as the people and events it covers, and has emerged as a news ratings powerhouse, for my money it still is only the second most important cable news entity that recently turned ten. "The Daily Show" also just popped the cork. The difference is, while Fox remains an important but largely polarizing news entity, Jon Stewart has replaced Walter Cronkite as the one person that people across the political spectrum turn to for the final word on the news. In other words, for millions of Americans—especially

younger ones—Election Day doesn't end at midnight, or even in the wee small hours. It officially ends the next evening on Comedy Central when Jon Stewart smirks into the camera, quietly takes an arrow out of his quiver and proceeds to pierce the soft underbelly of the beast, regardless of color. That's a level of prestige, about which at this point Fox and even CNN can only dream.

A speaking of "The Daily Show," I had three occasions last week to have the point driven home that as popular as it is with kids, many of them do not watch it in real time on cable. And those who don't watch it in real time also don't even TiVo it or use a DVR either. Instead, they turn to a medium which this past week was named by Time magazine as "Invention of the Year." Still don't know? It's the white-hot YouTube, the video file sharing service which, of course, was not too long ago acquired by the not-so-slumbering giant, Google.

And while that may not concern all of you, perhaps it should. After all, Symonds says that kind of information—which not only provides a compelling answer to how, but also who, what, when, where and why—has all the characteristics of a seismic cultural shift.

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Curtis Symonds

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