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What the Industry Reads First

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Hired Guns: Retrans Negotiations Covering a Lot of Ground

Besides the always rancorous issue of cash for carriage, issues such as multicast streams, channel positioning pre- and post-DTV transition and boilerplate items are hot topics in retrans consent negotiations. That was the word at a **Federal Communications Bar Assoc** panel featuring 3 attorneys representing cable, broadcast stations and **DISH Network**. “In the past a lot of retrans agreements could be rather formulaic. We knew what the big issues were—terms, extending compensation... It seems this time everything is on the table in a way I haven’t seen before,” said *Kevin Latek* of **Dow Lohnes**, who represents several broadcasters. “The things we never really talked much about in the past seem to be an issue this time around in a way that I was not anticipating.” For example, he said some cable ops are refusing to sign confidentiality clauses because they want the ability to file some details with the **FCC**. **Fleischman and Harding’s Seth Davidson** said his cable clients have faced “open-ended add-on clauses” in which the deal would include additional stations in the market that the broadcaster—through a local marketing agreement or acquisition—may subsequently obtain retrans consent rights. “The open-endedness of that I think is what concerns a lot of operators,” he said. “They don’t know if it’s going to be an LPTV or a network station, etc.” Latek countered that some cable ops are insisting on 1 contract with a broadcaster, and working out clauses for the various types of stations in a market that may come under the broadcaster’s control. When it comes to the retrans process, both *Linda Kinney*, an attorney for DISH, and Davidson called it “broken.” DISH has 1500 stations in its footprint. “A lot of the broadcasters have been very reasonable and said things like, ‘Look, if we don’t get to deal come Dec, we’ll just extend beyond the transition. We’re all very worried about the transition,’” Kinney said. “There is this small handful, where you do think the process is broken. You see a lot of that with the FCC’s good faith standard. Our concern is that the standard is not robust enough and needs to be redone by the FCC.” She said some broadcasters have already requested a 200% increase in compensation for carriage. Davidson described it as some looking for “the lame zebra in the herd to pick off.” Latek also had some issues with the good faith standard, saying it takes the FCC too long to act on complaints and there are “no real consequences” for violating it. He said he could list 24 cable ops right now that are carrying his clients’ signals without permission. “DISH, **Mediacom**, **Time Warner**... understand the big picture, understand the rules and are not going to carry a signal without permission, but there’s a whole bunch of folks out there who don’t have that level of visibility that are telling us basically to ‘Bring it on,’” Latek said.

Women In Cable: Discovery regained the top programming in **WICT’s** annual **PAR** study (“Pay Equity, Advancement Opportunities and Resources for Work/Life Support”), receiving the title of Best Programmer for Women in Cable. Discovery held the title for 3 consecutive years before **Oxygen** usurped top honors last year. For the 6th straight year, **Cox** ranked as the Best Operator for Women in Cable. Women now comprise 36.4% of cable workers, a slight increase from ‘07’s 35.8% but behind the 38.7% tallied in the study’s initial year of ‘03. The number of women in sr exec positions



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dropped in '08, to 35.4% from 37.9% in '07; females now comprise 35.4% of all middle managers and professionals, down from 37.9% last year. In short, the overall industry trend is declining numbers of women in all categories, save for middle managers. Rankings: Runner-up in the Best Operator category was **Time Warner Cable**, followed by **Comcast**, **WOW!** and **Suddenlink**. **Weather Channel** was 2nd among programmers, followed by **MTVN**, **Turner** and **Scripps Nets**.

Mamma Mia: HDNet chief *Mark Cuban* vowed Mon to clear his name after being charged with insider trading by the SEC. The commission alleges Cuban sold in '04 600K shares of Internet search company **Mamma.com** with the knowledge that the company would initiate a stock offering, thus saving approx \$750K. Cuban responded to the charge at Blogmaverick.com. "I am disappointed that the Commission chose to bring this case based upon its Enforcement staff's win-at-any-cost ambitions. The staff's process was result-oriented, facts be damned. The government's claims are false and they will be proven to be so."

Competition: It'll be a white Christmas for skiing enthusiasts, as **The Ski Channel** will launch Dec 25 in more than 15mln homes through long-term carriage deals with **DirecTV** and **FiOS TV**. Both ops will feature the net via their on demand platforms. Through a deal with **Mountain Sports Media**, the net will feature *Warren Miller* films and TV shows. -- **Qwest** has signed on as the title sponsor of the '09-'10 US Women's Hockey National Team's 10-game tour, which kicks off Sept 25 in St. Paul in preparation for the '10 Olympic Winter Games in Vancouver.

Carriage: **CBS College Sports** will soon pick up 4mln additional subs through distribution deals with **FiOS TV**, **Comcast** and **Bright House**. Starting later this month, Verizon will roll out the net in each FiOS market, region by region, and offer it within its Extreme HD service and the FiOS TV Sports Package; Comcast markets including Atlanta, Boston and Minneapolis will begin launches in Nov and Dec; and Bright House will move the net onto its digital basic service.

Advertising: **BigBand** has expanded interoperability of splicing into encrypted streams on its newly launched Media Services Platform by integrating Widevine tech, allowing service providers to insert advertising on encrypted HD and SD video streams, in both MPEG-2 and MPEG-4 formats. -- During this week's Management World Orlando conference, **Arris**, **BIAP**, **BlackArrow** and **Sigma Systems** will jointly demonstrate an advanced advertising solution that service providers can use to deliver rich entertainment services, including content specific ad-insertion and addressable ad-insertion. -- **Travel Channel Media** has launched **TravelChannel.com/flightdeck**, a content-sharing and advertising network providing small to mid-size online travel publishers and suppliers with the ad sales expertise to create a reliable ad revenue stream. The network also offers branded content and tools to enhance customer value and consumers' online experience.

VOD: **Bright House** has doubled its on demand service offerings through the launch of **VideoStore.rr.com**, where consumers may download to own or rent thousands of titles from Hollywood studios and across many cable and TV nets. Download-to-own new release movies run \$17.99, and library titles run from \$9.99-13.99 for download to own while movie rental prices are \$3.99. TV series are \$1.99/ep with full-season ordering available.

TiVo Doings: **TiVo** has increased to 100K from 20K the sample size of its **Stop||Watch** ratings service, from which it derives anonymous, second-by-second audience research data. TiVo said the increased sample size allows it to produce stable ratings measurements across cable nets currently unmeasured by the industry currency, including **Sprout**, **Noggin**, and **Planet Green**. Separately, TiVo has teamed with **Domino's Pizza** to give broadband-connected

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BUSINESS & FINANCE

TiVo subs the ability to order pizza for delivery or pick-up, and track delivery timing right from their TV sets.

Technology: Video delivery platform provider **GridNetworks**, which counts **Comcast** and **Cisco** as investors, has launched **GridCast TV**, enabling content distributors and owners to stream video directly over the Internet to viewers' TVs. The service leverages existing universal plug and play devices such as the **Xbox 360**, **PlayStation 3** and Internet-enabled TVs.

Affil Relations: **Hallmark Channel's** promoting its original holiday movie slate through partnerships with local ad sales affils representing 18mln subs. Within each participating market, affils have agreed to run 300 cross-channel spots and in exchange will receive a 6-day/5-night trip for two to Istanbul, Turkey.

Public Affairs: **IFC** announced plans for a national pro-social initiative designed to help Americans become better-informed consumers of news and media. The **IFC Media Project** launches Tues in NYC with a panel discussion through which national journalists will address the media's role in shaping the Presidential election and discuss how the public can consume media more responsibly.

People: **WE tv** appointed **Caro-Anne Dolan** vp, non-fiction dev and prod, and **Theresa Patiri** vp, prod management and operations.

CableFAX Daily Stockwatch

Company	11/17 Close	1-Day Ch	Company	11/17 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	22.69	(0.79)	3COM:	1.77	(0.05)
DIRECTV:	20.44	(0.2)	ADC:	5.78	(0.23)
DISNEY:	19.74	(1.34)	ADVANTAGE:	1.72	(0.04)
ECHOSTAR:	10.91	(0.09)	ALCATEL LUCENT:	2.25	(0.07)
GE:	16.11	0.09	AMDOCS:	18.25	(0.09)
HEARST-ARGYLE:	10.58	(0.75)	AMPHENOL:	21.25	(1)
ION MEDIA:	1.44	0.00	APPLE:	88.14	(2.1)
NEWS CORP:	7.07	(0.49)	ARRIS GROUP:	6.41	0.22
MSOS					
CABLEVISION:	13.41	(0.49)	AVID TECH:	13.46	0.08
CHARTER:	0.34	(0.01)	BIGBAND:	4.04	(0.3)
COMCAST:	15.19	(0.34)	BLNDER TONGUE:	0.75	(0.1)
COMCAST SPCL:	14.68	(0.47)	BROADCOM:	14.72	(0.66)
GCI:	6.17	0.06	C-COR:	11.00	0.00
KNOLOGY:	5.08	(0.13)	CISCO:	16.21	(0.41)
LIBERTY CAPITAL:	3.21	(0.57)	COMMSCOPE:	10.51	0.20
LIBERTY ENT:	13.15	0.35	CONCURRENT:	3.17	(0.27)
LIBERTY GLOBAL:	13.34	(0.79)	CONVERGYS:	5.05	(0.38)
LIBERTY INT:	2.94	(0.07)	CSG SYSTEMS:	14.34	(0.08)
MEDIACOM:	3.56	(0.15)	ECHOSTAR HOLDING:	14.69	(0.73)
ROGERS COMM:	42.97	0.00	GOOGLE:	300.12	(9.9)
SHAW COMM:	17.75	(0.58)	HARMONIC:	4.62	(0.21)
TELEWEST:	24.20	0.00	JDSU:	2.95	(0.11)
TIME WARNER CABLE:	19.37	0.50	LEVEL 3:	0.90	0.03
VIRGIN MEDIA:	4.71	(0.31)	MICROSOFT:	19.32	(0.74)
WASH POST:	389.00	(4)	MOTOROLA:	3.98	(0.1)
PROGRAMMING					
CBS:	6.11	(0.51)	NDS:	45.09	(1.23)
CROWN:	2.13	(0.07)	NORTEL:	0.66	0.10
DISCOVERY:	13.41	(0.51)	OPENTV:	1.00	(0.07)
EW SCRIPPS:	3.08	(0.16)	PHILIPS:	16.96	(0.16)
GRUPO TELEVISIA:	13.85	(1.24)	RENTRAK:	10.11	(0.63)
HSN:	4.32	(0.35)	SEACHANGE:	7.50	0.13
INTERACTIVE CORP:	15.41	(0.51)	SONY:	20.92	(0.2)
LIBERTY:	25.98	(1.96)	SPRINT NEXTEL:	2.18	(0.12)
LODGENET:	0.75	(0.16)	THOMAS & BETTS:	21.06	0.16
NEW FRONTIER:	1.71	(0.09)	TIVO:	6.01	0.15
OUTDOOR:	5.51	(0.21)	TOLLGRADE:	4.86	(0.32)
PLAYBOY:	1.62	(0.02)	UNIVERSAL ELEC:	14.88	(0.45)
RHI:	4.88	(0.07)	VONAGE:	0.87	(0.02)
SCRIPPS INT:	23.84	(2.16)	YAHOO:	10.63	(0.19)
TIME WARNER:	8.68	(0.47)	TELCOS		
UNIVISION:	36.23	0.00	AT&T:	26.77	(0.88)
VALUEVISION:	0.44	(0.08)	QWEST:	2.89	0.03
VIACOM:	17.10	(1.19)	VERIZON:	29.24	(0.76)
WWE:	12.14	(0.28)	MARKET INDICES		
TECHNOLOGY					
			DOW:	8273.58	(223.73)
			NASDAQ:	1482.05	(34.8)



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