

CableFAX Daily™

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What the Industry Reads First

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In My Day: Former Cable Chief Slams Martin

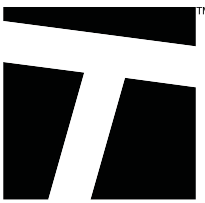
FCC chmn *Kevin Martin* has lost a lot of trust, says a former FCC bureau chief. "The process is going to be slowed down because commissioners are going to question each and everything they're given. He'll not be given the benefit of the doubt," former bureau chief of the FCC's now defunct Cable Services bureau *Deborah Lathen* said in an interview with **C-SPAN**. If you've never watched C-SPAN's excellent "The Communicators" series (or even if you have), you owe it to yourself to check out Sat's ep featuring Lathen, who served from 1998-2001 under Dem chmn *Bill Kennard* and briefly under Republican *Michael Powell* (Sat, 6:30pm, repeats Mon on **C-SPAN 2** at 8am and 8pm). In the meantime, here's our CliffsNotes version. Echoing commissioners *Jonathan Adelstein* and *Robert McDowell*, she criticized the omission of data from the video competition report that would contradict that the 70/70 test has been met. "To have it absolutely missing... it's just not the way our democracy is supposed to work," she said, adding that she found it hard to believe cable has surpassed 70% penetration in the few years since she left the Commission. Lathen, who is now a consultant and on the board of **British Telecom**, was clear that things have changed a lot since her days at the FCC, calling it "unprecedented" that the chmn would announce a sole proposal in the *NY Times* before knowing how the other 4 commissioners felt about it. The decision to compel cable systems to supply subscribership data within 60 days is "going to open a whole other Pandora's Box in how do you count subscribers," she said (ie., how do vacation homes, disconnects, etc count). Her prediction is that Martin will continue to try and force a la carte ("He's going to have a very, very hard time after Tues [getting that], but he'll keep reloading the gun."), but he's going to forced to shift gears and focus on the DTV transition pretty soon. "I think immediately we're going to see the chmn going to the Hill and having to explain his processes and procedures," Lathen said.

He'll Be Back: **Comcast** has the most to lose if the *Cable Terminator* (aka FCC chmn *Kevin Martin*) succeeds in reinstating an ownership cap that would prevent cable operators from owning more than 30% of pay TV HHs. The MSO has about 27% right now, which gives it wiggle room to pick up about 3mln more subs if it so desired. Comcast evp *David Cohen* questioned Thurs how the FCC could institute such a cap, especially in light of the AT&T merger and other telco mergers over the past 3 years. "It is unthinkable that the government would constrain the ability of cable companies like Comcast to compete with these colossal companies that have virtually unlimited financial resources," he said, adding that AT&T's \$231bln market capitalization is larger than the entire cable industry combined. News that Martin may try to put cable ownership on the FCC's Dec 18 agenda was yet another example of the unearthing an old issue. Back in March, Martin circulated an order that would reinstate a 30% ownership cap for cable operators. The cap was thrown out by a federal court in '01 for violating the 1st Amendment, though the court didn't prevent the FCC from instituting a new cap. The question is how it will justify it? Not through 70/70, apparently...

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Ready for Some Football?: As much of the football world turns its attention to Dallas Thursday night for the Cowboys-Packers showdown, **NFL Net** will introduce during the game an online app at **NFL.com** that offers live streaming “look-ins” to the contest along with on demand video highlights. Tested in beta during last week’s Colts-Falcons game and slated for all future net games, the live aspect will kick-in at 15min and 45min past each hour and last through to the featured drive’s end. For example, whatever team has the ball when streaming begins will be followed until it cedes possession; if streaming commences during a commercial, coverage lasts through 1 completed possession. And as the game is set to kick off at 8:15pm ET, interested surfers may gain access to the opening drive, too. Meanwhile, Time Warner Cable now features an install special in the Dallas area where the game will be shown on broadcast TV. It offers a \$100 credit and 2 years of free HD programming when subs sign up for the same duration. Although game-related wording and references were added this week to related TV and print ads (“watch the game on cable,” etc), the MSO says the offer is not pegged specifically to the match-up.

Plug & Play: Meetings between **NCTA** and **CEA** on 2-way plug & play are still at a standstill while the 2 groups await **FCC** action on an NPRM to make 2-way devices available to consumers. The 2 trade groups haven’t held any formal meetings since June 11, according to their latest FCC status report. The cable industry is pushing OpenCable as the 2-way answer, while CEA wants Digital Cable Ready +, which is based on existing 1-way plug & play products. There has been some hope that the FCC might take the issue up before year-end so there could be some certainty going into Jan’s **Consumer Electronics Show**, but time’s running out.

Henry’s Coup: **Hallmark Channel** can cross **Comcast** off its list of contract renewals. That leaves **Time Warner Cable** and **DirectTV**, the next biggest distributors with contracts expiring this year. The deal’s announcement comes just days after the **FCC** failed to vote on a proposal that would allow compulsory arbitration for programming disputes—something Hallmark supported strongly. Deal terms, of course, weren’t released, but Crown head **Henry Schleiff** has been vocal in seeking rate increases for Hallmark. **Oppenheimer’s** estimating that the net’s getting between \$0.04 and \$0.08 per sub per month from Comcast, “significantly above the zero carriage fees Comcast currently pays.” (Hallmark says Comcast pays more than zero). Comcast will have the right to distribute Hallmark channel as well as the SD and HD version of **Hallmark Movie Channel** (the HD version’s slated to launch in Mar).

Root Transplant: OK, so we told you a few months ago that we suspected **Discovery Comm** brought back former **Nat Geo** programming head **John Ford** to takeover **Discovery** following a departure by **Jane Root** (**Cfax**, 9/5). We said at the time that these Brits Discovery hires never can seem to stay in the States for much more than 3 years. So, it’s not surprising to hear that Root is returning to the UK and rumored to be in the running for a **BBC** controller post. Ford will take over the reins at the flagship channel. He was at Discovery from ’90-’03, before joining Nat Geo. He returned this year to head **The Science Channel**, **Discovery Times** (soon to be named **Investigation Discovery**) and **Military Channel**. New leadership for those nets will be announced in the coming weeks.

In the Courts: It’s not over yet, but **TiVo’s** long-running patent dispute with **EchoStar** is nearer the finish line after the **US Patent and Trademark Office** found valid all of TiVo’s claims to a certain DVR patent. The decision stemmed from an EchoStar request to reexamine the patent and cannot be appealed, said TiVo in a statement. “We are hopeful that the United States Court of Appeals for the Federal Circuit will uphold the district court judg-



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ment of patent infringement and reinstate the injunction,” the company said. Oral arguments in the case began last month. EchoStar is “disappointed” by the decision but is quick to note that it doesn’t impact the pending litigation. Even so, **Citi** believes the verdict to be a “clear positive” for TiVo, and reiterated a ‘buy’ rating on TiVo shares. “We believe DISH’s back is firmly against the wall as [the decision] practically eliminates a significant defense,” wrote Citi.

Firing Up: Remember the **DOC-SIS 3.0**-based wideband cable modem demoed by **Comcast** boss **Brian Roberts** at The Cable Show '07—you know, the one that downloaded 55mln words in less than 4min? Well, contrary to a popular ad campaign, perhaps what happens in Vegas can escape the city: Comcast plans to complete a DOCSIS 3.0 infrastructure in 20% of its footprint by the end of next year, according to *Light Reading*. The MSO’s CTO **Tony Werner** dropped the news Wed during the CableNEXT conference in CA, although he failed to disclose what markets will be among the 1st to receive broadband speeds greater than 100Mbps.

In the States: **Cablevision** added **Scripps’ HGTV HD** and **Food Net HD** to its programming lineup, bringing to 44 the number of available high-def services offered by the MSO.

CableFAX Daily Stockwatch

Company	11/29 Close	1-Day Ch	Company	11/29 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	52.07	(1.03)	APPLE:	184.29	4.07
DIRECTV:	23.68	(0.3)	ARRIS GROUP:	10.48	(0.04)
DISNEY:	32.81	0.12	AVID TECH:	27.06	0.03
ECHOSTAR:	42.70	(0.14)	BIGBAND:	6.24	0.24
GE:	38.14	(0.32)	BLNDER TONGUE:	1.56	0.01
HEARST-ARGYLE:	18.49	(0.81)	BROADCOM:	27.86	(0.25)
NEWS CORP:	21.49	(0.28)	C-COR:	12.25	0.10
TRIBUNE:	30.99	0.99	CISCO:	28.15	0.10
MSOS					
CABLEVISION:	26.85	(0.18)	COMMSCOPE:	40.34	0.35
CHARTER:	1.29	0.01	CONCURRENT:	0.96	0.03
COMCAST:	20.31	0.34	CONVERGYS:	16.48	(0.12)
COMCAST SPCL:	20.08	0.34	CSG SYSTEMS:	16.85	0.23
GCI:	8.77	(0.09)	GEMSTAR TVG:	5.37	(0.17)
KNOLGY:	12.98	(0.12)	GOOGLE:	697.00	4.74
LIBERTY CAPITAL:	112.07	0.41	HARMONIC:	10.60	(0.33)
LIBERTY GLOBAL:	40.58	0.84	JDSU:	13.41	(0.14)
LIBERTY INTERACTIVE:	20.25	0.10	LEVEL 3:	3.37	(0.01)
MEDIACOM:	4.37	0.29	MICROSOFT:	33.59	(0.11)
NTL:	28.22	0.00	MOTOROLA:	15.65	0.09
ROGERS COMM:	42.97	0.00	NDS:	58.35	(0.22)
SHAW COMM:	24.59	0.23	NORTEL:	16.97	(0.14)
TIME WARNER CABLE:	25.88	0.33	OPENTV:	1.15	0.00
WASH POST:	802.24	2.24	PHILIPS:	41.57	(0.91)
PROGRAMMING					
CBS:	27.26	0.12	RENTRAK:	14.33	(0.02)
CROWN:	7.30	(0.12)	SEACHANGE:	5.54	(0.21)
DISCOVERY:	24.16	0.29	SONY:	54.25	(0.75)
EW SCRIPPS:	43.81	(0.46)	SPRINT NEXTEL:	15.20	0.44
GRUPO TELEVISA:	24.15	0.18	THOMAS & BETTS:	54.25	0.17
INTERACTIVE CORP:	28.25	0.72	TIVO:	7.46	1.48
LODGENET:	19.04	0.02	TOLLGRADE:	7.98	0.40
NEW FRONTIER:	4.93	0.00	UNIVERSAL ELEC:	37.64	(0.28)
OUTDOOR:	7.10	0.05	VONAGE:	2.21	(0.07)
PLAYBOY:	9.38	0.17	VYYO:	4.66	0.10
TIME WARNER:	17.29	0.07	WEBB SYS:	0.07	0.00
UNIVISION:	36.23	0.00	YAHOO:	26.63	0.43
VALUEVISION:	6.49	(0.13)	TELCOS		
VIACOM:	41.33	0.85	AT&T:	38.03	0.53
WWE:	15.58	(0.06)	QWEST:	6.68	(0.01)
TECHNOLOGY					
3COM:	4.64	0.04	VERIZON:	42.48	0.07
ADC:	16.09	(0.06)	MARKET INDICES		
ADDVANTAGE:	5.61	(0.1)	DOW:	13311.73	22.28
ALCATEL LUCENT:	7.77	(0.06)	NASDAQ:	2668.13	5.22
AMDOCS:	32.47	(0.53)			
AMPHENOL:	43.34	0.22			

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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Sci Fi Seeking Gold from Tin

It's awfully dangerous to re-imagine a timeless classic like *L. Frank Baum's* "The Wonderful Wizard of Oz," particularly in the TV medium. Foisting story alterations onto viewers assures skeptical comparisons and negative reactions—with each person's opinions varying depending on their level of interaction with the original. But **Sci Fi** bravely offers its own version this weekend (Sun, 9pm ET), the 3-part mini-series "Tin Man." Not surprisingly, it owns a decidedly scientific bent, and proffers some delightful elements along with a few that are distasteful. Net evp, original programming *Mark Stern* admits the project's risky nature, but believes it's set to traverse a path paved with yellow brick, not riddled with potholes. "There's a great sense of pace to it... and a nice combination of storytelling, acting and visuals," said Stern. The special's acme arises from its tremendous and numerous special effects, which provide a sensual smorgasbord throughout. Unfortunately, some of the acting isn't near the same level, leaving viewers less than sated. While *Kathleen Robertson* and *Richard Dreyfuss* lend tremendous performances as the evil sorceress Azkadellia and Mystic Man, respectively, *Zoey Deschanel's* portrayal of DG (Dorothy) is inconsistent and occasionally annoying. The storyline, however, is plausible if otherworldly, and does skip along at a nice, logical pace. In all, "Tin Man" will likely achieve its primary goals. "We're trying to rope in the holiday audience and the broader family set," said Stern. "It's all about content that's more accessible, relatable and fun." Stern hopes the mini-series shows casual viewers that sci fi goes beyond robots and space travel. "Most people are sci fi fans and they don't even know it," he said. There's no place like primetime to test this theory. *CH*

Highlights: "Mr Warmth," Sun, 8pm, **HBO**. Diehard *Don Rickles* fans will forgive director *John Landis* for starting this otherwise excellent doc so inexplicably, with *Harry Dean Stanton* playing harmonica (pretty well) in an empty Dan Tana's. Is Landis saying Rickles, like Stanton, is a piece of entertainment history? Whatever. Diehards will forgive how the piece meanders, but they'll enjoy nuzzling with Mr Warmth, the tributes from young and old, and delicious comedy scraps from the 81-year-old insult master. *SA*

Worth a Look: "Positive Voices: Women and HIV," Friday, 9pm, **Showtime**. Now that HIV AIDS has been diagnosed for some 25 years, it's sad how much misinformation continues to surround it. The need to strengthen AIDS education might be the most important thing to glean from this short film by **Cable Positive's** *Steve Villano* and *Thomas Henning*. Some women, and men, will avoid contracting HIV/AIDS because they see this film. Thanks, Showtime, Cable Positive and the courageous women profiled in it. -- "Videos that Rocked the World: Baby One More Time," Tues, 10pm, **fuse**. It's easier to stomach fuse treating Brit as an important historical figure than **Biography Channel**. Still, it's amusing when video director *Nigel Dick* recounts the extent of 15-year-old Britney's vision for the "Baby One More Time" vid was "I'm in a school with a bunch of hot guys." *SA*

Basic Cable Rankings (11/19/07-11/25/07)			
Mon-Sun Prime			
1	ESPN	2.3	2211
2	DSNY	2.2	2066
3	USA	2	1973
4	HALL	1.5	1272
5	TNT	1.4	1368
6	TBSC	1.3	1250
6	FX	1.3	1190
8	NAN	1.2	1193
8	TOON	1.2	1117
10	FAM	1	954
10	LIFE	1	947
10	HIST	1	937
10	FOXN	1	931
10	A&E	1	925
10	MTV	1	913
10	CORT	1	865
17	AMC	0.9	863
17	SPK	0.9	862
17	DISC	0.9	844
20	SCIF	0.8	774
20	CMDY	0.8	769
20	TLC	0.8	761
20	HGTV	0.8	738
20	NFLN	0.8	359
25	ESP2	0.7	706
25	TVLD	0.7	685
25	FOOD	0.7	624
28	VH1	0.6	612
28	BRAV	0.6	559
28	BET	0.6	535
28	LMN	0.6	355
32	APL	0.5	448
32	CNN	0.5	446
32	NGC	0.5	306
35	MSNB	0.4	412
35	EN	0.4	377
35	WGNC	0.4	312
38	HLN	0.3	313
38	TTC	0.3	286
38	CMT	0.3	271
38	OXYG	0.3	223
38	GSN	0.3	206
38	SOAP	0.3	202
38	TDSN	0.3	189
38	DHLT	0.3	182
38	GALA	0.3	153

*Nielsen data supplied by ABC/Disney

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