

CableFAX Daily™

Tuesday — December 2, 2008

What the Industry Reads First

Volume 19 / No. 232

Job Hunt: What's the State of Employment in Cable?

With operators and programmers cutting employees, instituting hiring freezes and no end in sight to the recession, we asked 3 headhunters to give us their take on what everyone in the industry should know about the job market. "Jobs are tight on both the operator and programming side, as well as all the other supply companies. It's probably likely to remain that way for another 12, 15, 18 months," predicted *Bill Simon*, **Korn/Ferry's** global sector leader for media & entertainment. *Ann Carlsen*, whose **Carlsen Resources** is more cable focused, expects hiring freezes to remain in effect until Barack Obama's inauguration. "We're hunkered down until about March," she said, explaining that she thinks people will resume business as usual once people realize we're not going to slip into a depression. "In terms of the cable business, I'd say there's more general concern and uncertainty vs the doom and gloom," Carlsen said. So, where are the jobs? Companies are doing a lot of promoting within, but ops and programmers are hiring some at the mid-level, she said. However, she added that it's the entrepreneurial companies—like **Ensequence**—that are most aggressively hiring right now. "I think we're going to see a lot of neat companies come out of this," Carlsen said, explaining that startups are taking advantage of the large talent pool. "These economic downturns, in my experience, really present opportunities for new companies to come in." Along those same lines, Simon says employers are looking for candidates in digital content, digital marketing, mobile content, etc. Another area with possibilities is wireless, with cable stepping into this arena, noted *Maggie Bellville*, partner at **Carter Baldwin**. Cable companies are "looking for wireless experts because cable people just don't fit that bill." What do you do if you're laid off? Network, network, network. "You've got to kiss 100-200 frogs now because the marketplace is so tight now," Simon said. It also means adjusting your standards. Job seekers need to be willing to make a lateral move or even a downward step, Bellville said. "I think there is a certain sense of belief by seekers that there's stuff out there, and that they can call their old friend at cable company or programming company X and there's going to be a job for them, and that's just not the case," she said. Given the reluctance of companies to hire right now, Carlsen Resources is gearing up next week to launch "Executives On Demand," which is basically a temp agency for executive-level people. "In this market, that's where we're getting a lot more traction," Carlsen said. While she estimates business is down for her firm by about 25%, "we're still doing work," she said. "After 9/11, we didn't have work for 6 months... The jobs are there. They are just not filling them. I think it's probably 70% fear, 30% financial issues."

End Of An Era: In July, **Cable Positive** chief *Steve Villano* will be leaving the HIV/AIDS education organization he's headed with grace, class and style since '00. Villano explains his decision in a special op-ed on page 4.

Clarity: **Clearwire** and **Sprint** have officially combined their wireless Internet businesses for a major WiMAX push under the former's name. Yet despite an established market in Baltimore and significant antes from **Comcast** (\$1.05bln), **Time Warner Cable** (\$550mln), **Bright House** (\$100mln) and others, Clearwire CEO *Ben Wolff* called



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the venture an “underdog” amid a competitive US comm industry. Even so, “this isn’t a case where one technology will win and one technology will lose,” said Wolff of the expected battle between WiMAX and Long Term Evolution, or LTE, which **Verizon** and **AT&T** are planning to use for expanded mobile broadband services. The technologies are similar enough that when LTE gains traction (likely in ’10), he said, vendors will be able to roll out devices compatible with both. Advantages to WiMAX services, which the merged company will soon market under the Clearwire brand name instead of the current Xohm, include a wealth of 4G spectrum across the US and an open all-IP network allowing for numerous apps and the delivery of value-added services by partners, said Wolff. Then there’s the first-to-market advantage, which will be augmented this month through customer additions in Portland, OR, he said. Clearwire shares gained 6.9%% to close at \$7.48. Sprint shares lost 24.4% to close at \$2.11.

Reuters Notes: While noting disappointment that the **FCC** has yet to approve **Time Warner Cable’s** proposed split from **Time Warner**, Time Warner Cable CFO *Rob Marcus* said Mon at the **Reuters Media Summit** that the MSO will add approx 2.5mln RGUs in ’08 before likely posting a smaller number in ’09. The economic slowdown has led to slowing growth across all products, said Marcus, who also noted “the cord-cutting phenomenon” as an exacerbating factor. -- Reuters reported that near-term distribution deals between big cable and **NFL Net** are unlikely, according to NFL evp *Eric Grubman*, citing only sporadic talks among the parties. Time Warner Cable’s Marcus said the MSO and NFL Net haven’t had discussions since last season, and that the net is charging too much for its limited content.

Competition: **AT&T** is expanding its broadband usage-based trial to Beaumont, TX, reports the *Beaumont Enterprise*. It launched a similar trial last month in Reno (*Cfax*, 11/4), giving customers a 1-month grace period the 1st time they exceed 150GB/month. After that, it’s a \$1 for each excess GB. Beaumont is also home to a trial that **Time Warner Cable** is currently running, charging \$1 for each GB a new HSD consumer consumes over the cap—which ranges from 5GB/month for the 68kb download service to 20GB for its 7Mbps tier to 40GB/month for its 15Mbps service.

At the Portals: The **ACA** is supporting **Cable One’s** waiver request to deploy integrated, HD-capable all-digital devices in its Dyersburg, TN, cable system. The MSO filed the request in late Oct, seeking permission to deploy the non-CableCARD devices. If granted, Cable One said it could transition to all-digital within a year. “The use of HD ADDs gives cable operators a cost-effective way to transition to an all-digital network,” said ACA pres/CEO *Matt Polka*.

Deals: **Shenandoah Telecom** completed its acquisition of **Rapid Comm’s** cable assets and customers in VA and W VA. Starting early next year, Shentel will begin construction under a 2-year upgrade program to provide additional services, including HD, VOD, HSD and voice. **RBC Daniels** was Shentel’s advisor for the transaction. -- **NBC Sports** and **MTV** have jointly created the Alliance of Action Sports, or **Alli**, a global business joining the former Action Sports Tour properties with Maloof Money Cup, AMA Motocross Championship and King of Wake series. Alli will offer a schedule of 7 national and intl action sports tours and events, multimedia content and production, a digital hub and consumer-facing lifestyle brand.

Carriage: **Verizon** launched **BlueHighways TV** on **FiOS** systems in NY, Philly, Baltimore, DC, Salisbury, MD, Richmond, VA and Norfolk, VA. -- **Comcast** has launched **Setanta Sports** in Boston and Brookline, MA.

Advertising: The financial services industry slashed ad spending by 10% this year to \$5.3bln, with mortgage and loan companies cutting spending 62% (\$778mln) on advertising through the first 3 quarters vs the same period last year,



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BUSINESS & FINANCE

Nielsen said. Not everyone's cutting back. Spending by credit services and their Web-based services jumped 22%, led by **Experian** (parent of **FreeCreditReport.com**). Investment services spent 6% more so far this year, while credit card advertising has remained relatively flat. -- **DirecTV**, **HP** and **Hyundai** signed on as season-long sponsors of new **TNT** original series "Leverage" (Sun, 10pm).

Ratings: The final ep of **FX's** "The Shield" delivered nearly 1.2m in 18-49s and a 1.47 HH rating Tues night. That's an increase of 17% in 18-49s and 23% in HH rating vs a week ago.

People: **DISH Network's** svp, programming **Eric Sahl** will leave by year-end, reports *Sports Business Journal*. -- **Turner's** Animation, Young Adults & Kids Media group appointed **Vicky Free** vp, 360 consumer marketing, and **Tracy Barash** vp, brand dev.

Business/Finance: **Sanford Bernstein's** **Craig Moffett** dropped the 12-month price target on **DirecTV** to \$23 from \$26 and cut **DISH** to \$14 from \$19, while keeping them at "market-perform." In a note to clients, **Moffett** writes that a major consumer recession will impact all companies, although satellite ops will feel the impact far less (fixed pricing, etc). Nevertheless, he expects higher churn rates, lower ARPU growth and lower capital spending (lower SAC and retention marketing), which will yield slower revenue growth and "significantly lower" cash flow projections.

CableFAX Daily Stockwatch

Company	12/01 Close	1-Day Ch	Company	12/01 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	24.01	(2.98)	AMDOCS:	16.90	(1.89)
DIRECTV:	19.39	(2.62)	AMPHENOL:	20.58	(2.64)
DISNEY:	20.33	(2.19)	APPLE:	88.93	(3.74)
ECHOSTAR:	10.10	(0.98)	ARRIS GROUP:	6.48	(0.71)
GE:	15.50	(1.67)	AVID TECH:	11.02	(1.5)
HEARST-ARGYLE:	7.39	(0.63)	BIGBAND:	3.36	(0.28)
NEWS CORP:	7.42	(0.77)	BLNDER TONGUE:	0.94	0.04
MSOS					
CABLEVISION:	12.45	(2.21)	BROADCOM:	14.12	(1.19)
CHARTER:	0.16	(0.03)	CISCO:	14.96	(1.58)
COMCAST:	15.45	(1.89)	COMMSCOPE:	10.24	(1.05)
COMCAST SPCL:	14.87	(1.9)	CONCURRENT:	3.27	(0.01)
GCI:	7.11	(0.72)	CONVERGYS:	5.45	(0.84)
KNOLOGY:	4.88	(0.8)	CSG SYSTEMS:	15.07	(1.77)
LIBERTY CAPITAL:	3.07	(0.24)	ECHOSTAR HOLDING:	15.88	(1.19)
LIBERTY ENT:	10.79	(1.08)	GOOGLE:	265.99	(26.97)
LIBERTY GLOBAL:	11.71	(2.78)	HARMONIC:	4.33	(0.82)
LIBERTY INT:	2.25	(0.3)	JDSU:	2.36	(0.36)
MEDIACOM:	2.10	(0.43)	LEVEL 3:	0.84	(0.1)
SHAW COMM:	17.14	0.05	MICROSOFT:	18.61	(1.61)
TIME WARNER CABLE:	19.43	(0.87)	MOTOROLA:	4.11	(0.2)
VIRGIN MEDIA:	3.71	(1.02)	NDS:	47.40	(0.28)
WASH POST:	354.25	(41.65)	NORTEL:	0.60	0.03
PROGRAMMING					
CBS:	5.83	(0.83)	OPENTV:	1.03	(0.13)
CROWN:	1.93	(0.2)	PHILIPS:	14.88	(1.49)
DISCOVERY:	13.24	(1.76)	RENTRAK:	9.60	(0.31)
EW SCRIPPS:	2.43	(0.5)	SEACHANGE:	7.31	(0.61)
GRUPO TELEVISIA:	14.37	(0.49)	SONY:	18.22	(1.16)
HSN:	2.84	(0.9)	SPRINT NEXTEL:	2.11	(0.68)
INTERACTIVE CORP:	13.96	(0.83)	THOMAS & BETTS:	16.68	(2.31)
LIBERTY:	23.48	(3.91)	TIVO:	4.57	(0.45)
LODGENET:	0.70	0.08	TOLLGRADE:	4.75	(0.1)
NEW FRONTIER:	1.51	0.08	UNIVERSAL ELEC:	14.23	(2.37)
OUTDOOR:	5.42	(0.65)	VONAGE:	1.11	0.06
PLAYBOY:	1.41	0.16	YAHOO:	10.74	(0.77)
RHI:	3.57	(0.52)	TELCOS		
SCRIPPS INT:	24.76	(3.03)	AT&T:	26.96	(1.6)
TIME WARNER:	8.51	(0.54)	QWEST:	2.99	(0.21)
VALUEVISION:	0.53	0.03	VERIZON:	30.67	(1.98)
VIACOM:	15.89	(1.69)	MARKET INDICES		
WWE:	10.62	(1.01)	DOW:	8149.09	(679.95)
TECHNOLOGY					
3COM:	1.88	(0.13)	NASDAQ:	1398.07	(137.5)
ADC:	6.58	(0.53)			
ADDVANTAGE:	1.28	(0.02)			
ALCATEL LUCENT:	1.95	(0.19)			

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Nielsen Media Research, Live Data. Prime M-Su 8p-11p. WE tv 2008 YTD (12/31/07-11/9/08) vs. prior full yrs for W18-49 & W25-54 (000s). 2008 YTD (12/31/07-11/9/08) vs. 2007 YTD (11/07-11/11/07), % growth for W2+ (000) & P2+ (000) - all cable networks, excl. nets in under 65 million HHs and news networks. W18-49 & W25-54 (000) % growth 2008 YTD vs. 2007 YTD. Nov08 Cov Area HH Universe Estimate. Subj to qualifications upon req't.

THE CABLEFAX MAGAZINE EVENT

Please enjoy today's special supplement, which is part of the celebration of The CableFAX Magazine event on Dec 2 at The National Press Club in DC. The festivities will include a tribute to the '08 CableFAX 100, whose identity will be revealed at the event.

A new aspect of the CableFAX 100 is the addition of a ranked list of 25 regional cable power players, addressing the notion that one of cable's strengths is its local flavor.

Also at the event we will honor 20 cable executives on the rise and cable's most influential women. These women formed the nucleus of the Nov edition of CableFAX: The Magazine. Meanwhile, our "20 to Watch" list appears on pages 6 and 7 of today's issue.

Finally, the event will include a special sendoff for departing Cable Positive chief Steve Villano, whose column below provides some background on his work for the cable charity and reflections on the future.

Change We Can Believe In

By Steve Villano, Cable Positive

This past year—from one World AIDS Day to the next (Dec 1, 2007, to Dec 1, 2008)—has been a time of transformative change, in the life of the country, Cable Positive's, and my own.

It's been a year packed with powerful, positive changes for the Cable industry and for Cable Positive. Fortuitously, for the fight against HIV/AIDS, these changes coincided with the CDC's conclusion that the AIDS epidemic in the US is far worse than previously believed—and that the life-saving role for education as the only vac-

cine against the disease has dramatically increased the importance of Cable Positive's work.

And, from last December to this one, death—and the potential of a sweet, new birth—have served as momentous mile-markers in my life. From my mother's death, to the joyous news that my son will soon be a father, this has been a year unlike any other for me. Attention must be paid to transformative events. Action must be taken.

Accordingly, after a nearly-nine year privilege of serving Cable Positive and working with an all-star array of cable leaders driven by a desire to do good, I've decided to explore some mountains beyond those I've already climbed.

As a passionate change advocate, I believe the healthiest organizations—and individuals—are those that don't fear change but embrace it. I am confident that the team we've built, headed by our talented Chief Operating Officer Thomas Henning and an excellent Executive Committee and Board, guided by Showtime's gifted evp, Ray Gutierrez, will continue to take the organization to bold, new heights and expand its programs, breaking ground with all media platforms and audiences.

This has not been an easy decision. I love my work with Cable Positive and what we've accomplished on a tiny budget—and with a small, but mighty team. I enjoy making a difference and building something from the roughest of concepts into a powerful tool to make our world a little better place.

I don't know what awaits, but this much I'm sure: I'm thankful to be alive, to be a participant in a time of great change, and to energetically embrace tomorrow.

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congratulates our own
Susan D. Whiting
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*Congratulations to
David Nathanson
and all others.*



America's Horseracing Network

CableFAX's 20 TO WATCH

Rising Stars in Cable

As we honor the CableFAX 100 and our Top Women in Cable, it seems only appropriate to highlight some important but lesser known executives whose contributions, drive and passion suggest to us that they're destined for even more greatness in the future. It's an incomplete list, to be sure. But you gotta start somewhere, right?

Patrick Baldwin - Retirement Living TV - gm

Yeah, he's our favorite Baldwin. And this wunderkind continues to do a stellar job inking deals and getting the word out on RLTV. Oh, and *Florence Henderson* loves him. That's enough of an endorsement for us.

Bernard Bell - TV One - svp, Office of the President

There are many reasons we included Bell on this list—including his reputation, work ethic and "rising star" status—but the clincher was that title. Office of the President? How cool is that? In truth, the title fits as Bell's important role is to forge vital business partnerships for TV One. No word on whether his office is oval-shaped.

Brad Dancer - National Geographic Channel - svp, research and digital media

Does he actually dance? We're not sure. But Dancer certainly has been waltzing his way up at NatGeo since coming on board as one of the first NatGeo employees in 2000. His research vitally supports NatGeo's program development, promotion and strategy. His latest feat: Re-designing NatGeoTV.com into an interactive gem.

Kathryn Falk - Cox NVA - vp, public affairs and comm

As the economy sputters and competition heats up, connecting with local subs has never been more vital. Falk has become a fixture in Northern Virginia because of her skillful on-air appearances that have continued to put Cox in a good light. No wonder Cox keeps winning those JD Power awards. We think she's just getting started.

Leslie Furuta

TV Guide Network - vp, communications and publicity

It's rare to find someone so productive, professional and

focused—and yet so darned nice. As TV Guide Net has evolved into a bonafide entertainment net, Furuta has skillfully won respect and admiration from even the most disagreeable trade-press hacks (including us). Consider us Furuta fanatics.

Rebecca Glashow - Discovery Communications - vp, new media distribution, affiliate sales & distribution

As alternative platforms become all the rage, Glashow is literally on the bleeding edge, making a multiplatform impact with mobile content and new media deals designed to extend Discovery's brand... perhaps to infinity. With sensei *Bill Goodwyn* teaching her the ropes, we have a feeling she's going places.

Toby Graff - Lifetime - svp, public affairs and comm

Graff's political experience (she was deputy press secretary for then-First Lady *Hillary Clinton*) has served her well at Lifetime. Case in point: her team helped get a bill passed and signed into law to eliminate the backlog of untested DNA evidence from crime scenes and put tens of thousands of rapists in jail. Talk about influence.

Charlie Herrin - Comcast Interactive Media - svp, product development and portal services

Herrin has been the one in charge of finding new revenue and adding innovative new features at Comcast.net. In addition, he also thinks of new ways to exploit Comcast's broadband service. With a pre-Comcast background in wireless, we're guessing Herrin will come in handy as the quad-play develops.

Mark Kang

The Sportsman Channel - vp, affiliate relations

Kang is more than a great networker and brand promoter. He lives and breathes this stuff. In fact, anyone who has spent more than 5 minutes with Kang knows that his New York City address doesn't get in the way of his knowledge of the outdoors. And where better to convince big media that millions of sportsmen watch TV?



CableFAX's Best of the Web Awards

is the industry's top honor in digital space, recognizing outstanding Web sites and digital initiatives among cable programmers (networks and independents), operators, vendors and associations.

To View Categories and Enter: Go to CableFAX.com/cfp/BOW

Awards Timeline

Entry Deadline: December 3, 2008
Late Entry Deadline: December 10, 2008
Award Event: February 26, 2009

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CableFAX's 20 TO WATCH

Rising Stars in Cable

Patrick Knorr - Sunflower Broadband - gm

For the gm of a tiny cable system in Kansas, Knorr has become a major force in the cable industry through his advocacy efforts for small operators and his constant involvement in industry events and initiatives. In addition, he isn't afraid to take risks on new technology and services despite his small-op status.

Noah Kodeck - Comcast Cable, Eastern Division - director, local on-demand programming and production

Pssst. Have you heard that Comcast is really, really into VOD? And have you heard about the renewed focus on localism? In Comcast's hyper-competitive Eastern Division, Kodeck helps the largest MSO stay on the cutting edge. And the Comcast brass is starting to notice. That's a good thing.

Heather McCallion - NBCU – vp, distribution

McCallion is a key component of NBCU's exceptional distribution team, and she brings a sense of passion and professionalism to everything she does. Oh, and did we mention she helped pull off an excellent BeachTAM in Ft Lauderdale this year? She's going places, folks.

Stephanie McMahon Levesque

WWE - evp, creative development and operations

And in this corner... Okay, so McMahon Levesque hasn't exactly flown under the radar. But she certainly hasn't been content to coast on her name alone, working hard to become a key member of WWE's management. She is an obvious and well deserved heir to the WWE throne.

Jennifer Medina - Cable Positive – director, programs

With all the great work Cable Positive does every day, it's hard to single out any one individual. But Medina's experience and attention to detail has helped this small organization do really big things. She has become an indispensable asset.

Courteney Monroe - HBO – evp, consumer marketing

Anyone who has heard Monroe speak knows that she's

among the most articulate and thoughtful minds in the business. And can anyone deny that HBO commands one of the classiest and most effective marketing machines in cable? Monroe's star should keep rising.

David Nathanson - TVG – president

In the crowded cable programming environment, it's certainly not easy to market a niche network. Yet Nathanson has proven himself an effective advocate. And let's face it: with interactivity finally here, placing bets over TV might someday become a new industry revenue stream.

Pragash Pillai - Bresnan – vp, strategic engineering

Pillai first proved himself at Charter where he helped lead the Long Beach, CA, deployment of the first widescale digital simulcast in the U.S. Now at Bresnan, he's taking that leadership and engineering intellect to new heights, proving that small ops can innovate with the best of them.

Nancy Pingitore - The Tennis Channel – vp, distribution

Pingitore has contributed so much in her cable career and has never sought the limelight. But we've been watching, and this energetic exec has a passion and drive unrivaled by anyone we've met. Tennis Channel is lucky to have her.

David Preschlack - ESPN – evp, Disney and ESPN Networks, affiliate U.S. sales and marketing

In many ways, Preschlack has already arrived. But even the most established execs sometimes don't get the attention they deserve when they're part of a massive organization like ESPN/Disney. Preschlack has a stellar reputation. And it keeps getting better.

Peter Stern - Time Warner Cable - evp, product mgmt

Stern's star power is largely established. But with the runaway success of the Start Over and Look Back services for DVR users, we think Stern deserves to be an even bigger star. His only challenge now is whether he can top past performance. We're betting he will.

Congratulations to the CableFAX Magazine Honorees:

CableFAX 100, The Most Powerful Women in Cable, The Regional 25 and 20

CableFAX Magazine Event, showcases the who's who of the cable business and honors the CableFAX 100, The Regional Top Players, The Top Women, 20 to Watch, the "Above It All" Inductees and the 2008 CableFAX Magazine Awards.

All of the honorees will be featured on CableFAX.Com

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Congratulations!

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