

# CableFAX Daily™

Friday — December 5, 2008

What the Industry Reads First

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## Black Thursday: Charter, NBCU, Viacom, AT&T Among Latest to Issue Pink Slips

Job losses and streamlining continue across all industries, and cable is no exception. **Charter** informed employees Wed afternoon that it would realign from 3 divisions (East, West and Central) to 2 operating groups—East and West, **Cfax** has learned. It's also consolidating some jobs in marketing, HD, finances to form "centralized functional support groups." All told, less than 75 positions (less than 1%) will be eliminated company-wide, said a spokeswoman, who added that some of those impacted may be offered other positions. Among those laid off are svp, HR *Lynne Ramsey*; svp, consumer marketing *Barb Hedges* and vp, high-speed Internet product mgmt *Himesh Bhise*. Central div pres *Mary White* and West div pres *Paula Trustdorf* will retire, with East div pres *Josh Jamison* tapped as pres, East operating group. Charter vp, operations *Steve Apodaca* will head of the West group. Trustdorf, who came out of retirement last year to lead the West division, will help with the transition. "These changes, all of which are in alignment with the Charter's strategic priorities to achieve operating efficiencies, support our focus to improve the end-to-end experience for our customers," a spokeswoman said. Charter boosted its sub base to more than 5mln basic customers through acquisitions of independently owned cable systems, which has meant the elimination of hundreds of headends and continuous consolidation over the years. In '06, it eliminated its Southeast div, going from 4 divisions to 3. Meanwhile, a far greater number of posts will be deleted at **AT&T**, **NBCU** and **Viacom**. The telco plans to excise 12K jobs, or about 4% of its workforce, starting this month and lasting throughout '09. The news follows AT&T's Apr announcement of 4.6K layoffs, and the telco also plans to reduce capital spending next year. **UBS** believes AT&T will trim its capex by at least 10% next year, and that "cuts will likely be most severe in non-Uverse wireline spending, where volumes have taken the largest hit." UBS left unchanged its 'neutral' rating on the telco. Viacom has plans to eliminate 850 positions, or 7% of its workforce, and also to suspend senior level management salary increases next year. The moves are part of a restructuring initiative that, including write-downs, will result in a pre-tax charge of \$400-\$450mln in 4Q. In '09, the staffing and compensation actions and write-downs are expected to result in pre-tax savings of \$200-\$250mln. Approx 500 jobs will be eliminated across NBCU, or 3% of the company's payroll. No specifics were offered concerning affected divisions or nets. The moves are part of the \$500mln that CEO *Jeff Zucker* said NBCU will cut from its '09 budget. "It has become evident that the decline in consumer confidence and spending will impact our operations," said Zucker in Oct.

**Competition:** **DISH** has added additional local HD channels in 8 markets including Omaha and Lexington.

**VO:** **TVN** is launching **Event TV HD**, a new service showcasing PPV's most popular live events in HD. It expects to offer 3-4 live events each month, and debuts Sat with the live broadcast of **HBO's Oscar de la Hoya – Manny Pacquiao** fight (preshow begins 8:30pm ET).

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GSN Live **Stump the Master** with Ken Jennings

GSN playeveryday

**Fridays at 5pm/4c, another way for GSN viewers to watch, play and win!**

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# HD

HIGHLIGHT

Staring up at the starry sky, we've all imagined what's out there. This Sunday, viewers will travel trillions of miles in High Definition to actually see pulsars, quasars and supermassive black holes. The vast frontier of HD is waiting.

**Journey to the Edge of the Universe. Premieres Sunday 8P**

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NATIONAL  
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CHANNEL HD

**Intl: Discovery Nets Intl** plans to launch **Investigation Discovery** on Jan 20 in the UK, marking the brand's 1st expansion outside the US.

**YES, We Love Cable:** Sometimes a story reminds us why we love this industry. Here's one such story. **YES Net's** Jacksonville vs Albany broadcast (Sat, 1:30m ET) seems a routine battle between strong Division I-AA teams. Not true. On the field for Albany will be *Eddie Delaney*, a defensive end who walked on last year. Now 2nd-team All-Conference, Delaney was born without a left hand and has been a diabetic since age 6. Insulin will be strapped to his thigh during the game. While there'll be promos for the **Juvenile Diabetes Foundation**, Eddie's a walking promo for that cause and more. This is why YES is donating time to carry the game live. And why a YES employee urged **Metrovision** to donate a production truck and uplink, and **SES Americom** to supply the satellite space segment gratis. **Game Creek Video** and several YES vendors will provide support without invoice, too. And that YES employee? The one who's been on cloud 9 since this project came together a few weeks ago: *Ed Delaney*, vp/ops and Eddie's proud papa. "I'll be tailgating before the game," Ed says, "...and probably stop by our truck... then I'll be in the stands... cheering on Albany and Eddie." Later, it's on to the Juvenile Diabetes Foundation fundraising party. Regardless of the game's outcome, we think there will be a lot of winners in Albany on Saturday.

**Mobile: MobiTV** has eclipsed the 5mIn sub mark for its managed network of mobile TV and radio that's available to more than 350 handsets across 20 carriers. The service features content from partners including **CNBC, Fox News, USA, Weather Channel** and **Animal Planet**. -- **BET** has teamed with **PlayPhone** to build and manage its mobile entertainment business. The new BET Mobile site (<http://mobile.bet.com>) lets fans download new and exclusive content to their mobile phones. -- **Comcast SportsNet Mid-Atlantic** has launched a customized version of its Website at **Comcast-SportsNet.tv**, which allows local sports fans to check up-to-the-minute local sports news via their cell phones.

**Programming: Showtime Nets** and **Summit Ent** inked an exclusive output deal through which up to 42 of Summit's films to be theatrically released between '08 and '12 will air on the net. Included in the pact is the recently-released film "Twi-

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# BUSINESS & FINANCE

light." -- ESPN now owns broadcast rights to both the men's and women's **British Open** golf tourneys, picking up coverage of all 4 rounds of the female version for 8 years beginning in '10. The deal allows for 12 live hours over 4 days, marking the 1st time that all 4 rounds will be aired live in the US. -- Forget the Grammys. **WWE** introduces "The Slammys" on **USA's** "Mon Night Raw" next week. Award categories include Best Finishing Move and "OMG" Moment of the Year.

**People:** Ex-NBA exec **Bhavesh Patel** was named vp, interactive media for **Fox Sports Intl.** -- **Cartoon Net/Adult Swim Ad Sales** promoted **Josh Feldman** to vp/NY sales manager. -- **Travel Channel Media** named **Lori Rothschild Ansalidi** exec prod/travel journalist for its new short-form div.

**Business/Finance:** **Scripps** is looking for a buyer for *The Rocky Mountain News* as well as the paper's 50% interest in the **Denver Newspaper Agency**, which publishes the News as well as The Denver Post under a joint operating agreement. The Scripps paper's share of the operating income from the Denver Newspaper Agency fell more than 50% to \$5mIn in the first 9 months of 2008. If a buyer doesn't emerge by mid-Jan, Scripps will examine other options. -- **Rapid Comm** sold its cable system serving subs around Clinton, IN, to **Avenue Broadband Comm.** **DH Capital** represented Rapid in the transaction.

## CableFAX Daily Stockwatch

Company	12/04 Close	1-Day Ch	Company	12/04 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
BRITISH SKY:	25.17	(1.2)	AMDOCS:	15.98	(1.4)
DIRECTV:	20.84	(0.54)	AMPHENOL:	20.45	(1.88)
DISNEY:	21.79	(0.15)	APPLE:	91.41	(4.49)
ECHOSTAR:	10.25	(0.52)	ARRIS GROUP:	6.98	0.01
GE:	17.55	(0.58)	AVID TECH:	10.51	(0.62)
HEARST-ARGYLE:	7.09	(0.31)	BIGBAND:	4.66	(0.14)
NEWS CORP:	8.30	(0.07)	BLNDER TONGUE:	0.90	0.04
<b>MSOS</b>					
CABLEVISION:	14.11	0.21	BROADCOM:	14.45	(1.06)
CHARTER:	0.16	(0.01)	CISCO:	15.33	(0.68)
COMCAST:	15.78	(0.28)	COMMSCOPE:	10.71	(0.54)
COMCAST SPCL:	15.07	(0.24)	CONCURRENT:	3.07	0.12
GCI:	6.94	(0.53)	CONVERGYS:	5.84	0.00
KNOLOGY:	5.07	(0.11)	CSG SYSTEMS:	15.72	(0.26)
LIBERTY CAPITAL:	2.55	(0.36)	ECHOSTAR HOLDING:	14.59	(0.39)
LIBERTY ENT:	10.23	(0.96)	GOOGLE:	274.34	(5.09)
LIBERTY GLOBAL:	12.19	(0.6)	HARMONIC:	4.39	(0.35)
LIBERTY INT:	2.35	(0.06)	JDSU:	2.42	(0.31)
MEDIACOM:	2.42	0.03	LEVEL 3:	0.79	(0.04)
SHAW COMM:	16.89	(0.12)	MICROSOFT:	19.11	(0.76)
TIME WARNER CABLE:	20.60	(0.2)	MOTOROLA:	4.32	(0.05)
VIRGIN MEDIA:	3.90	(0.26)	NDS:	45.28	(1.82)
WASH POST:	400.75	0.70	NORTEL:	0.51	(0.06)
<b>PROGRAMMING</b>					
CBS:	7.40	0.09	OPENTV:	1.16	0.03
CROWN:	2.01	(0.11)	PHILIPS:	16.07	(0.82)
DISCOVERY:	12.82	(1.04)	RENTRAK:	9.83	0.22
EW SCRIPPS:	2.32	(0.01)	SEACHANGE:	7.27	(0.43)
GRUPO TELEVISA:	14.86	(0.69)	SONY:	18.44	(1.01)
HSN:	1.91	(0.04)	SPRINT NEXTEL:	2.50	(0.07)
INTERACTIVE CORP:	14.15	(0.79)	THOMAS & BETTS:	17.91	(0.93)
LIBERTY:	25.10	(1.48)	TIVO:	5.79	(0.1)
LODGENET:	0.54	(0.02)	TOLLGRADE:	4.65	(0.47)
NEW FRONTIER:	1.58	0.01	UNIVERSAL ELEC:	15.72	(0.64)
OUTDOOR:	6.41	0.03	VONAGE:	1.21	(0.09)
PLAYBOY:	1.65	0.06	YAHOO:	11.05	(0.45)
RHI:	4.64	(0.13)	<b>TCLCOS</b>		
SCRIPPS INT:	24.03	(0.2)	AT&T:	28.17	(0.91)
TIME WARNER:	9.48	0.37	QWEST:	2.98	(0.18)
VALUEVISION:	0.53	0.07	VERIZON:	32.15	(1.04)
VIACOM:	15.90	(0.11)	<b>MARKET INDICES</b>		
WWE:	11.17	(0.06)	DOW:	8376.24	(215.45)
<b>TECHNOLOGY</b>					
3COM:	1.97	(0.14)	NASDAQ:	1445.56	(46.82)
ADC:	5.58	(1.28)			
ADVANTAGE:	1.44	0.03			
ALCATEL LUCENT:	1.98	(0.08)			

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**PROGRAMMER'S PAGE** with Chad Heiges and Seth Arenstein

**Discovery Still Reigns as Times Change**

Amid challenging economic times, corporate fortunes can change in weeks and months—even days. With what we endured in Oct alone, for example, just how far out of touch does May seem now as '09 approaches? Following are the percentage losses of select cable programming stocks since May 2: **Discovery** (-47%), **Disney** (-35%), **News Corp** (-57%), **Time Warner** (-40%) and **Viacom** (-59%). Ouch. On that date this page featured an amalgamated ranking of basic cable nets using weighted **Beta** research data covering operators, basic subs and advertisers (implied). The top 10: Discovery Channel, **ESPN**, **HGTV**, **Food Net**, **ESPN2**, **History**, **Disney**, **Fox News**, **CNN** and **MTV**. I parsed data for a revised tally and ranking, with a couple of changes. 2 metrics were used in the operator category instead of 1 (with updated data), and the advertising category was rated equal to the sub category instead of below. Given the severe contraction in the current ad market, I felt advertisers' views of cable nets to be far more important now. And since carriage still conducts the overall network train, I opted to include ops' perceived value of channels along with the perceived importance of channels on sub retention and acquisition. The new list: Discovery, ESPN, ESPN2, Disney Channel, Food Net, History, HGTV, Weather Channel, CNN, and MTV. Discovery remains the top dog, although its margin of victory was trimmed 14 percentage points by ESPN, which benefited greatly by its value in ops' eyes. The Deuce and Disney ascended the rankings for the same reason. Using just the top 10 data, the nod must go to Disney among parents for 2nd-, 3rd- and 4th-place finishes, while Discovery (1st and 6th) and Scripps (5th and 7th) also deserve plaudits. As before, these findings are not scientifically sound. But it doesn't take a scientist to see how quickly times are changing. *CH*

**Highlights:** "Leverage," Sun, 10pm, **TNT**. Perhaps the holidays have made us generous. Maybe we like derivatives of **AMC**'s erstwhile "Hustle." Whatever, "Leverage" is TNT's best, and by a wide margin. Remove the star, unshaven *Timothy Hutton*, and this series about do-gooder, high-tech grifters wouldn't suffer. That's because it's fast paced and well written with a strong ensemble, featuring leggy *Gina Bellman* ("Coupling") and *Aldis Hodge* as a cool geek. *SA*

**Worth a Look:** "House of Saddam," parts I, II, Sun, 9pm, **HBO**: You won't find HBO Films' best work in parts I and II of this 4-pt dramatization of Sadaam's life. It begins in '79, when Sadaam grabbed power in a bloodless coup that became bloody. Yet after 2 hrs we learn little we didn't know already about Hussein (or couldn't surmise). Yes, he killed capriciously, was a tyrant and had a crazy son. Still, this is HBO (and the **BBC**), so it's well done, with fine work by *Igal Naor* as Sadaam and *Shohreh Aghdashloo* as wife #1. We'll hang for parts III and IV Dec 14, but it's our job. -- "Flirting with 40," Sat, 9pm, **Lifetime**. The perfect Lifetime fantasy film? Perhaps. Nearly perfect *Heather Locklear*, 47, in a bikini, is a 40-yr-old divorcee cavorting with a 27-yr-old surfer in Hawaii. *SA*

Basic Cable Rankings (11/24/08-11/30/08)			
Mon-Sun Prime			
1	ESPN	2.6	2516
2	USA	2	1977
3	DSNY	1.9	1825
4	HALL	1.7	1475
5	TNT	1.5	1502
6	TBSC	1.3	1290
6	FAM	1.3	1276
8	NAN	1.2	1217
8	LIFE	1.2	1212
8	FOXN	1.2	1187
8	A&E	1.2	1141
12	FX	1.1	1079
13	HIST	1	998
13	TOON	1	967
13	SPK	1	930
16	SCIF	0.9	902
16	AMC	0.9	847
16	TRU	0.9	790
16	NFLN	0.9	377
20	DISC	0.8	814
20	ESP2	0.8	799
20	HGTV	0.8	791
20	CNN	0.8	750
20	CMDY	0.8	745
20	MTV	0.8	732
26	TLC	0.7	715
26	FOOD	0.7	682
26	MSNB	0.7	681
26	BRAV	0.7	627
26	BET	0.7	586
31	VH1	0.6	583
31	TVLD	0.6	578
31	LMN	0.6	388
31	NOGG	0.6	386
35	EN	0.5	462
36	HLN	0.4	407
36	APL	0.4	404
36	TRAV	0.4	333
36	NGC	0.4	307
36	OXYG	0.4	292
41	CMT	0.3	277
41	VS	0.3	253
41	WGNA	0.3	239
41	SOAP	0.3	230
41	DHLT	0.3	218
41	GSN	0.3	210

\*Nielsen data supplied by ABC/Disney

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