

CableFAX Daily™

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What the Industry Reads First

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All Broadband: As Plan Deadline Nears, Things Heat Up

It's all broadband, all the time these days, with the **FCC's** Feb deadline for presenting a National Broadband Plan to Congress nearing. On Wed, FCC commissioners will get another status report from *Blair Levin* & team. This time, there's expected to be some more concrete examples of policy framework. It's a safe bet that USF reform and some sort of spectrum reclamation will be discussed. **NAB** is preparing, with reports that it sent an email to stations Thurs telling members that broadcasters "could see the greatest assault on public airwaves since the 1980s, with the anticipated release of the FCC's National Broadband Plan set for Feb 17, 2010." NAB's encouraging members to use the airwaves to make the case for keeping their valuable spectrum instead of reallocating it to wireless companies. Meanwhile, there's a new Scholar in Residence, *Stuart Benjamin*, at the FCC (*Cfax*, 12/11). Calling the Duke Law prof a "broadcast TV hitman," *TV News Check* reports that Benjamin has written that it's a mistake to devote "any significant set of wireless frequencies to broadcasting... The costs of that devotion are so great that they justify, in a benefit/cost analysis, measures that impose deadweight losses on broadcasters as a means of pushing broadcasting off the spectrum." Over on the Hill, Sen *Jay Rockefeller* (D-WV) introduced the bipartisan Broadband Opportunity and Affordability Act, which would create a 2-year pilot program to expand the FCC's Lifeline program to support the recurring cost of basic broadband for eligible low-income HHs. The existing program subsidizes the recurring expense of basic phone service in these homes. The bill also asks the FCC to provide Congress with a report on expanding the Link-Up program to help with the purchase of computer equipment. That program helps with the start-up costs of beginning basic phone service for low-income consumers. During a **Broadband for America** online chat Fri, former FCC chmn *Michael Powell* also recommended the govt reform universal service and consider repurposing the LifeLine program. "Also, programs that can tap into existing support available to low income families would be great—subsidized housing programs, health care support, welfare programs, etc," he said. Powell was recently named honorary co-chair of the coalition of companies and organizations, which is encouraging public-private partnerships for delivering broadband to all. He said Fri that he would not have placed development of the National Broadband Plan with the FCC because it is jurisdictionally limited. "Within the FCC scope, I think universal service reform and spectrum policy are the highest value and most executable areas for the Commission," he said.

Retrans Round-up: Time Warner Cable's FCC filing aimed at Fox is "an extension of its desperate campaign to mask its impressive profits and instead malign its program suppliers' efforts to receive fair compensation." That's Fox's response to the filing, which claims Fox is hijacking **Sinclair's** retrans negotiations (and those of other affiliates) by exercising veto power over deals (*Cfax*, 12/10). TWC's claims, made in support of **Mediacom's** retrans complaint against Sinclair, come after the launch of the "Roll Over or Get Tough" campaign against high programming costs. "This filing (in a matter between Mediacom and Sinclair, not even involving Time Warner or Fox) is obviously just an attempt to undermine and interfere with Fox's existing contractual relationship with its affiliate stations as well as artificially influence



What do women, heavy internet users and parents have in common?
Animal Planet. It's one of their top 10 favorite cable networks.*

ANIMAL PLANET HD
 discoveryaffiliate.com

*Results among total, 2009 Beta Research Study - Evaluation of Basic Cable Networks © 2009 Discovery Communications

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the negotiation process," Fox said, adding that the MSO would be better served "by acknowledging the tremendous value provided by its content partners." -- *Jesse Jackson's Rainbow PUSH Coalition* is asking the **FCC** to address its '04 petition for reconsideration of the Media Bureau's denial of its petition to deny **Sinclair** applications to acquire certain broadcast licenses. PUSH is making the request in light of Mediacom's retrans complaint against Sinclair, which it says it evidence of continued "misconduct." Among other things, PUSH alleges that Sinclair has illegally exerted de facto control over Cunningham Broadcasting through LMA agreements.

Top 10s: Cable dominated **Nielsen's** list of top 10 timeshifted shows in 2009. **SyFy's** "Battlestar Galactica" took the top spot with 59.4% of timeshifted viewing. Rounding out the top 5: **AMC's** "Mad Men" (57.7%), **FX's** "Damages" (56.3%), **FX's** "Rescue Me" (53.2%) and **HBO's** "True Blood" (46.9%). The only cable programming to make the top 10 regularly scheduled programs of the year based on rating was **ESPN Mon Night Football** (ranking 8th). No cable shows made the top 10 list for single telecast. **Nielsen** also ranked the top 10 most effective product placements on brand opinion. Coming in at No 2 was **Kids Crooked House** from **TLC's** "Jon & Kate Plus 8." Other winners: **Vaseline-Lifetime, Food & Wine-Bravo, Whole Foods-Bravo, Mood Designer Fabrics-Lifetime, GE-Bravo** and **Glad-Bravo**. "WWE Raw" on **USA** was 2nd only to **NBC's** "Jay Leno Show" in product placement activity.

Carriage: **Comcast SportsNet New England** inked a multi-yr carriage deal Fri with **DirectTV**, negating the need for an arbitration hearing scheduled for the week of Dec 14. The pact ends a nearly year-long stalemate between Comcast and DirecTV for New England only, as potential deals for **Comcast SportsNet CA, Bay Area** and **Chicago** remain in arbitration. Comcast and DirecTV are also discussing distribution of **CSN NW** and **Versus**, plus the DBS op's trio of **FSN NW, FSN Pittsburgh** and **FSN Rocky Mountain**. Comcast's carriage deals covering DirecTV's RSNs expire Dec 31.

Top Women: Hats off to **CableFAX's** most powerful women in cable, many of whom packed a NYC ballroom to celebrate with us as we honored their contribution to cable. The big highlight was a Q&A session with **Time Warner Cable** chief programming officer *Melinda Witmer*, who said the industry must take a look at content's value amid its greater availability on multiple platforms. She said deals must reflect market realities and take into account how higher costs affect cable rates. She said TWC's "Roll Over/Get Tough" campaign is the MSO's attempt to bring balance back to the equation. Another highlight: the incredible emceeing skills of **Fox Business Net** anchor *Liz Claman*, who eloquently presented our 10 Best Places to Work In Cable and our Top 20 Most Powerful Women. Thanks to all who made the event possible, and especially to Witmer for enduring a *Seth/Mike* interview.

Public Service: **Time Warner Cable's News 14 Carolina** will enable deployed Fort Bragg soldiers to watch their sons play in the NC State High School Championship Sat by streaming the game live on News14.com.

Business/Finance: **Fitch** believes cable nets and large market broadcast affils "are poised to participate in a potentially modest [ad market] rebound, but the firm's outlook for multichannel ops isn't nearly as positive. Foreseen as threats to ops' financial growth going forward are continued economic challenges "well into 2010" and increasing competition. Fitch said cable MSOs will suffer a '10 increase in basic sub erosion to approx 3.5% (following 2.75% this year) and 30% drop in VoIP net adds to 1.4mIn, although DOCSIS 3.0 rollouts will keep deep HSD reduction at bay and commercial rev will continue trending higher. Fitch estimates that cable rev will increase in the 3%-5% range next year.

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CableFAX Week in Review

Company	Ticker	12/11 Close	1-Week % Chg	YTD %Chg
BROADCASTERS/DBS/MMDS				
BRITISH SKY:	BSY	37.44	4.67%	31.83%
DIRECTV:	DTV	33.00	1.04%	44.04%
DISH:	DISH	21.26	0.28%	91.70%
DISNEY:	DIS	31.72	2.85%	39.80%
GE:	GE	15.92	(1.73%)	(1.73%)
NEWS CORP:	NWS	15.00	4.97%	56.58%
MSOS				
CABLEVISION:	CVC	26.08	4.53%	54.87%
COMCAST:	CMCSA	17.64	9.36%	4.50%
COMCAST SPCL:	CMCSK	16.85	10.13%	4.33%
GCI:	GNCMA	6.38	(0.47%)	(21.14%)
KNOLOGY:	KNOL	10.74	7.29%	108.14%
LIBERTY CAPITAL:	LCAPA	23.35	1.21%	395.75%
LIBERTY GLOBAL:	LBTYA	21.11	2.83%	32.60%
LIBERTY INT:	LINTA	10.86	3.63%	248.08%
MEDIACOM:	MCCC	4.60	3.84%	6.98%
RCN:	RCNI	9.29	2.09%	57.46%
SHAW COMM:	SJR	20.57	2.29%	16.35%
TIME WARNER CABLE:	TWC	42.38	(0.84%)	97.58%
VIRGIN MEDIA:	VMED	16.74	0.06%	235.47%
WASH POST:	WPO	419.76	1.95%	7.56%
PROGRAMMING				
CBS:	CBS	14.06	4.46%	71.67%
CROWN:	CRWN	1.32	(8.97%)	(53.68%)
DISCOVERY:	DISCA	31.93	1.75%	125.49%
GRUPO TELEVISIA:	TV	20.85	(2.34%)	39.56%
HSN:	HSNI	17.95	(6.32%)	146.91%
INTERACTIVE CORP:	IACI	18.99	(0.42%)	20.72%
LIBERTY:	L	35.60	0.42%	26.02%
LIBERTY STARZ:	LSTZA	47.76	(2.33%)	2.27%
LIONSGATE:	LGF	5.78	(3.83%)	5.09%
LODGENET:	LNET	5.41	0.74%	672.86%
NEW FRONTIER:	NOOF	1.88	(0.53%)	10.59%
OUTDOOR:	OUTD	5.89	1.20%	(21.36%)
PLAYBOY:	PLA	4.03	2.28%	86.57%
RHI:	RHIE	0.72	10.77%	(91.13%)
SCRIPPS INT:	SNI	41.27	4.01%	87.59%
TIME WARNER:	TWX	30.58	(2.67%)	203.98%
VALUEVISION:	VVTV	4.39	15.83%	1230.30%
VIACOM:	VIA	32.60	3.52%	62.03%
WWE:	WWE	15.79	(3.66%)	42.51%
TECHNOLOGY				
3COM:	COMS	7.48	0.94%	228.07%
ADC:	ADCT	6.53	4.65%	19.38%
ADVANTAGE:	AEY	2.06	(6.36%)	15.73%
ALCATEL LUCENT:	ALU	3.34	(2.62%)	55.35%
AMDOCS:	DOX	27.14	(3.83%)	48.39%
AMPHENOL:	APH	43.74	(1.69%)	82.40%
APPLE:	AAPL	194.67	0.70%	128.08%
ARRIS GROUP:	ARRS	10.93	0.28%	37.48%
AVID TECH:	AVID	11.83	(1.74%)	8.43%
BIGBAND:	BBND	3.51	2.33%	(36.41%)
BLNDER TONGUE:	BDR	1.00	(3.85%)	(0.99%)
BROADCOM:	BRCM	30.16	(1.98%)	77.73%

Company	Ticker	12/11 Close	1-Week % Chg	YTD %Chg
CISCO:	CSCO	23.77	(1.62%)	45.82%
CLEARWIRE:	CLWR	6.18	3.87%	25.35%
COMMSCOPE:	CTV	25.67	(1.27%)	65.19%
CONCURRENT:	CCUR	3.74	1.63%	10.00%
CONVERGYS:	CVG	11.04	(0.99%)	72.23%
CSG SYSTEMS:	CSGS	18.21	(2.2%)	4.24%
ECHOSTAR:	SATS	19.51	(0.31%)	31.20%
GOOGLE:	GOOG	590.51	0.94%	91.94%
HARMONIC:	HLIT	5.71	2.88%	1.78%
INTEL:	INTC	19.90	(2.74%)	35.74%
JDSU:	JDSU	7.91	0.51%	116.71%
LEVEL 3:	LVL	1.43	2.14%	104.29%
MICROSOFT:	MSFT	29.85	(0.43%)	53.55%
MOTOROLA:	MOT	8.55	4.52%	93.00%
OPENTV:	OPTV	1.48	(3.27%)	20.33%
PHILIPS:	PHG	29.67	1.19%	49.32%
RENTRAK:	RENT	16.52	7.97%	47.50%
SEACHANGE:	SEAC	6.06	1.34%	(15.95%)
SONY:	SNE	29.00	1.68%	32.60%
SPRINT NEXTEL:	S	4.07	10.30%	122.40%
THOMAS & BETTS:	TNB	36.43	(4.31%)	51.67%
TIVO:	TIVO	9.83	(2.29%)	37.29%
TOLLGRADE:	TLGD	6.25	8.70%	30.75%
UNIVERSAL ELEC:	UEIC	23.35	9.73%	43.96%
VONAGE:	VG	1.27	(1.55%)	92.42%
YAHOO:	YHOO	15.74	3.62%	29.02%

TELCOS				
AT&T:	T	28.01	1.49%	(1.72%)
QWEST:	Q	4.10	4.86%	12.64%
VERIZON:	VZ	33.73	3.15%	(0.5%)

MARKET INDICES				
DOW:	DJI	10471.50	0.80%	19.31%
NASDAQ:	IXIC	2190.31	(0.18%)	38.89%

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. VALUEVISION:	4.39	15.83%
2. RHI:	0.72	10.77%
3. SPRINT NEXTEL:	4.07	10.30%
4. COMCAST SPCL:	16.85	10.13%
5. UNIVERSAL ELEC:	23.35	9.73%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. CROWN:	1.32	(8.97%)
2. ADVANTAGE:	2.06	(6.36%)
3. HSN:	17.95	(6.32%)
4. THOMAS & BETTS:	36.43	(4.31%)
5. BLNDER TONGUE:	1.00	(3.85%)

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