

# CableFAX Daily™

Tuesday — December 16, 2008

What the Industry Reads First

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## Interactivity: History and Charter Overlay 'The Underworld'

Here's more evidence that interactivity has reached cable subs: **Charter** subs in L.A. can access a microsite right on their TV screens by clicking a button on their TV remote. Once they do, they are transported to a **History** site where they can watch highlights and trailers for History's "Cities of the Underworld," learn more about Cities host *Don Wildman*, take a quiz and receive a discount coupon for Cities merchandise sold at History's Web site. They can also telescope directly to VOD to catch up on eps from Cities' previous two seasons, says *Mark Garner*, **AETN's** vp, distribution, marketing and business development. The site's primary objective is "to provide a brand-immersive, engaging experience" for Cities' regular viewers and attract potential viewers, says *Craig Berkley*, Charter's director, advanced media sales. While the term microsite generally connotes an online experience, this collaboration is "in the television environment... we've created a one-screen experience that brings a sense of ease, a sense of transition" for viewers, Garner says. Subs enter the microsite two ways: by turning to Channel 956, or by using their remote to activate an interactive trigger that appears in a cross-channel spot for Cities. This first deployment "will be a test of sorts for us to learn how people will use one-screen interactivity," Garner notes. "Whether or not our programming is something they'll enjoy greater interaction with..." Garner says. AETN also wants to learn if this will prompt additional linear viewing of the series and on VOD. "One of the most interesting aspects of working with Charter was the availability of data," Garner says. "We'll get some basic metrics... numbers of interactions and time spent with the microsite," Berkley says. **Navic Networks'** set-top software will capture the data, but there will be no demographics. The data will be aggregated anonymously, said a Charter spokesperson. [What data would the partners get in a perfect-world? See item at: [cable360.net/blog](http://cable360.net/blog)]

**Staff Changes:** **ReelzChannel** has trimmed 40 employees from its L.A. office, said a spokesperson. Most affected workers were associated with net show "Dailies," which will be replaced Jan 12 when the net begins a 7-day-a-week news format featuring hourly updates at 3min prior to each hour. "Our viewers are changing the way they get their entertainment news," said ReelzChannel evp/gm *Terry O'Reilly* in a Mon release. "Movie fans want an inside look at the movies on their schedules." -- **AETN** has cut 10 full-time positions from its payroll of approx 650, said a spokesperson, and has decided not to renew approx 80% of its freelance contracts. The affected number of freelance employees was not disclosed.

**Competition:** **AT&T** has bowed **U-verse TV** in Raleigh and Orlando, and **U-verse Voice** in Dallas-Fort Worth. Separately, the telco has grown to 20K its number of domestic hotspots through the closure of its Wayport acquisition, and the transition of thousands of Starbucks company-owned stores to **AT&T Wi-Fi** service is nearly complete.

**In the States:** **SES Americom** plans to end its IPTV delivery service IP-PRIME in North America before Jul 31, citing slow adoption by small and medium telecom ops, and a dour market outlook. The service has delivery contracts with 70 small ops, of which 37 are in the commercial stage. -- **Suddenlink** will bow VOD services Wed in Tyler and White-



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house, TX; the MSO's area digital customers will also receive a new channel guide. -- **RCN** has inked with Chicago's **Conrad Hilton Hotel** an agreement including the delivery of the op's digital cable and HDTV services to 311 rooms.

**At the Portals:** The **FCC** cancelled this week's open meeting that was to address program access complaints and a potential cable unbundling. Related items, however, remain on circulation and are still subject to a potential vote.

**Retrans:** **Young Broadcasting** stations in 10 markets were returned to **DISH's** channel lineup over the weekend, owing to a new retrans deal between the pair. -- **Time Warner Cable** reached a retrans deal with **Granite Broadcasting** for an **ABC** affil in Buffalo and a **CBS** affil in Syracuse and Binghamton. The MSO also will launch the digital feed of **WBNG**, which will bring CBS programming in HD to Binghamton. -- **Gray TV** said it has reached with 20 cable ops retrans deals in principal involving approx 2.4mln subs. The company expects \$3mln in retrans rev this year, and approx \$8.4mln in '09.

**Online:** **FunnyorDie.com** will feature a sneak preview (Wed-Sun) of the 1st ep of the 2nd season of **HBO's** "Flight of the Conchords," which returns to the net Jan 18. -- **FSN NW** and **Cypress Consulting** have partnered to launch **FSNinsider.com**, featuring a daily newsletter delivering to area fans breaking sports news, video and programming information. -- **CBSSports.com** will stream select **SEC** men's basketball games this season, beginning with Sat's Indiana-Kentucky tilt. A total of 12 will be streamed live and free of charge. -- **Oxygen.com** introduced Tuesday Tweet, a new app using **Twitter** tech letting fans of net series "Bad Girls Club" post real-time comments/questions online or from handsets every Tues.

**Research:** Only health insurance plans rated below ISPs and TV providers in **Forrester Research's** Customer Experience Index, which rates customers' interaction with 114 US firms across 12 industries based on the usefulness, ease of use, and enjoyability of those interactions. The overall rankings include: **AT&T** (ISP) in 51st, **Qwest** (ISP) 72nd, **DirecTV** and **Bright House** (TV) tied in 78th, **Verizon** (ISP) 86th, **Cox** (TV) 88th, **Cox** (ISP) 93rd, **DISH** 96th, **Time Warner Cable** (ISP) 99th, **Comcast** (ISP) 105th, **Comcast** (TV) 109th, **Time Warner Cable** (TV) 110th, **Charter** (TV) 111th, and **Charter** (ISP) 114th. **Time Warner Cable's** (TV) rating slipped 18 percentage points over '07 to lead all decliners, with **Charter** (ISP), **Time Warner Cable** (ISP), **Comcast** (TV) and **Comcast** (ISP) all declining at least 10 percentage points.

**Technology:** **Zodiac Interactive** has released an ETV/EBIF player for the **tru2way** platform, and plans to roll out a product commercially in 1Q. **Canoe Ventures** has adopted EBIF as the initial platform for addressable/interactive TV ads.

**Programming:** **Bravo** renewed "The Real Housewives of Atlanta." -- **Speed** greenlit a 2nd season of "Wrecked" (summer). -- **DIY Net's** prime series "Cool Tools" has kicked off a 6-month search for America's coolest tool. Users may upload videos of their invention at **DIYNetwork.com/cooltools** before Jun 8, with the winner to receive \$10K and to be featured on 1-hour special "Cool Tool's Inventor's Challenge" (late '09). -- **Fox College Sports'** college basketball schedule this season includes more than 350 men's and women's games representing nearly 200 schools.

**Honors:** The **TX Workforce Commission** honored **Suddenlink** for its active involvement with local workforce boards that have a positive impact. -- The **Family Online Safety Institute** honored **Comcast** svp/gm, online service **Mitch Bowling** on Dec 11 for his role in raising consumer awareness about online child safety and identity theft prevention.

**Public Affairs:** Through the pair's recent 8th annual Holiday Rock & Roll Bash, **Cablevision** and **The Lustgarten Foundation for Pancreatic Cancer Research** raised more than \$1.5mln for scientific and clinical research related

## VOD GAME CHANGER "One of the best films of the year"

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# BUSINESS & FINANCE

to the diagnosis, treatment and cure of pancreatic cancer. -- Registration begins Dec 29 at **DiscoveryHealth.com** for the net's 6th annual National Body Challenge, a multiplatform effort providing tools for Americans to adopt a healthier lifestyle in '09. A related programming special runs Jan 5-9 on the net.

**Business/Finance:** Liberty Media's board has approved a plan to spin off **Liberty Ent** group into a separate publicly traded company called Liberty Ent. Currently, the group's assets are attributed to a tracking stock trading under the LMDIA ticker. The planned transaction would place under the new entity **FUN Technologies, Liberty Sports Holdings**, approx 52% of **DirectTV**, and 50% of **GSN**. Liberty Ent would also assume approx \$2bln in debt related to DirectTV. -- Following **Charter's** announced plan to discuss financial alternatives with its bondholders (**Cfax**, 12/15), **Moody's** lowered its credit rating on the MSO by 2 notches and said it believes "a default is imminent and bankruptcy is likely for Charter in 2009." Any bankruptcy "almost certainly" would entail a reorg instead of liquidation, said Moody's.

## CableFAX Daily Stockwatch

Company	12/15 Close	1-Day Ch	Company	12/15 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
BRITISH SKY:	29.34	1.34	ADC:	4.85	0.16
DIRECTV:	22.98	0.04	ADVANTAGE:	1.87	0.08
DISNEY:	22.77	0.16	ALCATEL LUCENT:	2.15	(0.14)
ECHOSTAR:	10.68	(0.31)	AMDOCS:	17.71	(0.03)
HEARST-ARGYLE:	4.91	(0.75)	AMPHENOL:	21.55	0.09
NEWS CORP:	8.31	(0.15)	APPLE:	94.75	(3.52)
<b>MSOS</b>					
CABLEVISION:	13.78	(0.64)	ARRIS GROUP:	6.70	(0.35)
CHARTER:	0.12	(0.01)	AVID TECH:	10.62	(0.27)
COMCAST:	15.60	(0.05)	BIGBAND:	4.75	(0.11)
COMCAST SPCL:	14.91	0.02	BLNDER TONGUE:	0.84	0.00
GCI:	7.23	(0.57)	BROADCOM:	17.65	(0.14)
KNOLOGY:	5.47	(0.2)	CISCO:	16.84	(0.15)
LIBERTY CAPITAL:	3.01	(0.01)	COMMSCOPE:	13.70	(0.29)
LIBERTY ENT:	16.10	3.14	CONCURRENT:	3.25	(0.15)
LIBERTY GLOBAL:	12.23	(0.77)	CONVERGYS:	6.04	(0.25)
LIBERTY INT:	2.53	0.12	CSG SYSTEMS:	15.86	(0.43)
MEDIACOM:	2.70	(0.19)	ECHOSTAR HOLDING:	14.41	(0.27)
SHAW COMM:	17.09	0.02	GOOGLE:	310.67	(5.09)
TIME WARNER CABLE:	19.43	(0.33)	HARMONIC:	5.38	(0.22)
VIRGIN MEDIA:	4.18	(0.15)	JDSU:	3.70	(0.02)
WASH POST:	369.48	(16.92)	LEVEL 3:	0.75	0.00
<b>PROGRAMMING</b>					
CBS:	7.66	(0.54)	MICROSOFT:	19.04	(0.32)
CROWN:	1.85	(0.23)	MOTOROLA:	4.17	(0.02)
DISCOVERY:	12.95	(0.12)	NDS:	49.36	(0.69)
EW SCRIPPS:	1.68	(0.16)	NORTEL:	0.33	(0.07)
GRUPO TELEVISIA:	15.59	0.06	OPENTV:	1.23	(0.04)
HSN:	2.38	(0.14)	PHILIPS:	18.69	0.10
INTERACTIVE CORP:	16.34	(0.19)	RENTRAK:	10.25	0.55
LIBERTY:	26.78	(0.64)	SEACHANGE:	6.43	(0.36)
LODGENET:	0.65	0.02	SONY:	20.99	(0.24)
NEW FRONTIER:	1.64	(0.25)	SPRINT NEXTEL:	1.82	(0.14)
OUTDOOR:	5.45	(0.75)	THOMAS & BETTS:	21.64	(0.21)
PLAYBOY:	2.13	(0.27)	TIVO:	6.51	(0.17)
RHI:	4.42	(0.81)	TOLLGRADE:	4.50	(0.04)
SCRIPPS INT:	20.72	(0.72)	UNIVERSAL ELEC:	14.43	(1.51)
TIME WARNER:	9.81	(0.22)	VONAGE:	1.00	(0.08)
VALUEVISION:	0.39	(0.03)	YAHOO:	12.73	(0.42)
VIACOM:	18.04	0.07	<b>TELCOS</b>		
WWE:	11.57	(0.16)	QWEST:	2.77	(0.37)
<b>TECHNOLOGY</b>					
3COM:	2.13	0.02	VERIZON:	32.30	(0.5)
<b>MARKET INDICES</b>					
DOW:				8564.53	(65.15)
NASDAQ:				1508.34	(32.38)

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# EYE ON DIGITAL

## “Uber-Cocooning” Hits the Web in Oct

As the Presidential contest came down to the wire, and the economy blew up in October, Web traffic took a newsy turn. **CNN** edged past last month’s cable news Web traffic winner **MSNBC**, according to **comScore**’s Oct data. Of particular interest here is the “time spent” metric in comScore’s monthlies. While MSNBC seemed to be peaking at just under a billion minutes of mindshare, CNN experienced a 23% gain in hang time against a 7% hike in audience. That sort of lopsided spike suggests an increase in online video viewing. Also, CNN contains the popular CNNMoney site, which no doubt benefited from the rapid fire bad economic news throughout October. The time spent metric is also revealing in comScore’s overall numbers, which show a 1% expansion of the Internet audience in October but a 5% rise in time spent. Both digital analysts and market researchers argue that in the deepening recession, the Internet will benefit as a cheap, flat fee source of media for Americans who are “uber-cocooning,” as **Brain-Reserve** analyst *Faith Popcorn* tags the trend.

The time spent metric does not just shine on video-centric sites, however. Outside of the top ten properties, for instance, **Comedy Central** (5.2mln unique, 31MM hours) has

a relatively short overall hang time despite its full episode library of shows. Meanwhile, **GSN**’s site (7.1mln uniques, 545MM minutes) cracks the code for stickiness with on-site casual game play. Likewise, **QVC.com** (4.9mln unique, 221MM minutes) has some video but boasts one of the Web’s other most attractive and sticky pursuits, online shopping. Interactivity, not massive media streaming, remains the Web’s true strength.

**Viacom** properties had mixed fortunes in Oct, with video-drenched **MTV** down 28% in uniques and off 21% in hang time, dropping from 7th to 10th position among cable Web properties. Meanwhile its game-heavy sister **Nick.com** (+28% uniques, +42% time) seemed to benefit from a new TV

season and kids coming indoors. The biggest indication that the economic downturn is affecting online traffic comes from the most obvious source, however. **CNBC** went from 1.5mln uniques in Sept and 69MM minutes spent to 2.1mln uniques in Oct and a staggering increase to 242MM minutes. Historically, financial news sites tend to fall off during economic woes, as audiences hate dwelling on bad news and their own shrinking portfolios. Not that you need to tell you—but this recession clearly is different on a number of levels.

*(Steve Smith is a lapsed academic turned media critic and consultant. He is the Digital Media Editor for Min, conference programmer for Mediapost, and longtime columnist for eContent Magazine).*



## comScore Web Box Scores

	Total Unique Unique Vistors (000)	Total Unique Unique Vistors (000)	Total Unique Vistors (000)	Total Minutes (MM)	Total Minutes (MM)	Total Minutes (MM)
	Sept-2008	Oct-2008	% Change	Sept-2008	Oct-2008	% Change
<b>Total Internet : Total Audience</b>	189,468	190,616	1	321,067	336,005	5
<b>CNN</b>	33,813	36,210	7	1,275	1,563	23
<b>Weather Channel, The</b>	37,916	34,717	-8	525	361	-31
<b>MSNBC</b>	34,295	34,677	1	969	962	-1
<b>ESPN</b>	23,869	21,941	-8	1,414	1,336	-5
<b>Discovery Digital Media Sites</b>	12,827	14,344	12	128	138	8
<b>Disney Channel TV Network</b>	12,534	12,015	-4	482	433	-10
<b>FOXNEWS.COM</b>	10,445	11,307	8	1,002	1,177	17
<b>Nick.com Sites</b>	8,324	10,621	28	339	480	42
<b>NFL.COM</b>	11,563	10,542	-9	584	574	-2

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