

CableFAX Daily™

Friday — December 21, 2007

What the Industry Reads First

Volume 18 / No. 247

Ee-I-Oh: Ole McDowell Gambles the Farm, Says FCC Doesn't Need Revamp

Will a federal court throw out the FCC's newly reinstated 30% cable ownership cap? "Bet the farm," GOP commish *Robert McDowell* told reporters Thurs. McDowell was a vocal opponent of Tues' vote to limit the percentage of multichannel subs one cable operator can own, calling it unnecessary as DBS' market share has nearly doubled since a federal court threw out the cap 6 years ago. Pressed on whether the cable industry is getting a full and fair hearing with FCC chmn *Kevin Martin*, McDowell said he'd defer that question to the industry. He did add that cable has "certainly been kept busy by the chmn" and has been given the opportunity to comment on plenty of items. So has cable received "full and fair outcomes?" "There have been full outcomes. They've been full of something," he said. In Nov, McDowell criticized the FCC for its handling of the 70/70 test, which could have been used to add new cable regulations if 3 commissioners hadn't balked. Despite his disapproval of the 70/70 process, McDowell said he doesn't believe the FCC needs an overhaul as some members of Congress have suggested. "The basic building blocks are in place for a healthy, independent administrative agency," he said, though he added the inability for all 5 commissioners to meet privately can give rise to "dysfunction." The FCC's justification for the 70/70 test being met was criticized by McDowell and Dem *Jonathan Adelstein*, who suggested that contrary FCC data was suppressed from the draft. "If I have a concern regarding the process, I try to raise it internally as well as publicly," McDowell said. Other highlights: Does he support Martin's plan to allow minorities and women to lease broadcasters' digital spectrum and receive must-carry rights? No. "I don't think it's legal or constitutional." Is he pushing to become FCC chmn if a Republican is elected in '08? "No... I am very lucky to have this post," he said, adding that it is the new president's prerogative who he makes chair.

Loud Speakers: NFL Net/Cable Din Rapidly Escalating

Additional legislative rumblings on Thurs surrounded the NFL Net/cable dispute, adding to the carriage crescendo that will likely peak ahead of the net's Dec 29 Patriots game. As the WI Senate Cmte on Commerce, Utilities and Rail heard testimony on a state bill that would require arbitration between sparring multichannel ops and programmers, 14 members of Congress sent a letter urging FCC chmn *Kevin Martin* to employ a "dispute resolution mechanism" (read: arbitration) to resolve the NFL/cable issue nationally. In Madison, NFL Net pres *Steve Bornstein* articulated the league's stance and, augmented by testimony from a Packers rep, maintained the legislative gambit established last week in TX to appeal to fervent fan bases. The devotion of area Packers fans is legendary, and it certainly didn't hurt that WI football coach *Barry Alvarez* was on hand to bash big cable along with Big Ten Net pres *Mark Silverman* and conference commish *Jim Delany*. That the trio failed to endorse the arbitration process became insignificant when state Sen *Dave Hansen* (D-Green Bay), the aforementioned bill's chief sponsor, said he wants the legislation to spur quick carriage agreements and not necessarily a mandated arbitration process. Cable—led by attorney *Howard Symons* and WI Cable



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CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefax.com ● fax:301/738-8453 ● Editor-in-Chief: Amy Maclean, 301/354-1760, amaclean@accessintel.com ● Exec Editor, Michael Grebb, 301/354-1790, mgrebb@accessintel.com ● Assoc Editor, Chad Heiges, 301/354-1828, cheiges@accessintel.com ● Asst VP, Ed Director, Seth Arenstein, 301/354-1782, sarenstein@accessintel.com ● Publisher: Debbie Vodenos, 240/753-5696, dvodenos@accessintel.com ● Acct Mgr: Erica Gottlieb, 212/621-4612 ● Marketer: Doreen Price, 301/354-1793, dprice@accessintel.com ● Marketing Director: Carol Bray, 301/354-1763, cbray@accessintel.com ● Prod: Joann Fato, cdaily@accessintel.com ● Diane Schwartz/VP and Group Publisher ● Online Publisher, Alison Johns, 212/621.4642 ● Paul Maxwell/Columnist. Subs/Client Services: 301/354-2101, fax 301/309-3847 ● Group Subs : Angela Gardner, 757/531-1369, cfaxgroupsub@accessintel.com

Assoc exec dir **Tom Moore**—carped on the unconstitutionality of the bill and, as in TX, argued that existing federal legislation would preempt any similar state legislation. Meanwhile, in D.C., the Congress members asked Martin to slake their troubled constituencies by imparting baseball-style arbitration to the NFL/cable situation. “We hope this approach will facilitate prompt resolution of these disputes and result in negotiated carriage arrangements,” wrote the group, representing 9 different states. NFL commish **Roger Goodell** also penned a letter Thurs, to **Time Warner Cable** pres/CEO **Glenn Britt** offering through Dec 28 binding arbitration to settle the pair’s tiff. The MSO said it’s willing to negotiate for mutually beneficial terms and “strongly” urged the NFL to move the Pats game to broadcast nets to ensure wider distribution.

Advertising: While overall media ad spending for the first 3 quarters of '07 decreased 0.1% over the same period last year, national cable ad spending actually increased 1.2%, according to **Nielsen Monitor-Plus**. However, the number of product placements on cable declined during the period. The top 10 shows featured 136,078 occurrences vs 160,118 for the same time last year. **Discovery’s** “American Chopper” is the #1 cable show in terms of product placements (41,657 occurrences). 2nd place finisher, **A&E’s** “Dog the Bounty Hunter,” came nowhere close (19,179). -- **Kmart** is deploying dynamically customized ads on **TV Land** and **Nick at Nite** through the use of **Visible World’s** technology. The retailer can respond to business conditions by making real-time changes regarding which ads will be featured.

Spat: In a dispute with broadband overtones, the **National Academy of Television Arts & Sciences** filed a petition to vacate the **American Arbitration Association’s** Dec 11 ruling siding with the **Academy of Television Arts and Sciences**. ATAS charges that NATAS’ recently created broadband awards go beyond the scope of a 1977 agreement dividing Emmy awards between the 2 groups. ATAS is also trying to establish broadband content awards of its own.

In the States: **The Sportsman Channel** launched on **Charter** in AL, LA, MI, Reno, NV, and North Platte, ME; on **Comcast** in MI, Elkton, MD, Huntington, WV, and Indianapolis; on **Time Warner Cable** in Keene, NH, Richlands, VA, and Ashland, KY; and on **Cox** in 6 FL communities.

Honors: Cable continued its recent dominance among various award noms, garnering 23 SAG Award nods to broadcasters’ 19. But in a change of fortune, **HBO’s** cable-best 9 placed the net 2nd overall to **ABC’s** 11. Still, the premium net’s “The Sopranos” (3) tied for tops among individual series, and was joined in receiving multiple nods by sibling show “Entourage” (2), **AMC’s** “Mad Men” (2), **ESPN’s** “The Bronx is Burning” (2) and **TNT’s** “The Closer” (2). Other totals: TNT (4), AMC (2), **Showtime** (2), ESPN (2), **USA** (2), **Lifetime** (1) and **FX** (1).

Campaign '08: Starting Dec 30, **C-SPAN**, **Reuters** and **Zogby** will begin daily tracking polls from IA ahead of the state’s caucuses scheduled for Jan 3. Daily tracking polls start Jan 4 for NH. Polling continues through the Nov general election.

Programming: **AMC** aims to continue its original content success with 4 new series in development, including “Un-invited Guest,” in which a character battles multiple personality disorders, and western “Fort Smith.”

Carriage: **Cablevision** added **ESPN2 HD** to its i0 TV lineup across its entire service area, effective Fri. -- **Reel-zChannel** bowed on **Comcast Chicago** Wed.

Competition: **EchoStar’s** **DISH** added its first Vietnamese-themed channel **Thuan Viet** to its lineup. The net features dramas, comedies, cooking, fashion and travel shows, and other entertainment fare.



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BUSINESS & FINANCE

Webinar Fun: If you missed our “Regulation Redux” Webinar, download it at www.cable360.net/webinars.

Programming: “Jericho,” “Friday Night Lights” and “Kidnapped” are among the new series to join **Universal HD** in Jan. The net also adds “Showtime Championship Boxing” and nightly themed programming.

Our Thoughts: We were very saddened to read in the *Rocky Mountain News* that **EchoStar** pres *Carl Vogel's* 16-year-old son Luke apparently broke his neck in a skiing accident on Dec 11, leaving him paralyzed. Our thoughts go out to the entire Vogel family at this difficult time.

People: *Chris McCumber* was elevated to svp, marketing and brand strategy at **USA**.

Business/Finance: **Time Warner Cable** closed the sale of its cable systems serving approx 14K subs in Mecklenburg County, NC, for approx \$51mln. Purchaser **MI-Connection Comm** was formed by the county and the towns of Mooresville, Davidson and Cornelius, which will run the systems. -- **Google's** proposed \$3.1bln purchase of **DoubleClick** won't adversely affect competition, said the FTC, which voted 4-1 to support the transaction after an 8-month inquiry. -- **ESPN** has agreed to acquire **SchoolSports**, a high school sports and lifestyle media company.

Editor's Note: Your next issue will be dated Dec 26. Enjoy the holidays!

CableFAX Daily Stockwatch

Company	12/20 Close	1-Day Ch	Company	12/20 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	47.55	(0.93)	AMPHENOL:	45.74	0.67
DIRECTV:	24.27	0.50	APPLE:	187.21	4.09
DISNEY:	32.33	0.07	ARRIS GROUP:	9.80	0.06
ECHOSTAR:	37.32	0.19	AVID TECH:	27.39	1.97
GE:	36.52	0.26	BIGBAND:	5.37	(0.09)
HEARST-ARGYLE:	21.91	0.18	BLNDER TONGUE:	1.61	0.03
ION MEDIA:	1.34	0.08	BROADCOM:	26.84	0.48
NEWS CORP:	21.07	0.20	CISCO:	28.28	0.09
TRIBUNE:	33.98	0.91	COMMSCOPE:	49.63	2.06
MSOS					
CABLEVISION:	24.16	0.21	CONCURRENT:	0.83	(0.02)
CHARTER:	1.30	0.04	CONVERGYS:	16.64	0.13
COMCAST:	18.12	0.09	CSG SYSTEMS:	15.09	(0.2)
COMCAST SPCL:	18.00	0.06	GEMSTAR TVG:	4.84	0.06
GCI:	8.62	0.18	GOOGLE:	689.69	12.32
KNOLOGY:	11.70	0.41	HARMONIC:	10.65	0.20
LIBERTY CAPITAL:	114.99	0.83	JDSU:	13.79	0.33
LIBERTY GLOBAL:	39.71	0.05	LEVEL 3:	3.07	0.00
LIBERTY INTERACTIVE:	20.06	(0.19)	MICROSOFT:	35.52	0.73
MEDIACOM:	4.90	(0.05)	MOTOROLA:	16.13	0.13
NTL:	28.22	0.00	NDS:	61.54	(0.21)
ROGERS COMM:	42.97	0.00	NORTEL:	15.62	(0.08)
SHAW COMM:	24.57	0.06	OPENTV:	1.21	0.04
TIME WARNER CABLE:	25.83	0.03	PHILIPS:	44.15	0.43
WASH POST:	797.83	27.61	RENTRAK:	14.86	0.07
PROGRAMMING					
CBS:	25.92	0.08	SEACHANGE:	7.66	0.11
CROWN:	6.09	0.09	SONY:	53.80	(0.41)
DISCOVERY:	25.48	0.30	SPRINT NEXTEL:	13.80	0.36
EW SCRIPPS:	43.41	0.21	THOMAS & BETTS:	49.77	0.76
GRUPO TELEVISA:	24.21	0.17	TIVO:	8.34	0.05
INTERACTIVE CORP:	27.18	0.35	TOLLGRADE:	8.02	0.05
LODGENET:	18.02	0.20	UNIVERSAL ELEC:	35.30	0.62
NEW FRONTIER:	5.47	0.12	VONAGE:	1.85	(0.05)
OUTDOOR:	6.57	0.07	VYVO:	3.52	0.01
PLAYBOY:	9.26	0.08	WEBB SYS:	0.06	0.01
TIME WARNER:	16.36	0.00	YAHOO:	23.64	0.33
UNIVISION:	36.23	0.00	TELCOS		
VALUEVISION:	6.67	0.14	AT&T:	40.26	0.32
VIACOM:	43.60	0.23	QWEST:	6.89	(0.05)
WWE:	14.60	(0.12)	VERIZON:	43.82	0.17
TECHNOLOGY					
3COM:	4.48	0.06	MARKET INDICES		
ADC:	15.22	(0.21)	DOW:	13245.64	38.37
ADVANTAGE:	5.84	(0.03)	NASDAQ:	2640.86	39.85
ALCATEL LUCENT:	7.42	0.08			
AMDOCS:	33.61	(0.43)			

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WHAT THE INDUSTRY READS FIRST.

PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

A Question of Clarity

Turner's periodic viewership reports constitute a can of worms and Pandora's Box. Although thorough, informative, and largely accurate, research chief *Jack Wakshlag's* creations always make me nervous. I've come to realize that whatever stories I craft from included data will invariably result in disagreement from at least 1 camp, and often from several. Unfortunately, the culpability for this divisiveness cannot be assigned to a single party; such projects invite bias by both the compilers and end users. Wakshlag need not be condemned for often trumpeting cable and Turner nets in the reports, and journalists and news agencies are likewise within their rights to use data as they see fit. The problem isn't the punch but the positioning, which itself requires the parsing of important minutae. Some would call it fine print, or clarifying language. Take the recent season-to-date viewership compilation, for example. It reported that USA is poised to set an all-time cable record for average total day rating for the year, obviously a laudable accomplishment. Trouble is, Disney felt compelled to apprise everyone that their own rating average will exceed **USA's**, a point that is true enough. But comparing the similar ratings data of these 2 nets is like comparing cashmere to denim. Ad-supported vs spot-less cable is an important example of distinction—the need for which is lamentably rife within the reports and often inadvertently overlooked. Take as well **Comedy Central's** publicized beef that Turner, in the latest report, asserted its historical dominance in comedic cable series across several demos while only in small print explaining the data's inclusion of sit-coms exclusively. "Who bothers to read the fine print besides lawyers," the net quipped. In response, Turner said the reports have "always been very consistent and we have all information sourced." I have a solution to all of this: a magnifying glass with every report. CH

Highlights: "The True Story of Charlie Wilson," Sat, 8pm, **History**. What timing. "Charlie Wilson's War" opens in theaters today (Friday), and has already grabbed Golden Globe noms for *Tom Hanks*, *Julia Roberts* and *Philip Seymour Hoffman*, plus nods for best picture and best writing (for *Aaron Sorkin*). Thing is, History's special doesn't need help, it's that good. In truth, Sorkin, History and anybody else would have to work hard to mess up telling Wilson's story, it's also that good. An obscure lawmaker from Texas, Wilson filled his early years in D.C. with young women and aged whiskey. In a Vegas hot tub, surrounded by sin, Wilson managed to hear a Dan Rather "60 Minutes" segment from Afghanistan. That tub changed Wilson's life, as he and renegade CIA agent *Gust Avrakotos* spent the next 6 years covertly funneling arms to the Afghans, helping them to defeat the Soviet army. In between, there was cocaine, belly dancers, junkets, even KFC. Purists will say History's special lacks depth and is a paeon to Wilson. Perhaps, but what a story.

Worth a Look: "Funniest Commercials of the Year," Wed, 9pm, **TBS**. The annual special grabbed 5.1mln viewers in '06, up from 4mln in '05. The numbers might improve, but the commercials haven't.

Basic Cable Rankings (12/10/07-12/16/07)			
Mon-Sun Prime			
1	USA	2.3	2217
2	DSNY	2	1894
3	TNT	1.9	1827
4	FAM	1.8	1688
5	TBSC	1.7	1687
5	ESPN	1.7	1599
5	LIFE	1.7	1598
8	HALL	1.5	1285
8	NFLN	1.5	630
10	FOXN	1.3	1215
11	A&E	1.2	1126
11	NAN	1.2	1120
13	MTV	1.1	1061
14	SPK	1	1005
14	TOON	1	989
14	HIST	1	943
14	CORT	1	927
18	AMC	0.9	891
18	FX	0.9	856
18	SCIF	0.9	847
21	DISC	0.8	807
21	HGTV	0.8	770
21	TVLD	0.8	710
24	TLC	0.7	674
24	VH1	0.7	667
24	CMDY	0.7	663
24	BRAV	0.7	632
24	FOOD	0.7	624
24	BET	0.7	573
24	LMN	0.7	416
31	CNN	0.6	561
32	ESP2	0.5	484
32	EN	0.5	479
32	MSNB	0.5	428
32	NGC	0.5	323
36	APL	0.4	366
36	TTC	0.4	341
36	WGNC	0.4	276
36	SOAP	0.4	255
40	TWC	0.3	332
40	HLN	0.3	273
40	CMT	0.3	269
40	OXYG	0.3	242
40	DHLT	0.3	223
40	GSN	0.3	220
40	TVGN	0.3	214

*Nielsen data supplied by ABC/Disney



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