

CableFAX Daily™

Friday — December 28, 2012

What the Industry Reads First

Volume 23 / No. 249

Future Gazing: The Year Ahead for Cable

As the year comes to a close, what should cable expect in 2013? It's clear that financials will continue to take center stage, with Congress and the President at the edge of the fiscal cliff as we write. Weightier matters will continue to push telecom regulation to the backburner. But there does seem to be growing momentum for a rewrite of the Communications Act that would take into account online offerings. Another big regulatory catalyst for the coming year is the **FCC's** net neutrality order, which **Verizon** has challenged. Oral arguments are expected to be heard by the Court of Appeals for D.C. in early '13. If Verizon wins, Congress may step in with legislation. Also set for early '13 are oral arguments in **Comcast's** challenge of an FCC program carriage dispute that went in favor of **Tennis Channel**. Arguments are slated for Feb 25. The case could have wide implications in future program carriage complaints. Jan should kick off on a high note for the industry thanks to the **Golden Globes** (Jan 13, 8pm, **NBC**). Cable fare dominated the awards nominations, with **HBO** leading all outlets with 17, followed by **Showtime** (7). Less glitzy, but an important buzz phrase for '13 is "tiered pricing." While MSOs, including **Time Warner Cable**, have been experimenting more with it, there's still backlash. In late Dec, Sen Ron Wyden (R-OR) proposed data caps legislation intended to help consumers better understand their monthly data usage. Bandwidth cap critic **Public Knowledge** has been pushing Congress for more action, while **NCTA** closed out the year with a briefing with reports on the merits of usage-based pricing. *Stephane Bourque* is CEO and founder of **Incognito Software**, a provider of broadband provisioning and bandwidth management solutions. He expects the debate over usage-based billing to intensify in the coming year. "I think there is still a debate as to what policy to adopt as an operator," he said. "The ones we've spoken to, some are clearly going to charge back. And they were clearly waiting to see how the **Comcast** and Time Warner charge-back solution was tolerated by subscribers." Others have told the vendor they will throttle only the biggest data users under congestion scenarios, Bourque said. Bottom line: the debate will continue. Other predictions: more cloud-based services and a step-up of wireless offerings. As has become a tradition at **CableFAX**, we asked some well-known folks in the industry to gaze into their crystal balls and make some predictions. From the programming

Final Deadline:
December 28, 2012



CableFAX's
Best of Web Awards
Social Media > Mobile > Beyond

Enter At: www.Cablefax.com/BOW12

CableFAX's *Best of the Web Awards* is the industry's top honor in the digital space, recognizing outstanding websites and digital initiatives among cable programmers, operators, industry partners. The CableFAX Best of the Web Awards will also salute the cable executives behind the scenes who make these digital initiatives shine.

Questions: Mary-Lou French at 301-354-1851; mfrench@accessintel.com Sponsorships: Amy Abbey at 301-354-1629; aabbey@accessintel.com

21256

THANK YOU

CableFAX Thanks Its 2012 Advertisers and Partners:

■ Advertisers & Agencies

A&E Networks
Adobe
Allscope Media
AMC Networks
Arris
AXS
BBC America and BBC World News
beIN Sport
BET
Bloomberg Television
Blue Highways
C-SPAN
CBS Sports Network
CMT
Comcast
Cox Communications
CTI Media
Current TV
Discovery Communications
Disney and ABC Television Group
E! Entertainment
EchoStar Satellite
FEARnet
Fox Business Network
FOX Networks
Fox News
fuse
FX

Galavision
Go!TV
GMC
Hallmark Channel
Halogen
HBO
Horizon Media
HSN
Insight Communications
INSP
InDemand
ION Media Networks
MATN/Mediacom
Mediastorm
Mediavest
Motorola Mobility
MSG Varsity
MSNBC
Mun2
National Geographic Channel
NBCUniversal
Outdoor Channel
Ovation
OWN: The Oprah Winfrey Network
PHD Networks
Pitney Bowes Business Insight
PK Networks
QVC
ReelzChannel

RLTV
Sandlar Capital
Scripps Networks
SeaChange International
Showtime Networks
Smithsonian Channel
Sony Movie Channel
Sportsman Channel
Sprout
STARZ
Suddenlink Communications
Telemundo
Tennis Channel
The Hub
The Weather Channel
Time Warner Cable
TiVo
TOA Technologies
TV Guide Network
TV One
Universal Sports
Univision Networks
Wave Communications
WE tv
Wealth TV
WWE
YES Network

■ Partners

4A's
ACA
ACC
ANA
Broadband Cable Association of PA
Compete Inc.
comScore
Consumer Electronics Association
CTAM
CTHRA
Kaitz Foundation
Lustgarten Foundation
Media Business
NAMIC
NATPE
NCTA
NCTC
Nielsen Business Media
Rentrak
SCTE
T. Howard Foundation
Telco TV
The Cable Center
WICT

And a special thank you to our loyal readers!

Here's to a Successful 2013

Sincerely,



A collection of handwritten signatures in various colors (black, blue, red) arranged in two rows. The signatures are: Dina Schwartz, Denise O'Connor, Amy Abby, Zuzi Kim, Mike, Amy Maclean, Wang, Kayla Voss, Amy Jeffries, Kate Schaefer, Tanni M. Hoffmann, Amy Russell, and Joann M. Gato.

CableFAX Daily™

CableFAX
THE MAGAZINE

CableFAX.com

CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefaxdaily.com ● fax:301.738.8453 ● Editor-in-Chief: Amy Maclean, 301.354.1760, amaclean@accessintel.com ● Exec Editor: Michael Grebb, 323.380.6263, mgrebb@accessintel.com ● Editor: Joyce Wang, 301.354.1828, jwang@accessintel.com ● Community Editor: Kaylee Hultgren, 212.621.4200, khultgren@accessintel.com ● Advisor: Seth Arenstein ● Group Publisher, Media Entertainment: Denise O'Connor ● Assoc Publisher: Amy Abbey, 301.354.1629, aabbey@accessintel.com ● Sales Mgr, Susan, Kim, 301.354.2010, skim@accessintel.com ● Marketing Dir: Laurie Hofmann, 301.354.1796, lhofmann@accessintel.com ● Prod: Joann Fato, jfato@accessintel.com ● Diane Schwartz, SVP Media Comms Group ● Subs/Client Svcs: 301.354.2101 ● Group Subs: Amy Russell, 301.354.1599, arussell@accessintel.com

standpoint, Bravo evp, program strategy and production Jerry Leo said to look for more binge marathons of shows. "People watching full seasons of shows off-season—this goes for both reality and scripted programming. Now there's evidence that series are returning to all-time ratings highs, which is being attributed to binge marathon viewing," Leo said. NCTA head *Michael Powell* played it very safe and made a plug for the trade association's upcoming gathering. "Between June 10-12, 2013, gridlock in Washington will be put on hold as partisan differences are set aside and hundreds of Members of Congress descend on the Cable Show in Washington, DC," he said. FCC commish *Ajit Pai* played the humor card instead of a tarot card. "The new year will bring a number of proposed transactions that will reshape the communications industry: **Comcast** and **News Corp** will merge to become Newscast, **Google** and **Verizon** will combine to form Goorizon, **AT&T** and **DirecTV** will meld together as AT&TV, and **Sprint** and **DISH Network** will join forces as Sprish," he joked. **ACA's Matt Polka** predictably predicted more blackouts, higher retrans consent and programming fees, but also gave us an Obamacare spinoff: "Someone in Congress will introduce The Affordable Cable Act (ACA), which will require a sports tier and will quickly become known as ESPNcare."

On the Hill: As many expected, Rep *Ed Markey* (D-MA) announced he will run for the US Senate seat that will be open with the nomination of Sen *John Kerry* (D-MA). He made the announcement in a statement to the *Boston Globe*. At a press conference last week on COPPA, Sen *Jay Rockefeller* (D-WV) and Rep *Joe Barton* (R-TX) both suggested he might become the next senator for MA. Markey was elected to his 19th term in the House in Nov. The seat will be filled by a special election in the summer.

Rate Hike: **DirecTV** will increase its programming package prices starting Feb 7, the satellite company said, citing rising programming fees. "In 2013, the programming fees we pay to the owners of these television channels will increase about 8%, but DirecTV is adjusting the prices our customers pay on average about 4.5%," it said on its website. The new rates include a \$2 a month price increase for **HBO**, a \$2 a month increase for select classic retired base packages and a \$1 monthly increase for the Choice Tier (from \$63.00 to \$64.99). The premiere package will rise \$5 a month, from \$119.99 to \$124.99. DirecTV is also raising the price of its Advanced Receiver Service by \$3 per month, to \$23 monthly. The Advanced Receiver DVR will increase \$10 per month. The new pricing also reflects DirecTV's ongoing investments in improving the viewing experience, a spokesman said, citing the launch of Genie, an advanced and intuitive HD DVR, the launch of DirecTV TVE, the addition of new SD and HD channels and an expansion to DirecTV on demand library.

Carriage: Veria Living, a multiplatform media company providing healthy lifestyle and wellness programming, has now premiered on Optimum TV. The programmer will air across **Cablevision's** footprint. A slate of new original programming will premiere in Jan.

Deals: Billing service providing **CSG Systems International** extended its master subscriber management agreement with **Comcast** through Jan 31 as it works on a long-term deal with the op, according to an **SEC** filing. The original agreement with Comcast, which accounted for some 21% of CSG's total revenue in 3Q, expires Dec 31.

Programming: Tennis Channel will bring viewers tournament coverage from the 2013 Hyundai Hopman Cup beginning Jan 1 at 3:30 pm. The telecast will include US competitions and the championship final of the annual international mixed-doubles tournament. -- **Oxygen Media** booked 1-hour special "All My Babies' Mamas" (working title) to premiere spring '13. The real-life series chronicles one man, his children's mamas and their army of children. -- **Bravo** kicks off '13 with premieres of new series "Vanderpump Rules" and returning series "The Millionaire Matchmaker" and "Kathy." Beginning Jan 6, "The Real Housewives of Atlanta" will move to its new 8pm time slot followed by "Shahs of Sunset" at 9pm.

Fantasy Golf: Coming off a good '12 fantasy golf season that drew a 200% increase in the total number of players over its inaugural year in '11, **Golf Channel** launched the '13 Fantasy Challenge, featuring new enhancements, weekly prizes, interactive capabilities and expanding to include the 5 major championships on the '13 PGA Tour schedule. The season starts at the Hyundai Tournament of Champions Jan 4-7 and concludes

BUSINESS & FINANCE

the week of the Tour Championship by Coca-Cola Sept 19-22. Fans can join a league or play individually against players around the country and against Golf Channel's team of experts. Weekly fantasy selections will be revealed every Wed on Morning Drive throughout the '13 season. Morning Drive and Golf Central also will update viewers on the Fantasy Challenge leader board each week during the season.

Online: Bravo's New Year's Day ep of "Million Dollar Decorators" is now available on BravoTV.com. The ep airing Jan 1 at 10pm features *Kathryn* reinventing *Lindsay Lohan's* Hollywood Hills home and *Jeffrey* facing a major challenge of shopping only from low-cost retail stores.

Editor's Note: No Programmer's Page today, but you can still read reviews of upcoming programs online at **CableFAX.com**.

Business & Finance: Comcast announced an ex-dividend date of Dec 28 and a cash dividend payment of \$0.1625 per share scheduled for Jan 23. Shareholders who purchased Comcast stock prior to the ex-dividend date are eligible for the cash dividend payment. This marks the 4th quarter that Comcast has paid the same dividend. At the current stock price of \$37.36, the dividend yield is 1.74%.

CableFAX Daily Stockwatch

Company	12/27 Close	1-Day Ch	Company	12/27 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	49.71	0.11	CONVERGYS:	16.23	(0.01)
DISH:	35.81	0.87	CSG SYSTEMS:	18.29	(0.11)
DISNEY:	49.53	(0.32)	ECHOSTAR:	34.12	0.20
GE:	20.69	(0.08)	GOOGLE:	706.29	(2.58)
NEWS CORP:	25.48	(0.04)	HARMONIC:	4.97	UNCH
MSOS					
CABLEVISION:	14.82	(0.1)	INTEL:	20.51	(0.14)
CHARTER:	73.67	0.43	JDSU:	13.29	(0.02)
COMCAST:	36.99	(0.31)	LEVEL 3:	22.85	0.17
COMCAST SPCL:	35.64	(0.24)	MICROSOFT:	26.96	0.10
GCI:	9.38	(0.09)	RENTRAK:	19.50	0.05
LIBERTY GLOBAL:	62.29	0.57	SEACHANGE:	9.59	(0.03)
LIBERTY INT:	19.09	(0.07)	SONY:	11.04	(0.07)
SHAW COMM:	22.64	0.02	SPRINT NEXTEL:	5.62	0.06
TIME WARNER CABLE:	96.22	0.17	TIVO:	12.36	0.02
VIRGIN MEDIA:	36.66	0.30	UNIVERSAL ELEC:	17.84	(0.76)
WASH POST:	361.60	1.60	VONAGE:	2.30	(0.01)
PROGRAMMING					
AMC NETWORKS:	49.75	0.11	YAHOO:	19.60	0.03
CBS:	37.28	(0.05)	TELCOS		
CROWN:	1.78	0.01	AT&T:	33.66	(0.12)
DISCOVERY:	62.38	(0.56)	VERIZON:	43.48	0.03
GRUPO TELEVISA:	26.30	0.22	MARKET INDICES		
HSN:	54.30	0.31	DOW:	13096.31	(18.28)
INTERACTIVE CORP:	46.40	0.50	S&P 500:	1418.09	(1.74)
LIONSGATE:	15.77	0.03			
LODGENET:	0.09	(0.01)			
OUTDOOR:	7.54	0.01			
SCRIPPS INT:	57.01	0.42			
TIME WARNER:	47.42	(0.06)			
VALUEVISION:	1.73	(0.08)			
VIACOM:	53.56	0.38			
WWE:	7.81	(0.07)			
TECHNOLOGY					
ADVANTAGE:	1.97	0.02			
ALCATEL LUCENT:	1.40	0.02			
AMDOCS:	33.82	(0.11)			
AMPHENOL:	64.60	0.08			
AOL:	29.80	(0.16)			
APPLE:	515.06	2.06			
ARRIS GROUP:	15.00	(0.08)			
AVID TECH:	7.68	0.12			
BLNDER TONGUE:	1.12	0.02			
BROADCOM:	32.70	(0.16)			
CISCO:	19.65	(0.27)			
CLEARWIRE:	2.88	0.01			
CONCURRENT:	5.46	0.18			

CableFAX's Customer Experience Management Guidebook Lessons and Insights for the Cable Industry

CableFAX and The Cable Center collaborated to publish this 150-page guidebook on customer experience management for the cable industry. The guidebook includes case studies, tips and articles on understanding the foundations of customer experience management and gaining insight to use it to improve your business. You also will learn about the latest measurement strategies, research insights, personnel and compensation strategies, social media tactics and communications techniques for implementing customer experience management in your company.



Sponsored by



Order your copy and start improving your customer's experience today – www.cablefax.com/CEMbook; 888-707-5814