

CableFAX Daily™

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What the Industry Reads First

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Cablevision CFO: Little Appetite for M&A

Some Wall Street analysts might see **Cablevision** as an attractive M&A target but don't bank on the company to join pay TV providers' consolidation party, at least not any time soon, according to CFO *Gregg Siebert*. "We've not been looking for cable acquisitions outside of our footprint," he told the audience at the **Bank of America Merrill Lynch 2014 Global Telecom & Media Conference** in London Tues. The **Comcast-Time Warner Cable and AT&T-DirectTV** mergers didn't concern the exec. "I don't see any direct impact on us as far as programmers increasing their asks on us." That said, programming costs would continue to increase with or without consolidation. "It's an issue for the entire industry. My guess is there will be more scrutiny of the issue," Siebert said, expecting a high single-digit increase for programming costs at Cablevision this year. In addition, since the merging companies talked about technological innovation post-combination, consolidation is "probably a positive for the industry as a whole," he said. Meanwhile, streaming rights deals like the one that **DISH** inked with **Disney** wouldn't impact Cablevision in the short run, he said. "I don't believe that Dish has any rights that are materially different that those that most of the other major cable operators have." "I don't see anybody offering a national over-the-top service anytime soon. It's really not an area of concern for us. But longer term, we feel it's important for us to position ourselves as a connectivity company. High speed data is a critical product for us. Couple that with WiFi, and that positions us best for whatever the future brings," he said. Like most of the other MSOs, Cablevision is looking for ways to further leverage WiFi, including using its WiFi network to offer more data and applications, he said.

DirectTV Flashback: **DirectTV** quietly rolled out a new feature at the end of May dubbed "Restart." As with **Time Warner Cable's** "Start Over," it lets customers start a show at the beginning if they tune in late. Right now, it's only available on **Viacom Nets (BET, CMT Comedy Central, MTV, Nickelodeon, Palladia, Spike, TV Land and VH1)** and **AETN Nets (A&E, H2, History, Lifetime, Bio/FYI, Crime & Investigation and LMN)** as well as DirectTV's own **Audience Network**. DirectTV will continue rolling the feature out on additional networks through the end of the year. The Restart feature, which has an easy access icon on the on-screen guide, is available 2 minutes into the program. A program that has been "Restarted" can't be fast-forwarded or recorded. Last month, DirectTV CEO *Mike White*

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previewed the launch at an investor conference, boasting that when he was named CEO in late 2009 he was told by a consultant that DirecTV could never offer a service like that. Time Warner Cable began its initial launch of Start Over in 2005 in Columbia, SC, gradually rolling it out across its footprint. “Our guys are very good at finding other ways to do things and continuing to innovate,” White said. “We know we have more to do around the cloud... We’ve benchmarked X1 and X2. We’re quite pleased with where we’re going. I don’t see anything there that is going to be so transformational that we can’t compete. We’re very excited about the future. I think we’ve had our best year ever in terms of product strategy this spring.”

On the Hill: The House tech subcmte will have a hearing on Wed examining media ownership issues. The panel is expected to discuss the FCC’s “inaction” on the 2010 quadrennial review of the media ownership rules as well as “the continued relevance of the media ownership regulatory framework in general,” according to a subcmte release. Members will also address the FCC’s decision on joint sales agreements and other media ownership changes without the completed quadrennial review.

Quantum Expansion Completed: Verizon FiOS has rolled out its Quantum TV service to NY, CT and NJ, making it available to more than 3.7mln HHs and business across NY and 2.2mln HHs and businesses in NJ. The launch in the 3 states completes the rollout nationally of the new service across Verizon’s wireline markets in 12 states and DC.

TWC Teams with Boingo: Time Warner Cable and airport WiFi provider Boingo Wireless launched bilateral wireless roaming access, allowing TWC Internet subs to access more than 100 Boingo locations, including 23 of the busiest airports in the US. The deal would also allow Boingo customers to use more than 35K TWC WiFi hotspots across the country. The companies will complete a Passpoint-enabled auto-authentication integration later this year. In addition to the airports, Boingo areas now accessible to TWC Internet subs include several NYC subway stations and popular locations.

RCN Upgrades DVR: RCN beefed up its DVR offering, launching the TiVo T6 HD DVR service combining linear TV and OTT programming. The move followed the MSO’s recent launch of the Netflix app on TiVo platform. The new TiVo service enables up to 150 HD hours of recording capacity, streaming to multiple devices and recording up to 6 HD shows at once. It features a more streamlined user interface and RF remote.

Comcast Steps up Biz WiFi: To provide SMBs with a single box service to quickly set up both public and private WiFi, with public access being managed and maintained over the Comcast network, the MSO launched Business Wireless Gateway. The service aims to allow businesses to assign one private wireless signal for their back-office needs and a separate public signal for customers or visitors. The gateway features an integrated modem that produces dual-band WiFi signals. The device and Business WiFi service are included with most Comcast Business Internet plans.

Ratings: The 2014 Eastern Conference Finals, in which the Miami Heat defeated the Indiana Pacers to advance to the NBA Finals, was the 2nd most-watched Conference Finals ever on ESPN. The 6-game series averaged 7.2mln+ viewers (P2+), up 48% YOY. The conference finals averaged a 4.5 HH rating, up 45% from last year’s corresponding series. On digital, the program on WatchESPN saw YOY increase of 246% YOY. -- Sunday’s premiere of TLC’s newest spinoff series “Return To Amish” raked in 2.4mln P2+ viewers. It bagged a 1.9HH rating and scored the time period’s highest P2+ delivery and HH ratings since Nov 2012. The opener also posted the franchise’s highest P2+ delivery and HH ratings since season 1 of “Breaking Amish.”

ESPN Adds Chromecast: ESPN made its TVE app WatchESPN compatible with Google’s Chromecast. The app is already available on Android and iOS devices. Upon authentication, customers can use Chromecast to access ESPN, ESPN2, ESPNU, ESPN3, ESPNNews and ESPN Deportes.

Research: The overall broadcast and streaming video equipment market grew 5.6% YOY worldwide in 2013, to \$1.6bln, as spending on CDNs (content delivery networks) increased while spending on contribution encoders and VOD playout servers decreased, according to a report by Infonetics. Two of the strongest growing segments in the broadcast and streaming video market are CDN edge servers, which the research firm expects to grow at 17% CAGR from 2013 to 2018, and multiscreen broadcast encoders, growing at an 8% CAGR. “We are still

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very early in a long-term transition to software-based SDN (software defined networks)-controlled video processing, but we believe the shift will result in increased spending on both multiscreen encoders and content delivery network equipment as pay TV and over-the-top providers begin purchasing these platforms to more efficiently process and distribute video content,” said principal analyst *Jeff Heynen*.

Programming: To commemorate the 200th anniversary of “The Star-Spangled Banner,” **Smithsonian Channel** will premiere its original 1-hour documentary “A Star-Spangled Story: Battle For America” on June 14. -- **Travel Channel** premieres a new season of its original series “The Dead Files” on July 12. -- **Netflix** will debut the film “This is Not a Ball” on June 13 in the US, featuring a Brazilian artist as he explores the world’s passion for soccer and creates an art work made of 20K soccer balls.

People: **AMC Networks** moved *Marci Wiseman*, the current head of business affairs for AMC, to the new role of executive-in-charge of Owned Content Distribution and Strategy, reporting to COO *Ed Carroll*. She will oversee expansion of the company’s owned content across its 4 networks, through non-affiliate distribution agreements, including domestic SVOD and global syndication.

CableFAX Daily Stockwatch

Company	06/03 Close	1-Day Ch	Company	06/03 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	82.47	(0.13)	CONCURRENT:	8.03	0.06
DISH:	59.25	0.15	CONVERGYS:	21.46	(0.22)
ENTRAVISION:	5.25	(0.04)	CSG SYSTEMS:	25.54	(0.14)
GRAY TELEVISION:	11.83	0.24	ECHOSTAR:	51.15	(0.3)
MEDIA GENERAL:	18.05	0.36	GOOGLE:	544.94	(8.99)
NEXSTAR:	46.63	(0.07)	HARMONIC:	7.25	0.16
SINCLAIR:	30.45	0.31	INTEL:	27.66	0.40
MSOS					
CABLEVISION:	17.41	(0.22)	INTERACTIVE CORP:	66.13	(0.17)
CHARTER:	147.22	0.07	JDSU:	10.75	UNCH
COMCAST:	52.32	(0.24)	LEVEL 3:	43.05	(0.86)
COMCAST SPCL:	52.01	(0.2)	MICROSOFT:	40.29	(0.5)
GCI:	11.10	(0.05)	NIELSEN:	47.05	(0.62)
GRAHAM HOLDING:	687.40	6.12	RENTRAK:	48.18	(1.37)
LIBERTY GLOBAL:	45.19	(0.42)	SEACHANGE:	9.28	(0.05)
LIBERTY INT:	29.06	0.13	SONY:	16.08	(0.21)
SHAW COMM:	24.98	0.02	SPRINT NEXTEL:	9.50	(0.21)
TIME WARNER CABLE:	141.59	(0.53)	TIVO:	11.81	(0.02)
PROGRAMMING					
21ST CENTURY FOX:	35.39	(0.15)	UNIVERSAL ELEC:	43.62	0.66
AMC NETWORKS:	60.73	(1.55)	VONAGE:	3.51	(0.04)
CBS:	59.62	(0.7)	YAHOO:	34.65	(0.22)
CROWN:	3.51	0.01	TELCOS		
DISCOVERY:	77.83	0.17	AT&T:	35.20	(0.24)
DISNEY:	83.88	(0.39)	CENTURYLINK:	38.03	0.41
GRUPO TELEVISIA:	33.78	(0.3)	TDS:	26.98	(0.12)
HSN:	55.48	(0.03)	VERIZON:	49.29	(0.76)
LIONSGATE:	27.34	0.96	MARKET INDICES		
MADISON SQUARE GARDEN:	55.98	0.71	DOW:	16722.34	(0.13)
SCRIPPS INT:	76.89	0.11	NASDAQ:	4234.08	(3.12)
STARZ:	30.52	(0.05)	S&P 500:	1924.24	(0.73)
TIME WARNER:	70.75	UNCH			
VALUEVISION:	4.31	(0.07)			
VIACOM:	87.11	0.40			
WWE:	11.02	(0.19)			
TECHNOLOGY					
ADDVANTAGE:	2.92	(0.08)			
ALCATEL LUCENT:	3.82	(0.09)			
AMDOCS:	48.82	0.65			
AMPHENOL:	96.47	(0.36)			
AOL:	35.93	(0.35)			
APPLE:	637.54	8.89			
ARRIS GROUP:	32.47	(0.36)			
AVID TECH:	7.35	(0.05)			
BLNDER TONGUE:	0.93	UNCH			
BROADCOM:	35.88	1.04			
CISCO:	24.68	(0.1)			

June 10, 2014 | Awards Breakfast | 8:30 – 10:30 am | Grand Hyatt in NYC

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