

# CableFAX Daily™

Monday — June 9, 2014

What the Industry Reads First

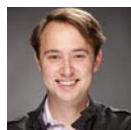
Volume 25 / No. 110

## Net Neutrality: Netflix Fights Back, AT&T Pledges Support

It's been an eventful net neutrality week as **Netflix's** saga with ISPs like **Verizon** continued. Following Verizon's cease-and-desist letter that demands the streaming service take down its message blaming the ISP for slow connections, a Netflix spokesman told us Fri that "this is about consumers not getting what they paid for from their broadband provider. We are trying to provide more transparency, just like we do with the Netflix ISP Speed Index, and Verizon is trying to shut down that discussion." Netflix is testing ways to inform customers about how their user experience is being affected by congestion on their ISP providers' network, he said. "At present, we are testing in the U.S. in areas serviced by many broadband providers. This test started in early May and it is ongoing," he said. Also on Fri, **AT&T** reiterated its support for an open Internet. Not a single ISP has asserted a desire or right to engage in any practices to create "fast lanes and slow lanes," and "AT&T certainly has no plans or intent to change its position on this," *svp Jim Cicconi* wrote in a blog post. The current net neutrality debate doesn't seem to have a common understanding of paid prioritization, the FCC's Section 706 authority, or Title II regulation, he wrote. Some net neutrality advocates are trying to persuade *chmn Tom Wheeler* to reclassify Internet broadband service under Title II of the Communications Act, which would subject companies like **Comcast**, Verizon and AT&T to common carrier regulation. Wheeler has kept multiple options, including Title II authority, on the table. "The plain language of Title II provides no basis to prohibit paid prioritization. Quite the contrary, Title II actually allows and could protect any such practice," Cicconi wrote. The telco promised that there's no paid prioritization, and "no one has any plan or intent to introduce such paid prioritization practices." Cicconi suggested the FCC act against anyone who might nonetheless try to do that. "In short, the Internet today is totally safe from fast lanes and slow lanes," he said. As for Section 706 authority, which the FCC voted to propose using, AT&T supports it. With the initial comment period on the FCC's NPRM seeking to re-establish Open Internet rules closing on July 15 (with an additional 60-day reply window) and between Netflix's back-and-forth with ISPs, don't expect a shortage of net neutrality chatters this summer. Just last week alone, the FCC received more than 10K responses from individuals and groups in its net neutrality docket. Opinions varied. While some urged Title II reclassification, others demanded little regulatory intervention. "As we say

## Cablefax Webinar

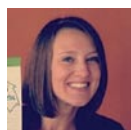
## How to Leverage Facebook to Maximize Your Cable Brand



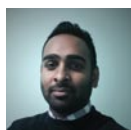
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Marketing Science  
Facebook



**Adam Naide**  
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in Texas, 'If it ain't broke, don't fix it,' one commenter wrote. Heavy traffic led to "technical difficulties" with the agency's electronic comment system, FCC acknowledged in a tweet earlier in the week. The system has since recovered.

**Merger Watch:** The NY State Public Service Commission is seeking comment on **Comcast** and **Time Warner Cable's** proposed merger. Under the proposal, Comcast will end up running all of TWC's NY assets. Currently, TWC serves approx 2.6mln subs statewide, while Comcast has 23K customers in Dutchess, Westchester and Putnam counties. The PSC plans 3 separate hearings for public comment before an Administrative Law Judge. In May, NY Gov *Andrew Cuomo* announced that the PSC would use new regulatory powers to conduct a thorough investigation into the proposed merger to determine whether it's in the best interest of TWC's NY customers and the state as a whole. The 1st hearing will take place in Buffalo on June 16, with hearings following in Albany (June 18) and NYC (June 19).

**On the Hill:** FCC chmn *Tom Wheeler's* comments at the Cable Show last month that state laws shouldn't prohibit municipal governments from entering the broadband business didn't sit well with a group of Senate GOP members. "The insinuation that the Federal Communications Commission will force taxpayer funded competition against private broadband providers—against the wishes of the states—is deeply troubling... Your proposed community broadband experiment presents an unnecessary and risky government liability," said a letter led by *Deb Fischer* of NE.

**Baja Buys Comcast Systems:** TDS just keeps on growing its cable footprint, announcing that **TDS Baja Broadband** has bought **Comcast's** Lovington and Socorro, NM, systems for approx \$1.9mln. The deal was completed Mon. It comes after TDS bought Baja Broadband for \$267.5mln in Feb, and last month's \$261mln deal for **Bend Broadband**. All 5 Comcast employees at the systems will retain their jobs, transferring to Baja Broadband. "We plan to perform a complete system rebuild to provide nationally competitive TV, phone and high speed Internet services for customers in both Lovington and Socorro," *Mark Barber*, vp of cable operations for TDS Telecom and Baja Broadband, said in a press release. "We expect our new products to be head and shoulders above the local phone company and existing cable offerings."

**Fusion Rollout:** DISH is boasting that its rollout this week of **Fusion** makes it the 1st nationwide provider to offer the **ABC News** and **Univision** jv. This is DISH's latest launch stemming from its massive distribution agreement with **Disney** in March. The net is available in the America's Top 250 packages and higher, as well as most DishLATINO packages. Fusion On Demand will launch in the coming week.

**Change of Plans:** *Maria Drew* will not be joining **NBCU's** Hispanic Enterprises and Content division as svp, HR after all. No reason was given for her not joining the company, which had just announced her hire on Mon. Drew is the founder of **HRStrategistGroup**. Drew could not be reached for comment Fri.

**Cox Certification:** **Cox Business** said it has received the Carrier Ethernet 2.0 certification from the Metro Ethernet Forum, a global industry alliance focused on accelerating the worldwide adoption of carrier-class Ethernet networks and services. Since introducing the CE 2.0 services certification in 2013, only a select few service providers have received the certification, which requires rigorous MEF specifications and testing.

**Weather Tackles Mobile:** The **Weather Company** launched Placed Attribution, enabling measurement of ad campaigns that run across the company's mobile apps. Under a partnership with ad intelligence firm **Placed**, the service will provide marketers with information such as projected store visits, lift, cost per store visit, and cost per incremental visit. In addition, the data aims to provide insights into geographic, demographic and correlated businesses associated with ad exposure.

**Programming:** As part of **21st Century Fox's** Founding Partnership of the 2014 Special Olympics USA Games, **FOX Sports 1** will debut its 1-hour special "Celebrating Champions: 2014 Special Olympics USA Games," which chronicles the week-long celebration of the games through the eyes of competing athletes, on June 30. **Fox Sports'** coverage of the 2014 Special Olympics USA Games starts Wed.

**Correction:** **One America**, not New America, moved to a new office at the foot of Capitol Hill (**CFX**, 6/6).

**CableFAX Week in Review**

Company	Ticker	6/06 Close	1-Week % Chg	YTD %Chg
<b>BROADCASTERS/DBS/MMDS</b>				
DIRECTV:	DTV	83.34	1.09%	20.68%
DISH:	DISH	58.51	(0.26%)	1.02%
ENTRAVISION:	EVC	5.48	2.24%	(10.02%)
GRAY TELEVISION:	GTN	12.03	5.16%	16.01%
MEDIA GENERAL:	MEG	17.95	1.24%	(20.58%)
NEXSTAR:	NXST	46.20	(0.56%)	(17.1%)
SINCLAIR:	SBGI	30.67	3.68%	(14.16%)

Company	Ticker	6/06 Close	1-Week % Chg	YTD %Chg
<b>MSOS</b>				
CABLEVISION:	CVC	17.53	(0.57%)	(2.23%)
CHARTER:	CHTR	148.87	4.00%	8.85%
COMCAST:	CMCSA	52.91	1.36%	1.81%
COMCAST SPCL:	CMCSK	52.37	1.02%	4.99%
GCI:	GNCMA	11.11	3.45%	(0.36%)
GRAHAM HOLDING:	GHC	698.50	3.18%	5.30%
LIBERTY GLOBAL:	LBTYA	44.59	(0.96%)	(29.18%)
LIBERTY INT:	LINTA	29.58	1.54%	0.78%
SHAW COMM:	SJR	24.78	(0.84%)	1.81%
TIME WARNER CABLE:	TWC	143.66	1.77%	6.02%

Company	Ticker	6/06 Close	1-Week % Chg	YTD %Chg
<b>PROGRAMMING</b>				
21ST CENTURY FOX:	FOXA	36.04	1.78%	2.47%
AMC NETWORKS:	AMCX	61.22	(1.07%)	(10.12%)
CBS:	CBS	60.49	1.48%	(5.1%)
CROWN:	CRWN	3.73	4.48%	5.67%
DISCOVERY:	DISCA	80.67	4.82%	(10.78%)
DISNEY:	DIS	84.61	0.71%	10.75%
GRUPO TELEVISIA:	TV	34.42	1.83%	13.75%
HSN:	HSNI	57.86	4.03%	(7.13%)
LIONSGATE:	LGF	26.66	2.03%	(15.79%)
MADISON SQUARE GARDEN:	MSG	57.32	4.50%	(0.45%)
SCRIPPS INT:	SNI	77.99	2.00%	(9.74%)
STARZ:	STRZA	30.43	(0.07%)	4.07%
TIME WARNER:	TWX	71.08	1.79%	1.95%
VALUEVISION:	VVTV	4.89	9.64%	(30.04%)
VIACOM:	VIA	87.74	2.74%	(0.03%)
WWE:	WWE	11.18	(0.89%)	(32.57%)

Company	Ticker	6/06 Close	1-Week % Chg	YTD %Chg
<b>TECHNOLOGY</b>				
ADDVANTAGE:	AEY	2.79	6.08%	3.72%
ALCATEL LUCENT:	ALU	3.95	(1.5%)	(10.23%)
AMDOCS:	DOX	48.47	0.73%	17.53%
AMPHENOL:	APH	97.59	1.87%	9.43%
AOL:	AOL	36.21	(0.19%)	(22.33%)
APPLE:	AAPL	645.57	1.99%	15.07%
ARRIS GROUP:	ARRS	33.16	0.15%	36.24%
AVID TECH:	AVID	7.25	(2.82%)	(11.04%)
BLNDER TONGUE:	BDR	0.99	16.47%	(1%)
BROADCOM:	BRCM	38.02	19.31%	28.24%
CISCO:	CSCO	24.83	0.85%	10.70%
CONCURRENT:	CCUR	7.99	(0.99%)	(2.2%)
CONVERGYS:	CVG	22.27	0.32%	5.80%
CSG SYSTEMS:	CSGS	26.12	(0.57%)	(11.16%)
ECHOSTAR:	SATS	51.51	0.86%	3.60%
GOOGLE:	GOOG	556.33	(0.64%)	(50.36%)
HARMONIC:	HLIT	7.59	4.83%	2.85%

Company	Ticker	6/06 Close	1-Week % Chg	YTD %Chg
INTEL:	INTC	28.17	3.11%	8.51%
INTERACTIVE CORP:	IACI	67.18	1.47%	(2.14%)
JDSU:	JDSU	11.08	1.00%	(14.7%)
LEVEL 3:	LVL	43.24	(0.94%)	30.36%
MICROSOFT:	MSFT	41.48	1.32%	10.88%
NIELSEN:	NLSN	47.68	(1.2%)	3.90%
RENTRAK:	RENT	47.74	(7.61%)	26.00%
SEACHANGE:	SEAC	8.65	(9.71%)	(28.87%)
SONY:	SNE	16.10	(0.49%)	(6.88%)
SPRINT NEXTEL:	S	8.78	(8.06%)	(18.33%)
TIVO:	TIVO	12.18	2.35%	(7.16%)
UNIVERSAL ELEC:	UEIC	45.29	(0.42%)	18.84%
VONAGE:	VG	3.53	(2.22%)	48.95%
YAHOO:	YHOO	35.92	3.67%	(11.18%)

Company	Ticker	6/06 Close	1-Week % Chg	YTD %Chg
<b>TELCOS</b>				
AT&T:	T	35.02	(1.27%)	(0.4%)
CENTURYLINK:	CTL	36.91	(2.02%)	15.89%
TDS:	TDS	26.46	(4.51%)	2.64%
VERIZON:	VZ	49.42	(1.08%)	0.57%

Company	Ticker	6/06 Close	1-Week % Chg	YTD %Chg
<b>MARKET INDICES</b>				
DOW:	DJI	16924.28	1.24%	2.10%
NASDAQ:	IXIC	4321.40	1.86%	3.47%
S&P 500:	GSPC	1949.44	1.34%	5.47%

**WINNERS & LOSERS**

**THIS WEEK'S STOCK PRICE WINNERS**

COMPANY	CLOSE	1-WK CH
1. BROADCOM:	38.02	19.31%
2. BLNDER TONGUE:	0.99	16.47%
3. VALUEVISION:	4.89	9.64%
4. ADDVANTAGE:	2.79	6.08%
5. GRAY TELEVISION:	12.03	5.16%

**THIS WEEK'S STOCK PRICE LOSERS**

COMPANY	CLOSE	1-WK CH
1. SEACHANGE:	8.65	(9.71%)
2. SPRINT NEXTEL:	8.78	(8.06%)
3. RENTRAK:	47.74	(7.61%)
4. TDS:	26.46	(4.51%)
5. AVID TECH:	7.25	(2.82%)

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For the online nomination application, click here or go to [www.wict.org](http://www.wict.org).  
Contact Parthavi Das at 202-827-4775.