

Cablefax Daily™

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What the Industry Reads First

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Midterm Prep: How Tues' Election Impacts Cable

Heading into Tues' midterm elections, here's a look at some of the races and issues you should watch because of their potential impact on the industry. The big question, obviously, is whether Republicans will gain control of the Senate. Two key races actually involve members of the communications-heavy Commerce committee. Sen *Mark Pryor* (AR), who heads the Senate Commerce Communications, Internet and Technology subcommittee, is a Dem in a state that voted heavily for *Mitt Romney* in 2012. While some polls have Republican challenger US Congressman *Tom Cotton* leading by as much as 8 points, we're reminded that the Pryor name is a bit of a political dynasty in the state and not to count him out. The other hot race involves freshman senator and Commerce member *Mark Begich* (D-AK). Some recent polls have suddenly shifted in his favor, although one political pundit warned that Alaska is notoriously difficult to poll. Overall, Tues could offer up a number of surprises. Even if Dems retain their narrow majority in the Senate (and it may take some time to figure that out if runoffs are needed in GA and LA, as some predict), the powerful Senate Commerce committee will get a new chair, as *Jay Rockefeller* (D-WV) is retiring this year. *Bill Nelson* (D-FL) is widely expected to become chairman if Dems stay in control. Given his home state, some have questioned whether he may focus more on space and science than telecommunications. If the GOP takes the Senate, ranking member *John Thune* (R-SD) will most likely lead the Commerce committee. He has already shown an interest in video reform, offering the Local Choice proposal with Rockefeller. The provision, which would let consumers pay broadcasters instead of MVPDs for over-the-air channels, was pulled from must-pass satellite legislation, but Thune has said he'll revisit the issue. "Thune's priority is definitely going to be Telecom Act reform and video reform," one Washington watcher said. One DC lawyer told us that a Republicans takeover could benefit cable because the party favors some legacy video regulation, including relief from tier buy-through obligations. On the other hand, the attorney warned that Democrats seem more open to retrans reform and imposing interim carriage obligations during standoffs. **ACA** CEO *Matt Polka*, however, questioned how much of a difference a change in party leadership would actually make. Sen Commerce has a history of being very bipartisan, he said, recalling how the late Sens *Ted Stevens* (R-AK) and *Daniel Inouye* (D-HI) referred to themselves as "co-chairmen" of the committee. That tradition has continued with Rockefeller and Thune and former ranking member *Jim DeMint*, he said. "Many of the issues have been dealt with on a bipartisan

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basis. Frankly, I expect that to continue,” Polka said, adding that such an atmosphere tends to create a more broad-based focus (in other words, he’s not worried Nelson will focus too heavily on space). Some believe Republicans controlling both chambers could put more pressure on **FCC** chmn *Tom Wheeler* not to use Title II for net neutrality rules, with one source suggesting that he would likely see a resolution of disapproval if he moved forward with it. “A Republican Congress makes reclassification much less likely,” MoffettNathanson’s *Craig Moffett* said. “The Chairman surely knows that reclassifying would mean a war with Congress. And Congress controls the purse strings.” Don’t forget to vote...

Raven Retiring: After 33 years at **A+E Networks**, *Abbe Raven* is retiring. Her last day as chmn of the company will be Feb 2. “It’s hard to say goodbye to the people and the company I love, the place I have been thinking about every day for most of my adult life. But it’s time. Time for me to explore new ideas, new interests, new callings—new chapters in my life,” Raven said in a memo to staff. As chmn emeritus of the company in the future, “I look forward to serving the company when called upon as an ambassador and advisor,” she said. Post-retirement, Raven expects to be involved in the TV industry on corporate and non-profit boards and “with issues I care about.” A+E Nets’ leadership succession plan started last year with *Nancy Dubuc* being upped to pres/CEO, a position that Raven had held for 8 years. “I am thrilled that Nancy, who has been my business partner, my successor and my dear friend, will be guiding you and this company into a future of great opportunities and challenges. Nancy is a superb leader and a true visionary,” Raven said in her memo.

At our Deadline: Participant Media late Mon announced that *Kent Rees* has been named gm of **Pivot**, reporting directly to Participant Media CEO *Jim Berk*. **Pivot** pres *Evan Shapiro* will leave the company. Rees had been evp, marketing, scheduling and operations and was among the exec team that launched **Pivot** in Aug 2013. “During this time, Kent played an integral role in establishing the **Pivot** brand and managing overall channel operations,” said Berk. “He and his management team are well positioned to further the network’s reach and impact. We thank Evan for helping to build **Pivot** into the successful network that it is today. We wish him the best.” Said Rees: “As general manager, I want to continue the network’s momentum in demonstrating that what you watch does make a difference.” **Pivot** is in more than 47mln homes.

DirecTV-AMC: The walkers are caught in the middle of **AMC Nets** and **DirecTV**’s carriage negotiations. During Sun night’s “The Walking Dead,” **AMC** started alerting **DirecTV** customers that their ability to watch the series is at risk as the pair’s carriage contract is due to expire mid-way through the current season of the series. The **AMC** message didn’t name **DirecTV** but asked concerned viewers to call the 855-Keep**AMC** hotline or visit the **KeepAMC.com**. In a statement, **AMC Nets** said **DirecTV** hasn’t engaged in “meaningful negotiations with us, which leaves us to doubt whether a timely renewal is possible.” The programmer also accused the satellite company of violating their current agreement, claiming that it has dropped **AMC** in Latin America. “**DIRECTV** customers will not miss any of this year’s new season of ‘The Walking Dead’ or any other shows. **AMC** is contractually obligated to provide all of its programming for several more months, and we intend to renew our **AMC** partnership at a price that’s fair to our customers,” **DirecTV** responded in a statement. The service provider asked viewers to go to **DIRECTVPromise.com** for the latest information. The programmer, which went dark on **DISH** for about 3 months in 2012, has also battled **Suddenlink** and **Cable One** over carriage terms. This latest carriage spat comes in the wake of the **Turner-DISH** and **Suddenlink-Viacom** disputes.

Rovi Buys Fanhattan: To beef up its entertainment discovery and cloud platform capabilities, **Rovi** agreed to acquire **Fanhattan**, which provides content discovery services through its cloud-based Fan TV branded products. **Fanhattan** founders, *Gilles BianRosa* and *Olivier Chalouhi*, will be part of the leadership team in **Rovi**’s Discovery Products Business Group. **Rovi** expects the deal to enable a cloud-based platform supporting IP and hybrid set-tops, DVR functionality and personalized interactive user interfaces through reference design hardware and a software development kit.

Verizon Ups WiFi Game: With more consumers using WiFi at home, **Verizon** is looking to up the WiFi speeds with its new router FiOS Quantum Gateway, which is expected to offer download speeds as high as 800 Mbps. The router also aims to enable greater range (up to 315 feet) within the home and the ability to support more devices.

Atlantic Broadband Gets Netflix: Add **Atlantic Broadband** to the lineup of pay-TV providers integrating **Netflix** with their existing linear offerings through the **TiVo** platform. The op is offering 3 months of free **Netflix** streaming service for customers subscribing to any **Atlantic Broadband TiVo** bundle. The promotion is available to new, existing and returning **Netflix** customers who sign up with the **MSO** through Dec 31. The company said it plans to offer future free **Netflix** promotional

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periods as part of its ongoing partnership with Netflix.

Ratings: *Nik Wallenda*, who successfully completed a tightrope walk between 2 skyscrapers 600 feet above downtown Chicago, partly blindfolded, drew 6.7mln viewers for the blindfold walk portion of the event aired on **Discovery Channel** on Sun. The first walk, from 8:35-8:42pm, earned a 2.16 P25-54 with 5.84mln total viewers P2+. The average of both walks scored a 2.24 P25-54 and 6.03mln P2+. And the entire telecast which includes both walks as well as the 19min between the 2 walks (8:35-9:03pm) earned an average 2.17 A25-54 and 5.82mln total viewers P2+.

Programming: Starz will make the 1st ep of the 8-ep original show "The Missing" available across platforms. Sampling will start Sat, 1 week before the US series premiere on Nov 15. MVPDs covering 82mln HHs will offer linear, on-demand and online viewing opportunities for the debut ep, including on Starz.com, Starz YouTube channel, Starz On Demand and the Starz Play app.

People: MSG tapped *Scott Henry* to be evp and CTO, effective immediately. Henry was most recently evp and CIO of **Nielsen Audio** (formerly **Arbiron**). -- **Nick** upped *Cathy Galeota* to the expanded role of svp of preschool current series, Nickelodeon Group. The 18-year Nick vet will continue to report to *Teri Weiss*, evp of preschool original programming.

CableFAX Daily Stockwatch

Company	11/03 Close	1-Day Ch	Company	11/03 Close	1-Day Ch
BROADCASTERS/DBS/MMDs					
DIRECTV:	87.28	0.49	CONVERGYS:	20.01	(0.16)
DISH:	63.81	0.16	CSG SYSTEMS:	26.55	0.04
ENTRAVISION:	5.14	(0.02)	ECHOSTAR:	47.12	0.39
GRAY TELEVISION:	9.30	0.06	GOOGLE:	555.22	(3.86)
MEDIA GENERAL:	14.84	(0.1)	HARMONIC:	6.87	0.20
NEXSTAR:	45.40	0.28	INTEL:	34.31	0.30
SINCLAIR:	28.98	(0.07)	INTERACTIVE CORP:	67.88	0.19
MSOS					
CABLEVISION:	18.74	0.12	JDSU:	13.58	0.12
CHARTER:	161.69	3.30	LEVEL 3:	46.67	(0.24)
COMCAST:	55.60	0.25	MICROSOFT:	47.44	0.49
COMCAST SPCL:	55.47	0.33	NETFLIX:	388.41	(4.36)
GCI:	11.69	(0.04)	NIELSEN:	42.19	(0.3)
GRAHAM HOLDING:	787.75	4.15	RENTRAK:	76.94	0.07
LIBERTY GLOBAL:	45.50	0.03	SEACHANGE:	6.82	0.06
SHAW COMM:	25.66	(0.02)	SONY:	20.16	0.34
TIME WARNER CABLE:	149.02	1.81	SPRINT NEXTEL:	6.20	0.27
PROGRAMMING					
21ST CENTURY FOX:	34.35	(0.13)	TIVO:	13.02	(0.03)
AMC NETWORKS:	61.32	0.67	UNIVERSAL ELEC:	56.45	(0.44)
CBS:	54.43	0.21	VONAGE:	3.35	(0.13)
CROWN:	3.42	(0.07)	YAHOO:	46.32	0.27
DISCOVERY:	35.67	0.32	TELCOS		
DISNEY:	91.71	0.33	AT&T:	34.84	UNCH
GRUPO TELEVISA:	35.98	(0.16)	CENTURYLINK:	41.81	0.33
HSN:	65.29	(0.78)	TDS:	25.59	(0.05)
LIONSGATE:	32.89	(0.24)	VERIZON:	50.39	0.14
MSG:	75.23	(0.53)	MARKET INDICES		
SCRIPPS INT:	77.81	0.57	DOW:	17366.24	(24.28)
STARZ:	31.63	0.73	NASDAQ:	4638.91	8.16
TIME WARNER:	78.75	(0.71)	S&P 500:	2017.81	(0.24)
VALUEVISION:	5.80	0.14			
VIACOM:	73.19	0.13			
WWE:	13.06	0.71			
TECHNOLOGY					
ADVANTAGE:	2.41	0.00			
AMDOCS:	47.56	0.02			
AMPHENOL:	50.40	(0.18)			
AOL:	43.46	(0.07)			
APPLE:	109.40	1.40			
ARRIS GROUP:	30.06	0.04			
AVID TECH:	10.15	0.10			
BLNDER TONGUE:	1.11	0.06			
BROADCOM:	41.80	(0.08)			
CISCO:	24.58	0.11			
COMMSCOPE:	25.47	(0.1)			
CONCURRENT:	6.98	(0.12)			



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