

# CableFAX Daily™

Wednesday — February 16, 2011

What the Industry Reads First

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## A Dumb Pipe?: Boxee CEO Urges Cable to Embrace OTT

When it comes to getting media content “over-the-top,” Boxee is among companies trying to make it easier for consumers to do just that. On Tues, it perpetuated that mission through a deal to provide access to streaming TV shows and movies from Netflix through the Boxee Box. We sat down with the Boxee CEO Avner Ronen, who has some interesting suggestions for the cable industry as it struggles with changing consumer habits and attitudes about video content. **You suggested last year that cable MSOs should go over the top themselves. Do you think the industry should move to a dumb pipe model where Comcast could distribute Xfinity programming to cable homes nationwide, and other MSOs would profit by selling high-speed access?** I think so. The separation between access and content aggregation is already happening. You have 20 million Netflix subscribers, and Hulu Plus subscribers are going strong. People are already paying the cable or telco for access and then paying for content to somebody else. If you’re a cable company and paying in some cases billions of dollars per year for content rights, you ought to be able to leverage that and grow your subscriber base beyond your fiber footprint. Will it more difficult for companies like Boxee and Roku, if cable operators embrace Web video? If the cable companies are going to come to the conclusion that embracing over the top is important for them, I think they could become great partners for us and maybe we can be in a position where we can run our software on their devices. We shouldn’t care if you decided to take Netflix or you decided to pay for Comcast, as long as you can access that content through Boxee, we’re happy. **Will Netflix lose popularity if it fails to renew its licensing deal with Starz?** Whether they renew with one partner or another, I think the amount of money and commitment they’ve shown toward their streaming service makes it pretty clear it’s going to remain a valuable offering to consumers. I think there’s going to be more competition in this space too. The cable companies may decide to step up their efforts on this front, and Hulu Plus may do that, and there are rumors about Amazon. But Netflix is clearly the leader at this point, and they can afford to be very aggressive in getting content deals done. **Are Boxee Box owners cord cutters?** I assume there’s a good portion that for them it’s what you would call an input 1 device—that’s where they spend most of their time watching video. For anybody who is really passionate about sports or live news, they probably still have some form of cable or satellite subscription. **Roku recently cut a deal with Wealth TV, which has**

## Launch The Network Everyone’s Talking About

Hallmark Movie Channel is #1 in operator interest  
among emerging and mid-sized networks.

Call 212.445.6650 to launch



BETA Cable Operator Channel Carriage Study, Dec. 2010. Tied for 1st in percent “very/fairly interested in carrying channel” among non-affiliates of network.

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**faceted challenges getting cable distribution. Is Boxee looking to do something similar—could you build applications for cable networks that can't get wide cable distribution?** Yes, I think so. We're talking with many of the media companies who are already offering their content on cable. It's a world where it's harder and harder to penetrate and get those deals done, and renew some of those deals, especially if you're a small niche content provider. Between what Apple TV is doing and Microsoft is doing, and Sony and Roku and Boxee, there's a critical mass of over-the-top distribution into people's living rooms, and I expect more and more content providers to want to have their content available on those platforms, and probably a lot of it is going to be behind pay walls. — *Steve Donohue*

**Competition:** A new agreement will allow **CenturyLink** to offer **Verizon Wireless** equipment and service plans, including access to the telco's 4G LTE network, to its residential and SMB customers beginning later this year. -- Beginning Thurs, Verizon's expanding its 4G LTE network to include coverage of more than 80% of the population of metro Detroit, marking the 1st expansion since the network launched in Dec in 38 markets.

**On the Hill:** House Commerce Comm and Tech Subcmte chmn *Rep Greg Walden* (R-OR) filed Tues an amendment to the continuing resolution regarding funds for govt operations that would prevent the **FCC** from using any monies to implement the Net Neutrality Order it passed in Dec. During a speech at the **Natl Assoc of Regulatory Utility Commissioners**, Walden added that he and other Republicans will likely still try to block the order by offering a resolution under the Congressional Review Act. On Wed morning, all 5 FCC commissioners will testify during Walden's subcmte hearing meant to examine the order.

**Multiple Majors:** Effective Apr 4, **CBS** is dropping the word college from its cable sports net, but the rebranded **CBS Sports Net** will continue to focus on college sports, including hundreds of live games annually. Available in approx 40mln homes, the channel is preparing for future content expansion to more closely align and expand a portfolio including **Showtime Sports**, CBSSports.com and MaxPreps.com. In a nod to increased collaboration among CBS properties, CBS and Showtime recently announced shared coverage of Showtime Sports' "Fight Camp 360: Pacquiao vs. Mosley" (Apr 2).

**Earnings:** Soon to merge, **CenturyLink** and **Qwest** both reported YOY dips in rev and net income, sending shares of each down by a respective 2.9% and 2.96%. **CLink** added nearly 29K HSI subs to end '10 with 2.39mln total, and reduced access line losses by 12% sequentially and 15.8% YOY. **S&P** downgraded the telco to 'sell' from 'hold' and cut its price target by \$2, to \$41. Qwest's mass markets segment added 92K FTTN broadband subs but shed 77K DSL, ending 4Q with 2.9mln total broadband customers. 40K **DirectTV** video subs were added for a total of more than 1mln, and an addition of 42K **Verizon Wireless** customers sold by and/or billed by Qwest brought that total to 1.1mln.

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# Sales Executive of the Year Awards

saluting cable sales leadership

The CableFAX Sales Executive of the Year Awards recognize sales forces across cable who work tirelessly behind the scenes to drive revenue and keep our dynamic marketplace growing and business moving forward. CableFAX honors the distinguished leaders who set the bar. CableFAX will salute the winners and honorable mentions during an awards luncheon in May 2011 in New York City.

**Deadline: Feb. 18, 2011** ■ **More Information: [www.cablefaxsalesawards.com](http://www.cablefaxsalesawards.com)**

Enter as many categories as you like but please tailor your entry to the category you are entering.

- Sales Person of the Year (VP and above)
- Sales Person of the Year (Below the VP level)
- Sales Team of the Year
- Most Creative Sales Pitch
- Rookie Sales Person of the Year
- Affiliate Sales Person of the Year (VP and above)
- Affiliate Sales Person of the Year (Below the VP level)
- Launch Team of the Year

- Brand Integration Team of the Year
- CableFAX Sales Hall of Fame

### NEW Out of the Box Categories:

- The Relentless
- The Renewer
- The Woo-er
- Best Internal Sales Contest
- Most Creative Program Sold to Client

### Compiling Your Entry (Visit [www.cablefaxsalesawards.com](http://www.cablefaxsalesawards.com) for full details)

#### What to Send

At the beginning of your two page synopsis, include the following information for all categories:

- Category entered • Title of entry • Key contact for entry • Organization submitting entry • Budget

#### Synopsis should include:

- Areas of Responsibility • Specific Successes (include metrics) • Sales or Leadership Hurdles/Challenges Overcome • Description of your Best Client Relationships • Testimonials and References, if you have them • Supporting materials as necessary

**How To Enter:** Use this form or visit [www.cablefaxsalesawards.com](http://www.cablefaxsalesawards.com) for additional category information and to enter online.

Mary Lou French  
 CableFAX SEOY Awards  
 Access Intelligence  
 4 Choke Cherry Rd, 2nd Floor  
 Rockville, MD 20850

**Deadline:** February 18, 2011  
**Late Deadline:** February 25, 2011  
**Event:** May 2011

#### Entry From (All information required)

Title of Entry/Name of Entrant (as you'd like it to appear on your award if selected): \_\_\_\_\_

Company and/or Client: \_\_\_\_\_

Contact Name of person submitting entry Job Title: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Telephone of Contact: \_\_\_\_\_ Fax of Contact: \_\_\_\_\_

Email Address (Required): \_\_\_\_\_

#### Entry Fees

- Primary entry: \$300 each \$300 each \$ \_\_\_\_\_
  - Secondary entry of same campaign\*\* into one or more categories: \$175 each \$175 each \$ \_\_\_\_\_
  - Late entry fee: \$175 per entry \$175 each \$ \_\_\_\_\_
- (for entries sent between February 19, 2011 and February 25, 2011)
- Total \$ \_\_\_\_\_

The late entry fee must be applied to each individual entry postmarked after February 5, 2010.  
 \* Payment in full must accompany the entry.  
 \*\* If entering more than one category, please submit separate entry forms.

#### Payment Options

- Check (payable to Access Intelligence/CableFAX)  Money Order
- Mastercard  Visa  Discover  American Express

Credit Card # \_\_\_\_\_

Exp. \_\_\_\_\_

Print name of card holder \_\_\_\_\_

Signature \_\_\_\_\_

Entry fees are not refundable.  
 Access Intelligence Federal Tax ID#: 52-2270063

[www.cablefaxsalesawards.com](http://www.cablefaxsalesawards.com)

The awards are presented by the most trusted information source in cable: CableFAX Daily and sister brand CableFAX: The Magazine.

Questions? Contact Awards Coordinator Mary Lou French at 301-354-1851; [mfrench@accessintel.com](mailto:mfrench@accessintel.com).  
 Sponsorship Opportunities: Debbie Vodenos at 301-354-1695; [dvodenos@accessintel.com](mailto:dvodenos@accessintel.com).

# BUSINESS & FINANCE

**Wireless:** Cox's "Unbelievably Fair" ad campaign launches in Oklahoma City and Tulsa this week, a precursor to the MSO's expected launch of wireless services in the region before July. As was the case in the initial markets of Hampton Roads, VA, Omaha, NE, and Orange County, CA, wireless voice and data will be included, and the MSO plans to unveil "Mobile Solutions" as the centerpiece of its OK retail stores.

**Technology: Rovi and Delivery Agent** will roll out early next quarter a contextual commerce capability for TV programming within Rovi EPGs, allowing consumers to buy products and services directly from the guides by using a remote control. Initial campaigns slated for launch include 1 for **History's** "Pawn Stars." -- **Comcast** and **Time Warner Cable** will participate in World IPv6 Day, a global 24-hr "test flight" on June 8 of the next generation internet protocol coordinated by the Internet Society.

**Programming: Lifetime** ordered 16 eps of an untitled docu-series centered on *Roseanne Barr's* attempt to run a macadamia nut farm in HI. -- As the NY TV Festival's 1st development partners of '11, **FX**, **IFC** and **MTV** committed to award dev deals to outstanding selections submitted to the festival's annual Indie Pilot Competition. IFC's selected award winner from last year, "Greg and Donny," is on the net's '11 dev slate.

## CableFAX Daily Stockwatch

Company	01/15 Close	1-Day Ch	Company	01/15 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDs</b>					
DIRECTV:	43.86	0.43	AVID TECH:	21.99	(0.32)
DISH:	23.38	0.24	BIGBAND:	2.70	(0.06)
DISNEY:	43.09	(0.15)	BLNDER TONGUE:	2.23	(0.07)
GE:	21.46	(0.04)	BROADCOM:	42.79	(0.14)
NEWS CORP:	18.11	0.03	CISCO:	18.67	(0.14)
<b>MSOS</b>					
CABLEVISION:	37.42	(0.3)	CLEARWIRE:	5.76	(0.11)
CHARTER:	47.10	(0.25)	CONCURRENT:	5.74	0.06
COMCAST:	24.16	0.29	CONVERGYS:	14.14	(0.11)
COMCAST SPCL:	22.61	0.16	CSG SYSTEMS:	20.00	(0.13)
GCI:	12.54	(0.08)	ECHOSTAR:	32.28	1.44
KNOLLOGY:	15.56	(0.01)	GOOGLE:	624.15	(4)
LIBERTY CAPITAL:	71.65	(2.5)	HARMONIC:	9.63	(0.34)
LIBERTY GLOBAL:	42.88	0.81	INTEL:	21.45	(0.12)
LIBERTY INT:	17.03	0.06	JDSU:	25.05	(2.84)
MEDIACOM:	8.79	UNCH	LEVEL 3:	1.30	0.04
SHAW COMM:	21.50	(0.52)	MICROSOFT:	26.96	(0.11)
TIME WARNER CABLE:	71.26	1.02	RENTRAK:	26.62	(0.31)
VIRGIN MEDIA:	27.76	0.38	SEACHANGE:	9.30	(0.07)
WASH POST:	432.09	0.01	SONY:	34.67	(0.33)
<b>PROGRAMMING</b>					
CBS:	21.65	(0.1)	SPRINT NEXTEL:	4.46	(0.09)
CROWN:	2.26	(0.05)	THOMAS & BETTS:	57.36	0.53
DISCOVERY:	43.73	0.30	TIVO:	10.56	(0.22)
GRUPO TELEVISIA:	24.11	(0.12)	TOLLGRADE:	9.74	(0.16)
HSN:	28.83	(0.95)	UNIVERSAL ELEC:	25.57	(0.85)
INTERACTIVE CORP:	31.28	(0.35)	VONAGE:	4.57	0.76
LIBERTY:	43.00	(0.07)	YAHOO:	17.20	0.31
LIBERTY STARZ:	72.08	0.38	<b>TELCOS</b>		
LIONSGATE:	6.13	(0.06)	AT&T:	28.24	(0.22)
LODGENET:	3.25	UNCH	QWEST:	7.20	(0.22)
NEW FRONTIER:	2.12	0.03	VERIZON:	36.46	0.56
OUTDOOR:	7.89	(0.26)	<b>MARKET INDICES</b>		
PLAYBOY:	6.12	(0.02)	DOW:	12226.64	(41.55)
SCRIPPS INT:	52.60	0.15	NASDAQ:	2804.35	(12.83)
TIME WARNER:	36.69	0.44	S&P 500:	1328.01	(4.31)
VALUEVISION:	7.16	0.15	<b>TECHNOLOGY</b>		
VIACOM:	51.81	0.14	ADVANTAGE:	2.89	0.09
WWE:	12.17	(0.03)	ALCATEL LUCENT:	4.49	(0.12)
<b>TECHNOLOGY</b>					
ADDVANTAGE:	2.89	0.09	AMDOCS:	29.85	0.06
ALCATEL LUCENT:	4.49	(0.12)	AMPHENOL:	57.51	(0.61)
AMDOCS:	29.85	0.06	AOL:	21.76	(0.07)
AMPHENOL:	57.51	(0.61)	APPLE:	359.90	0.72
AOL:	21.76	(0.07)	ARRIS GROUP:	13.51	(0.23)
APPLE:	359.90	0.72			
ARRIS GROUP:	13.51	(0.23)			

## CableFAX Digital Awards Breakfast

Honoring The Digital Hot List & Best of Web

Join CableFAX for the Digital Awards Breakfast as we salute the Best of the Web finalists and the Digital Hot List, the cable executives behind the scenes, making digital initiatives shine.

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April 6 • 8:30 – 10:30am  
Grand Hyatt, NYC

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THE MAGAZINE

Digital Hot List Issue **New for 2011**

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Publication Date: April 6 • Space Deadline: March 10

Advertising & Sponsorships:

Debbie Vodenos, [dvodenos@accessintel.com](mailto:dvodenos@accessintel.com), 301.354.1695

Amy Abbey, [aabbey@accessintel.com](mailto:aabbey@accessintel.com), 301.354.1629