

CableFAX Daily™

Friday — April 24, 2009

What the Industry Reads First

Volume 20 / No. 077

Watching You: Congress Eyeing Ops Eyeing Subs

Cable can count on Congress to keep a close watch on its rollout of targeted advertising through Canoe and other similar ventures based on comments at Thurs' **House Communications subcmte** hearing on privacy. It marked the 1st of 2 planned hearings on protecting consumers' privacy. While Thurs focused on privacy concerns with emerging network technologies, a joint hearing this summer with the **Commerce, Trade and Consumer Protection subcmte** will focus more on online privacy, including behavioral advertising, according to chmn *Rick Boucher* (D-VA). Boucher is working on privacy legislation. Deep-packet inspection, which garnered a lot of attention at the hearing, allows an operator to open packets holding content of Internet transported communications and is used as a way to help fight viruses and worms. "But its privacy intrusion potential is nothing short of frightening," Boucher said. "The thought that a network operator could track a user's every move on the Internet, record the details of every search and read every email or attached document is alarming." **NCTA** pres/CEO *Kyle McSlarrow* said no ops are using the tech in that fashion. He modernized *Robert Frost's* "Mending Wall," declaring that "good privacy protection is also good business." As for DPI, McSlarrow told members that consumers don't see the "war" going on at the network level—malware, bot armies, etc. He pleaded for self-regulation, saying the entire area is moving too fast "to freeze one point in time" in a "fairly immature marketplace." **Free Press** policy dir *Ben Scott* complained that deep-packet inspection tools violate network neutrality, evolving from "basically innocuous to downright insidious" by becoming a "mechanism of precise surveillance and content control." **AT&T** chief privacy officer *Dorothy Attwood* stressed transparency, noting that customers appear to understand and expect that information will be collected in a relationship, but they don't like the idea of detailed files on them based on their online activity.

Competition: **Gannett** formed a digital media network tying together properties such as **USAToday.com** and broadcast stations' Websites. The goal is to give advertisers national and local options. -- **DirectTV** launched Mon the VOD availability of "Quantum of Solace," adding 7 additional on-demand *James Bond* films including "Diamonds Are Forever" and "Dr. No."

Upfronts: **BETN's** Thurs evening presentation will include a formal introduction of **Centric**, a new net targeting African-American adults aged 25-54 and that **Viacom** plans to launch in 4Q in approx 45mln homes. Created jointly by BETN

RECORD RATINGS START AT HOME!


HGTV'S HIGHEST 1ST QUARTER EVER

HGTV
START AT HOME

Passionate Viewers Live Here

Candice Olson
Divine Design

Source: Nielsen Media Research, Standard
Prime Time 8p-11p Mon-Sun, Based on
Nielsen Calendar Q1, 1999-2009,
HH AA (000)

 Scripps Networks

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and **MTVN**, the net aims at “affluent, trend-setting, sophisticated” viewers through content including “Keeping Up With the Joneses,” which centers on urbane Houstonites, and interior design show “Urban Livin’” A direct challenge to **TV One**, Centric will join a burgeoning market that’s slated to feature **Black TV News Channel**, which hopes to launch this year, and BET founder *Bob Johnson*, who is working to launch **Urban TV** with **ION (Cfax, 4/15)**. TV One pres/CEO *Johnathan Rodgers* isn’t worried about overcrowding. “The Viacom announcement is no surprise to us, as we’ve always said that the African-American viewing community is so large and diverse that there is probably room for three or four cable channels in the space,” he said. “I guess they were just waiting for us to prove the case.” -- Armed with new branding message “This is the Time,” BETN is set to underscore its “leadership role as the leading media and entertainment brand for African Americans and consumers of Black culture.” Fresh **BET** content include Nightly talk/variety show “The Mo’Nique Show” (4Q), series “Changing Lanes” (’10), chronicling **NASCAR**’s next generation of drivers, and reality makeover show “The Hollywood Treatment” (’10) starring *Mary J. Blige*.

In the Courts: Oral arguments are scheduled for Fri morning in **Comcast**’s challenge of new **FCC** rules that put a 30% limit on the number of homes passed nationwide that any one operator can reach through cable systems in which it has an attributable interest. It’s not the 1st time the court has heard a challenge to the cap. In fact, it will be the 2nd time 2 of the judges—*Douglas Ginsburg* and *Raymond Randolph*—have listened to cases involving the issue. Ginsburg was part of a 3-judge panel that in ’00 ruled that the cable ownership limit is not facially unconstitutional, reversing a lower court decision. Randolph was part of a 3-judge panel in ’01 that reversed the FCC’s order imposing a 30% cap, ruling it was unconstitutional. A divided FCC voted 3-2 (then-FCC chmn *Kevin Martin* joined with Dems *Jonathan Adelstein* and *Michael Copps*) in Dec ’07 to institute a 30% cap again, this time promulgating it under a different rationale. Will the court throw out the cap again? “Bet the farm,” Republican commish and rule opponent *Robert McDowell* predicted after the ’07 vote. Comcast will argue that the cap does indeed violate the 1st Amendment. -- A GA Superior Court judge has denied **TBS**’ request to overturn a jury verdict that awarded \$281mln to TX businessman *David McDavid*, who alleges TBS breached a contract that would have allowed him to purchase in ’03 the Atlanta Hawks, Atlanta Thrashers and Philips Arena.

At the Portals: Despite a skeleton **FCC**, a rule of great importance to cable is slated to make the agenda of the Commission’s May 13 meeting. Commissioners are set to vote on a report and order on local number portability porting that would speed up the time that phone companies can take to transfer a customer’s phone number to a new provider. **NCTA** and others have pushed to bump the timeframe to 2 days from 4. -- There won’t be a recommendation from the judge hearing **NFL**’s carriage complaint against **Comcast** until at least mid-June, according to a schedule released Thurs from Judge *Richard Sippel* for post-hearing comments and filings. The last of the comments, from the **FCC**’s Enforcement Bureau, are due June 11. The case wrapped up last Fri. Sippel’s recommendation will have to be voted on by the full FCC.

Carriage: **Univision** wrapped up another retrans deal, with **FiOS** agreeing to a multi-year carriage agreement. The Spanish-language programmer also has reached deals with **Comcast**, **Time Warner Cable** and **DISH**. As usual, terms weren’t disclosed. -- **Smithsonian Nets** and **Time Warner Cable** inked a distribution deal covering the Smithsonian Channel’s HD version. Also, the net will make certain programming available online and via VOD, and will participate in the MSO’s enhanced TV services **Start Over** and **Look Back**.

Technology: **CableLabs** has bowed a version of the Enhanced TV Test Suite that’s based on its EBIF specs and



Awards Breakfast

June 11, 2009
Grand Hyatt • New York, NY
8:30am - 10:30am

Saluting affiliate and ad sales excellence in cable and honoring the Top Agency and Corporate Advertising Executives who Champion Cable Media.

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allows preliminary test coverage for software components that process enhanced TV apps on set tops.

CableLabs also launched an **ETV Lab** featuring software for **tru2way** devices from major cable ops.

Programming: Rocker *Andrew W.K.* will host new heavy duty destruction and demolition competition series "Destroy Build Destroy" on **Cartoon**. It will bow this summer as part of the net's block of alternative live-action series.

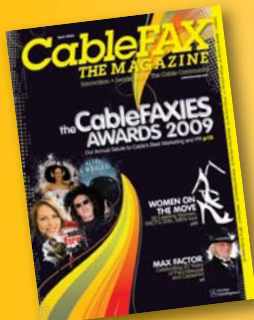
On the Circuit: The 14th Annual **SkiTAM** raised more than \$1mln million in team/event sponsorships and individual registrations for the **US Adaptive Ski Team**. This year's event attracted 966 registrants. Next year's already counts 14 corporate sponsors.

Public Affairs: Sat's **Comcast Cares Day** will feature more than 50K Comcast employees, families and friends volunteering more than 300K service hours in local communities. This year's event includes more than 500 projects in 39 states and DC.

Business/Finance: Currently in bankruptcy proceedings, **Charter** intends to raise funds by issuing certain debt holders rights to purchase shares of the MSO's New Class A Stock for \$.001/share, according to a **SEC** filing. The distribution dates of the rights are unknown. Charter shares now trade for approx 4 cents on the **Pink Sheets**.

CableFAX Daily Stockwatch

Company	04/23 Close	1-Day Ch	Company	04/23 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	26.09	1.13	AMPHENOL:	32.16	0.01
DIRECTV:	24.86	(0.02)	APPLE:	125.40	3.89
DISH:	13.33	(0.46)	ARRIS GROUP:	9.47	0.15
DISNEY:	19.63	0.23	AVID TECH:	10.36	(0.22)
GE:	11.88	0.08	BIGBAND:	5.75	(0.24)
HEARST-ARGYLE:	4.54	(0.26)	BLNDER TONGUE:	0.96	0.01
NEWS CORP:	8.65	(0.09)	BROADCOM:	23.35	0.74
MSOS					
CABLEVISION:	16.14	(0.28)	CISCO:	17.62	0.18
COMCAST:	13.61	(0.44)	CLEARWIRE:	5.58	(0.17)
COMCAST SPCL:	12.84	(0.34)	COMMSCOPE:	19.40	0.42
GCI:	7.23	(0.01)	CONCURRENT:	3.91	(0.08)
KNOLOGY:	5.91	(0.24)	CONVERGYS:	9.57	(0.3)
LIBERTY CAPITAL:	10.73	(0.24)	CSG SYSTEMS:	14.52	(0.32)
LIBERTY ENT:	23.76	0.17	EHOSTAR:	15.83	0.10
LIBERTY GLOBAL:	16.28	(0.47)	GOOGLE:	384.69	0.83
LIBERTY INT:	4.90	(0.04)	HARMONIC:	6.98	0.17
MEDIACOM:	4.68	(0.32)	INTEL:	15.53	(0.14)
SHAW COMM:	14.90	0.25	JDSU:	4.77	(0.03)
TIME WARNER CABLE:	27.13	(0.62)	LEVEL 3:	1.04	0.02
VIRGIN MEDIA:	6.79	(0.12)	MICROSOFT:	18.92	0.14
WASH POST:	416.70	0.35	MOTOROLA:	5.51	(0.15)
PROGRAMMING					
CBS:	5.80	(0.12)	NDS:	62.93	0.00
CROWN:	2.77	0.02	OPENTV:	1.53	(0.01)
DISCOVERY:	17.82	(0.67)	PHILIPS:	17.14	0.53
EW SCRIPPS:	1.74	(0.15)	RENTRAK:	10.08	0.03
GRUPO TELEVISA:	16.16	(0.14)	SEACHANGE:	6.26	(0.33)
HSN:	6.77	0.16	SONY:	25.88	0.35
INTERACTIVE CORP:	16.13	(0.02)	SPRINT NEXTEL:	4.19	0.04
LIBERTY:	24.86	0.84	THOMAS & BETTS:	26.91	(1.48)
LODGENET:	3.17	1.48	TIVO:	7.46	0.01
NEW FRONTIER:	1.94	0.00	TOLLGRADE:	5.50	(0.25)
OUTDOOR:	6.53	(0.82)	UNIVERSAL ELEC:	18.10	(0.35)
PLAYBOY:	2.38	0.13	VONAGE:	0.37	(0.01)
RHI:	2.65	(0.31)	YAHOO:	14.55	0.07
SCRIPPS INT:	26.00	(0.28)	TELCOS		
TIME WARNER:	21.75	(0.58)	AT&T:	25.50	(0.24)
VALUEVISION:	0.72	0.00	QWEST:	3.55	0.05
VIACOM:	19.92	(0.03)	VERIZON:	31.00	0.09
WWE:	10.95	0.06	MARKET INDICES		
TECHNOLOGY					
3COM:	3.95	0.02	DOW:	7957.06	70.49
ADC:	5.91	0.07	NASDAQ:	1652.21	6.09
ADVANTAGE:	1.75	0.03			
ALCATEL LUCENT:	2.33	0.04			
AMDOCS:	20.47	1.10			



CableFAX presents its annual salute to cable's best marketing and PR, the CableFAXIES Awards, and its Leading Women in Cable issue honoring WICT's 30th anniversary.

To read the web version of the magazine go to:
<http://www.cable360.net/cablefaxmag/>

To see photos from the event go to:
http://www.cablefax.com/cfp_gallery.htm

**Coming in July 2009:
 CableFAX "Top Ops" Issue**

PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Broadcasters Embrace Localism

NAB conference circuits were busy this week with anticipation of broadcasters' important initiative going forward: mobile distribution of digital station signals, primarily to hand-sets. But there was a noticeable lack of excitement during show panels despite the floor feature of hundreds of mobile TV exhibitors. *Sam Matheny* of **CBC New Media Group** in NC, however, is bullish, noting the success of programming from Raleigh-Durham's **WRAL** on **Verizon's V Cast**. Matheny said the **CBS** affil's local channel was V Cast's most popular local offering in '08, and that mobile features including local news, weather and traffic is a "great way to serve the community." That may be true—and **Cablevision** would likely agree, what with a new localized mobile offering of its own—but I'm not sold on the idea's future. My skepticism applies primarily to broadcasters, who seem handicapped by a lack of additional mobile offerings such as email. But I believe broadcasters' more serious problem to be younger demos that—although wickedly efficient with mobile tech—probably interact with local stations very little, if at all. Young Americans better relate to cable brands nowadays. Plus, **The Weather Channel's** comprehensive mobile offerings certainly suffice. And who below age 22 really cares about daily traffic? Older demos are a viable target for such topical content, yes, but advertisers will look for enhanced engagement that ent content better provides. The big 4 broadcasters have plastered such content all over the Web, and while future agreements may allow affils to offer network series through local Websites, I imagine most people would opt for viewing on larger lap-top screens over smart phones. Which brings us to these tech hurdles: cable's competitive launch of mobile broadband, incompatible handset tech and no mobile chip standard for station signals. Mobile will help broadcasters, but it's no industry panacea. *CH*

Highlights: "Dallas DNA," Tues, 10pm ET, **Investigation Discovery**. Since '01, 90 Dallas inmates are free as DNA evidence overturned their convictions. Amazing stories, tastefully presented. *SA*

Worth a Look: "TV Land Awards," Sun, 8pm, **TV Land**. Another chance to see aged stars. Winners include the medically astute casts of "M*A*S*H*" and "ER." Also cool is a Legend Award for *Don Rickles*, and a scary moment on several levels: *Dr Phil* presenting the Innovator Award to "Married with Children." *SA*

Notable: "NFL Draft," Sat, 4pm ET, **ESPN & NFL Net**. There's nothing more quintessentially American than eschewing a spring weekend's charms to loaf inside staring at 25 hours of "Who's Gonna Be a Millionaire First?" The NFL shortened its draft for TV. Accordingly, as a public service, ESPN and NFL Network provide 5-hour shows (from 11am ET, Sat) previewing TV's slowest-moving event. NFL Net will have a reporter in the draft rooms of St Louis and SF (2 awful teams) and a stationary camera in Green Bay's room (**C-SPAN** was denied permission for this but remains hopeful for cameras in the **Supreme Court**). ESPN will have *Mel Kiper* and his hair, plus reporters in college prospects' homes. Why the fuss? Ratings. ESPN's draft did a 3.9 in '08; little does better. *SA*

Basic Cable Rankings			
(4/13/09-4/19/09)			
Mon-Sun Prime			
1	USA	2.3	2286
2	FOXN	2	1876
3	DSNY	1.9	1880
4	TNT	1.5	1463
5	NAN	1.4	1344
6	TBSC	1.3	1300
7	DISC	1.1	1103
8	A&E	1	1017
8	ESPN	1	955
8	TOON	1	934
8	FX	1	928
8	HALL	1	833
8	LMN	1	711
14	CMDY	0.9	911
14	SCIF	0.9	904
14	FAM	0.9	903
14	HIST	0.9	888
14	HGTV	0.9	883
14	TRU	0.9	847
20	SPK	0.8	833
20	FOOD	0.8	802
20	AMC	0.8	768
20	LIFE	0.8	760
20	CNN	0.8	759
25	TLC	0.7	733
25	MSNB	0.7	692
25	MTV	0.7	682
25	VH1	0.7	657
25	TVLD	0.7	653
30	BRAV	0.6	567
30	HLN	0.6	561
30	BET	0.6	531
30	NOGG	0.6	427
34	ESP2	0.5	443
35	APL	0.4	394
35	EN	0.4	387
35	TRAV	0.4	347
35	OXYG	0.4	304
35	VS	0.4	304
35	SOAP	0.4	296
35	NGC	0.4	291
42	CMT	0.3	283
42	WGNA	0.3	243
42	GSN	0.3	224
42	DHLT	0.3	220
42	WE	0.3	215

*Nielsen data supplied by ABC/Disney

CableFAX
PROGRAM AWARDS

Saluting Cable's Top Shows,
People and Entertainment Icons

www.cablefaxprogramawards.com

From the most outstanding cable programs to the best surprise ending, the Annual CableFAX Program Awards honor the best in cable content and people. Now's your chance to get recognized for bringing value to your viewers.

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Late Entry Deadline: May 8, 2009
Luncheon: September 16, 2009
Location: Grand Hyatt New York, NY

