

CableFAX Daily™

Wednesday — May 9, 2007

What the Industry Reads First

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That's Fast: Wideband Tech Takes Center Stage

Just like he did 11 years ago, *Brian Roberts* took to the Cable Show's stage to demo the next and greatest high-speed offering. How things have changed... Not only does Roberts have less hair these days, but modems are also on the brink of much faster speeds. In 1996, he demoed a standard cable modem, but today it was a wideband cable modem based on DOCSIS 3.0. With the help of **Arris** tech, Roberts downloaded all 32 volumes of the 2007 Encyclopaedia Britannica and the Merriam-Webster dictionary (that's 55mln words, 100K articles, 22K pictures and maps, and more than 400 video clips). The 4GB file would take 3 hours and 12 minutes to download on a standard cable modem. It took just under 4 minutes with wideband, which is capable of speeds as high as 150Mbps. Smaller files downloaded almost instantaneously on wideband. "What consumers actually do with all of this speed is up to the entrepreneurs of tomorrow," said Roberts, who later declined to estimate when he would roll out the tech. He did note that because of backward compatibility, it would be "quite easy to see the migration happen." To remind everyone of just how far technology has come, **NCTA** showed a video of Roberts in '96 demoing a standard cable modem downloading photos. "It's hard to believe that was a 'wow-factor' 11 years ago," Roberts said after watching it. -- Roberts was later joined by **Time Warner's Dick Parsons**, **Viacom's Philippe Dauman** and **News Corp's Peter Chernin**; they tackled subjects like the increasing amount of content being distributed on the Internet. "We want to follow the consumer wherever the consumer is," Dauman said. "We have a triple-play ourselves on the content side... It's not duplicative of what's shown on Brian and Dick's cable systems. It's additive." Parsons and Roberts agreed. Chernin predicted further Internet consolidation, including with cable (no comment on Dow Jones, by the way). The panel, moderated by former **FCC** chmn *William Kennard*, also touched on Washington's interest in media violence. Chernin drew applause after he told the crowd that regulating a small piece of media, such as cable or broadcast, wouldn't prevent exposure to violence on video games, cell phones or the other multiple screens out there. "Unfortunately, whether parents like it or not, [monitoring what kids view is] one of the things that parents are going to have to do," he said. "That's part of life as a parent and, frankly, that's where it belongs."

Custer's Last Stand?: If **Time Warner** can't work out a copyright deal with **Google** over **YouTube**, it's not afraid to step up and sue like **Viacom** did, *Dick Parsons* said at the Cable Show Tues. "We're just maybe a step or 2 behind Philippe [Dauman of Viacom]," Parsons said of his current discussions with Google. "I'm reasonably confident that we'll find a way short of all out war to resolve this." He even suggested the issue may work itself out in the next few months. Dauman said Viacom chose reluctantly to sue after being unable to reach a deal after a period of negotiations. "Up to a point you can deal with it; past that point you have to protect those rights," he said. Parsons called the Googles of the world the "Custers" and "we are the Sioux nation." "At the end of the day, they lose this war if they go to war," he said. TW is the largest copyright holder in the US, and possibly the world, Parsons said, adding,

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"You can't violate my copyrights and at the end of the day expect me just to take it."

Juicy Partnership: The **Disney-ABC TV Group**, **ESPN** and **Cox** intend to bear VOD fruit through a collaborative trial in the MSO's Orange County, CA, market. Still contingent on the finalization of terms, the partnership strives to test several advanced on demand opportunities, including dynamic ad insertion on Cox's VOD platform and the syndication of **ABC's** broadband player on **Cox.net**, allowing users to watch full ad-supported eps of certain ABC prime series 1 day following their linear debuts. In addition, eps of popular ABC series "Desperate Housewives," "Grey's Anatomy," "Lost" and "Ugly Betty" will beginning this fall be available on Cox's VOD service the day after their net premieres, and Cox will disable the fast-forward option on its VOD service for all ABC and ESPN content. At a Cable Show panel on Tues, **Disney** evp, digital media *Albert Cheng* said ABC's Cox deal is simply an attempt to create a "sustainable long-term business... They want it free. They want access. And they're willing to sit through the ads." Cheng added that Disney and Cox hope to add targeted ads in the future.

Show Notebook: Despite challenges surrounding the migration of content to multiple platforms, techies at a Cable Show panel on the subject see mostly upside for programmers and MSOs. **NBCU** Chief Digital Officer *George Kliavkoff* said putting TV show episodes online "actually drives ratings" for linear TV because people are using their PCs as DVRs to catch up on old episodes. *Diane Robina*, pres, emerging nets at **Comcast**, urged content owners to loosen up a bit. "Your users will always want to play with your product because they like it," she said, acknowledging that copyright issues must be worked out. "You have to let the user do what they want but in a safe way." **Disney** evp, digital media *Albert Cheng*, meanwhile, said mobile platforms are "one of the few areas where there's a true growth opportunity for us" while **Turner** evp, operations and strategy *James McCaffrey* said cable should study more advanced mobile apps in other countries "to stay ahead of the curve." -- At a morning session on Tues, **CAB** pres/CEO *Sean Cunningham* urged cable operators to "tell the story to advertisers" that Internet video isn't killing linear TV, noting that people are watching more TV than ever (31 hours of TV per week on average). Internet video, however, is changing viewer habits on all platforms, he said: "This is about users taking control." -- At the public policy lunch on Tues, **FCC** Commissioner *Deborah Taylor Tate* urged cable operators to offer links on their Web portals to the FCC's DTV.gov site in order to aid the DTV transition education effort. And **NTIA** asst secy *John Kneuer* also had some advice for cable: keep improving parental control features to "bring down the pressure" on policymakers to try to regulate cable content. -- Everyone's blogging these days. Cruise over to blog.ncta.com/cableshow to check out **NCTA's** blog on the event.

HBO Hiatus: **HBO** chmn/CEO *Chris Albrecht* announced Tues his intention to take a temporary leave of absence, citing a renewed commitment to sobriety following his early Sun arrest in Las Vegas for suspicion of assaulting his girlfriend. COO *Bill Nelson* will assume Albrecht's responsibilities in the interim. Albrecht apologized for his actions in a contrite letter to colleagues and friends, saying he returned to drinking 2 years ago after 13 years of sober membership in Alcoholics Anonymous. "I am deeply sorry for what occurred in Las Vegas this weekend and for any embarrassment it caused my family, the company I love, and myself," Albrecht wrote. "Leading this company is a great privilege and I pray that I can continue to do so in a manner that brings honor and pride to this remarkable organization and its remarkable people." In response to the situation, **Time Warner** chmn/CEO *Richard Parsons* said the company "will monitor this situation closely." The legal ramifications from the incident remain unknown, as

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Albrecht said in his letter that his counsel and the district attorney are still determining the facts.

Techies Bear Witness: What started as a Cable Show panel on differentiation, evolved into a chorus of halleluiahs for cable's often maligned infrastructure. **Cox's Joe Rooney**, who talked about his company's "Bundle 2.0," defended Cox's ability to grow its network to accommodate bandwidth-intensive products. Calling Cox's capacity "just-in-time bandwidth," Rooney said, "there are lots of ways to extend our network. We will not fall behind (the telcos). And we'll do it in ways that go beyond simply sending out press releases." **Time Warner Cable's Mike LaJoie** bristled when he heard that on Tues' earnings call, **Liberty CEO John Malone** once again asserted the superiority of DBS' network over cable's. Said LaJoie: "I get asked this question at least once a day, and I don't get it. To me it seems so simple, explaining what you can do with a cable network versus what you can do with a satellite network. Satellite is a one-trick pony. They do broadcast, and that's it... When we first built hybrid fiber-coax cable networks 20 years ago, we built them to be expandable, and we've not yet scratched the surface of what we can do (with them)."

All Business Services Are Local: What a difference 2 years makes. A business services session at **NCTA** in '05 was a tough sell. Tuesday's panel was packed, evidence that MSOs understand business services is "here and now... the growth engine for cable," moderator and **TW Cable** svp **Ken Fitzpatrick** said. Relatively new entrant **Comcast** is aiming at the small-business market (20 employees or fewer) and will leverage its deep community ties. "Small businesses are local, that's what we are," **Comcast Business Services** pres **Bill Stemper** said. A key reality is that the business customer chooses based on an MSO's legacy, so every employee influences that choice, Stemper said, adding: "When someone asks me, 'How many people do you have working in business services? I answer, 'We're on our way to 90K.'" **Charter** vp/gm **Steve Trippe** echoed that thought, noting the difficulty Charter had selling business services in acquired systems where residential cable service had struggled. Speaking of service, **Cox** Las Vegas vp/gm **Leo Brennan** noted business customers are more demanding than residential HHs and shouldn't be viewed the same way. "Just be there when [the business services customers] need you, and you'll be fine," Brennan said.

DTV Doings: Despite a lot of worry over consumer education for the DTV transition, "the broadcast piece hasn't gotten the attention it deserves," said **Rick Chessen**, sr legal adviser for media issues to **FCC** commish **Michael Copps**. "People don't realize that many broadcasters need to take substantial action before [Feb '09]... More than half need to do serious work," including building new towers, implementing zoning changes, completing FCC applications, etc. Chessen also told a Cable Show panel that the govt and industries need to mount a DTV campaign that's as extensive as Y2K preparedness was a few years ago. "That's what it looks like to take something like this seriously," he said. Media Bureau chief **Monica Desai** rejected the notion that the FCC's recent notice of proposed rulemaking would establish a triple must-carry obligation by requiring operators to carry a must-carry broadcaster's analog, digital and HD signal if they weren't all digital. "It's in our interest and your interest to make sure those consumers can continue to watch must-carry TV after the transition," she said. "We are asking how we are going to achieve this." **Cristina Pauzé** said her boss, FCC commish **Robert McDowell**, would have "been fine with it being less of a proposal... We're still in the information-gathering stage." All of the FCC legal advisers made it clear that the Commission had not taken a position on a la carte, even though chmn **Kevin Martin** is clearly pushing it. Commish **Jonathan Adelstein's** adviser **Rudy Brioché** (masquerading as Bridget Brioché—a typo that appeared on the slide introducing the panel) said he was struck after talking to a cable billing vendor on the show floor by how much more of an administrative cost a la carte could entail based on what's happened in Canada.

Last Word: While **NCTA** pres/CEO **Kyle McSparrow** said cable was pleased **FCC** chmn **Kevin Martin** acknowledged cable's vital role in broadband, he made certain he got the last word in on a la carte and multicast must-carry. He even borrowed Martin's words, declaring, "You can't have it both ways." Stressing that the free market and

LAUNCH A LEADER



Hallmark Movie Channel ranks #2 among emerging networks non-affiliates want to launch by year-end 2007.

consumer choice should determine how programming is offered, McSlarrow said, "You can't insist that every channel must be sold separately, and then require that other programming must be added to the expanded basic tier."

Floor Color: The "it" Tues was a **Disney** "High School Musical" bag. Also turning heads: a pair of huge HD screens at **Discovery's** booth and an 7-ft-high interactive tech wall from **Accenture** at the CIO lounge (it's the same model shown at JFK and O'Hare airports); **Gol TV's** soccer ball-kicking; the TV interviews at **Bloomberg**, who snared *Dick Parsons*, and **NBCU**, which chatted with *David Zaslav* (no hard feelings apparently); a bar carved from ice and frosty drinks from **The Weather Channel**; a red, 360 Ferrari Spider (\$206K price tag) at **Wealth TV**; and a 12-ft-high grab bag stuffed with *Dora the Explorer* and *SpongeBob* dolls at **Nick**; And did you see that massive line at the **Sprint-Nextel** booth to get *John Elway's* autograph? Go long.

Competition: **AT&T** said earlier this week that it plans to spend \$6-\$6.5bln over 5 years on the roll out of its U-verse TV service, an increase of up to \$1.4bln over initial projections. Even so, the telco said the increase won't impact its outlook for overall capex in '07 and '08.

In the States: **Intelstat** inked a deal to distribute to the North American cable market **Shop Latino TV**, a 24-hour Hispanic shopping network. -- **C-COR** forged a master agreement with **Charter** to provide mobile workforce management services for 1.2K of the MSO's installers, techs and customer service reps.

Party Circuit: We don't want to brag, but our Faxies party Mon night at the **Mandalay Bay's** Foundation Room was off da hook. Despite lots of competition from several concurrent events, we quickly reached capacity, with a Studio 54-esque line forming at the elevator leading up to the 64th floor (Was that figure skater *Oxana Baiul* in line as well? Whoa). Sorry to those who had to wait. Thanks to our own *Doreen Price*, who organized the shindig, and of course the party's sponsor, **ION Networks**. *Steve Rubell* would have been proud. -- **Oxygen's** women-only lunch at the show brought in a powerful crowd again, with many dubbing it their annual favorite event at the show. "Inn Love" stars *Tori Spelling* and *Dean McDermott* mingled with guests, just 1 day after their 1st wedding anniversary and 10 weeks after the birth of their son. Spelling was bubbly and McDermott was charming, joking that he's had this fantasy for a while. "Me, a fancy hotel, all these women, what happens in Vegas stays in Vegas..." *Billy Joel's* talented daughter, *Alexa Ray Joel* (a fellow independent, *Gerry Laybourne* noted), performed at the event's close. -- Classy Chairman's Reception hosted by **Lifetime** Mon night (kudos to *Terrie Pologianis* for putting it all together). -- The Venetian's aesthetics do not disappoint—especially the frescoed ceilings—and neither did **TV Guide Channel's** Mon night party at the hotel's Tao nightclub. A packed house sipped cocktails and schmoozed amid scantily-clad dancing women, when 2 hosts from the net's "Idol Tonight" show greeted the crowd and kicked off the headliner. The band of former "American Idol" performer *Chris Daughtry*, appropriately called Daughtry, rushed the stage and played a spirited set of rock that lasted about an hour. **CableFAX** staff gave the performance mixed reviews, but there was no denying the strength and quality of Daughtry's voice, or his stage presence and sex appeal. An animated gaggle of women in the front row gleefully watched the front man's every move.

5 Qs with Lisa Schwartz, SVP, Sales & Bus Dev, IFC Ent: You launched the IFC Day/Date VOD service last year with Cablevision and Comcast. Now Time Warner, Cox and Insight are aboard. Will you be adding more to your 24mln cable HHs? Yes. There'll be a couple of mid-sized [operators] who'll be on with us this summer. Explain the quick growth. It's an exciting value proposition, getting films on demand the same day they premiere in theaters. Also, everyone embraced that these are great independent films coming out of festivals, but [without IFC Day/Date] they wouldn't get strong national distribution. So [cable operators] like being able to expand the art, if you will. Are you profitable at the year 1 mark? We are [laughter]. It was a long, hard road over that

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line, but we've been really specific about getting some terrific, critically acclaimed movies ["The Wind That Shakes the Barley" was a Palm D'or winner at Cannes in '06] and then putting a lot of emphasis on promotion in the right places. **What's your message this week in Las Vegas?** Day/date's going to be a big push at The Show. It's one year later and it's been very successful for our distribution partners and us. Rainbow has always embraced maximizing technology in distributing new and innovative products and I think we'll use this as a shining example. We'll be showing customized promotions with talent from the films. **When you're not in the booth or on the show floor, what have you been doing in Las Vegas?** It's impossible to answer that question because, as you know, what happens in Las Vegas...[laughter].

Affiliate Relations: Hallmark Channel launched a new affil Website at InsideHallmarkChannel.com, offering downloadable cross channel spots and a fresh library of interactive video, with promos for original movies and recurring series.

Star Power for Preps: The LeBron James-founded **LRMR Innovative Marketing and Branding** signed on to assist with the launch of **CSTV's** suite of VOD channels dedicated to local high school sports. CSTV's recent acquisition **MaxPreps.com** will power the channels, offering local game highlights organized on a state-by-state platform.

VOD: Looking to compete with **Comcast Media Center**, **TVN** is launching "VOD Complete," an end-to-end VOD solution that can be customized to meet specific market and system requirements.

Online: **National Geographic Channel** launched free, ad-supported broadband channel, "NGC Wild!" (www.ngcwild.com). The searchable site features more than 60 short-form pieces, 2- to 5-min in length that rotate weekly, and 1 full-length program. Cable and DBS affils are being offered co-branding opportunities. -- **AMC** launched **Shop.amctv.com**, with branded items related to the net's programming, including merchandise from miniseries "Broken Trail" and special edition box sets from "The Godfather Trilogy" and "Ferris Bueller's Day Off."

Earnings: **Liberty Interactive Group's QVC** reported an 8% increase in 1Q rev to \$1.68bln and 5% growth in operating cash flow to \$374mln. Strong domestic results were powered by overall sales growth and improving online sales. Meanwhile **Liberty Capital Group's Starz Ent** delivered 2% growth in 1Q rev to \$265mln and a 78% surge in operating cash flow to \$73mln. Sub units at **Starz** increased 8% to 15.8mln while **Encore's** sub units grew 7% to 28.2mln. -- **Playboy's** domestic TV business continues to flounder, as segment 1Q rev dropped 12% to \$19.7mln. Still, chmn/CEO *Christie Hefner* believes the segment's recent bleeding has been staunch, and overall results did show improvement with strong gains in new media. "We believe the domestic TV business has now stabilized...as strong gains in VOD are offsetting linear network declines," said Hefner. -- **Disney's** cable nets segment reported 7% growth in 1Q rev to \$1.9bln and a 19% increase in operating income to \$963mln. Higher affil rev and increased ad sales drove growth at **ESPN**, while acceleration for intl **Disney Channels** was spurred by sub growth.

Research: Who knew that donkeys like soap operas and elephants feel the need for speed? According to an analysis by **Scarborough Research**, **BET**, **SoapNet** and **Lifetime** are the most popular cable nets among Democrats, while **Fox News**, **The Golf Channel** and **Speed** score highly with Republicans. Independents are partial to **The N**, **G4** and **fuse**.

Programming: Hip hop artist/mogul *Jay-Z*, songstress *Rihanna* and screen stars including *Jessica Alba* and *Samuel L. Jackson* will join the festivities at the '07 "MTV Movie Awards" (June 3). -- **FSN's** "SportScience" (fall) will use technology to explore the biomechanics and mysteries behind sports, striving to answer questions such as whether hitting a 100mph fastball is the most difficult feat in sports.

Affil Relations: **Starz Ent** launched a sales and service incentive program for cable customer service reps, offering merchandise and other prizes to reps that sell and service customers consistent with each affil's particular goals.

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WEDNESDAY
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WEDNESDAY
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Mario Andretti
11:15am-12:30pm

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SPORTS
ESPANOL

SPEED

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BUSINESS & FINANCE

A dedicated Website will serve as the link to Starz training and product knowledge tools.

Public Affairs: Food Network announced its 1st national public affairs partnership, teaming with **Share Our Strength** to help end childhood hunger in America. The 1st effort kicks off May 19 in the form of a "Great American Bake Sale," which encourages people to hold bake sales to help raise money for the cause. -- The **Coca-Cola Africa Foundation** has granted the **Discovery Channel Global Education Partnership** \$10mln over 5 years to fund projects in underserved communities across Africa.

People: Call it the power of *The Faxies*. Many an exec has paired winning a Faxie with a promotion. Word is the latest will be cable good guy *Geof Rochester*, who shared a Faxie Mon night for marketing **WWE's** "WrestleMania 23" and is slated to become wrestling's marketing chief with the departure of *Kurt Schneider*, who's now CEO of **The Harlem Globetrotters**. -- *Disney/ESPN Media Nets* promoted *Sean Breen* to svp, field sales. -- **Charter** appointed former **Adelphia** exec *Paula Trustdorf* divisional pres, West. -- *David Lyle* was named pres, **Fox Reality**. His top lieutenants, *Bob Boden* and *Lorey Zlotnick* were upped to svp, programming, prod & dev and svp, marketing and on-air promos, respectively.

CableFAX Daily Stockwatch

Company	05/08 Close	1-Day Ch	Company	05/08 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BROADCASTERS/DBS/			AMPHENOL:	35.66	(0.28)
BRITISH SKY:	49.97	(0.62)	APPLE:	105.06	1.14
DIRECTV:	24.38	(0.09)	ARRIS GROUP:	15.33	(0.05)
DISNEY:	36.55	0.49	AVID TECH:	33.78	0.17
ECHOSTAR:	48.51	0.10	BLNDER TONGUE:	1.85	(0.01)
GE:	37.08	(0.16)	BROADCOM:	33.40	0.04
HEARST-ARGYLE:	25.80	0.04	C-COR:	13.15	0.14
ION MEDIA:	1.42	0.01	CISCO:	28.36	0.55
NEWS CORP:	23.65	(0.2)	COMMSCOPE:	51.42	1.54
TRIBUNE:	32.86	0.03	CONCURRENT:	1.47	0.04
MSOS					
CABLEVISION:	35.48	0.03	CONVERGYS:	25.03	(0.03)
CHARTER:	3.58	0.08	CSG SYSTEMS:	27.56	0.30
COMCAST:	26.45	(0.28)	GEMSTAR TVG:	4.55	(0.07)
COMCAST SPCL:	26.22	(0.27)	GOOGLE:	466.81	(0.46)
GCI:	14.85	0.11	HARMONIC:	8.91	0.05
KNOLOGY:	18.61	(0.5)	JDSU:	13.66	(0.14)
LIBERTY CAPITAL:	116.67	(1.98)	LEVEL 3:	5.65	0.11
LIBERTY GLOBAL:	37.61	0.20	MICROSOFT:	30.75	0.04
LIBERTY INTERACTIVE:	23.81	(1.63)	MOTOROLA:	17.70	(0.38)
MEDIACOM:	8.61	0.04	NDS:	51.53	(0.07)
NTL:	28.22	0.00	NORTEL:	25.03	0.25
ROGERS COMM:	39.38	(0.55)	OPENTV:	2.41	0.00
SHAW COMM:	38.88	0.12	PHILIPS:	40.80	(0.37)
TIME WARNER CABLE:	37.35	(0.65)	RENTRAK:	14.85	(0.24)
WASH POST:	766.04	0.91	SEACHANGE:	8.87	0.03
PROGRAMMING					
CBS:	31.88	(0.01)	SONY:	54.46	0.05
CROWN:	5.99	0.04	SPRINT NEXTEL:	20.55	(0.08)
DISCOVERY:	22.97	0.15	THOMAS & BETTS:	54.16	(0.23)
EW SCRIPPS:	43.02	0.71	TIVO:	6.47	0.02
GRUPO TELEVISA:	28.70	(0.16)	TOLLGRADE:	12.59	0.02
INTERACTIVE CORP:	35.43	0.06	UNIVERSAL ELEC:	33.74	(0.76)
LODGENET:	33.29	0.02	VONAGE:	3.05	(0.04)
NEW FRONTIER:	9.04	0.11	VYYO:	7.08	(0.16)
OUTDOOR:	10.78	(0.04)	WEBB SYS:	0.05	(0.03)
PLAYBOY:	11.06	0.91	WORLDGATE:	0.65	(0.06)
TIME WARNER:	21.91	0.19	YAHOO:	30.41	0.03
UNIVISION:	36.23	0.00	TELCOS		
VALUEVISION:	10.98	(0.32)	AT&T:	39.27	(0.33)
VIACOM:	41.57	(0.37)	QWEST:	9.60	0.09
WWE:	17.90	0.15	VERIZON:	40.62	(0.21)
TECHNOLOGY					
3COM:	4.59	0.38	MARKET INDICES		
ADC:	18.10	(0.28)	DOW:	13309.07	(3.9)
ADVANTAGE:	4.23	(0.08)	NASDAQ:	2571.75	0.80
ALCATEL LUCENT:	13.26	(0.01)			
AMDOCS:	36.37	(0.67)			



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GUEST COLUMNIST

Twenty years ago when I entered the cable industry, operators and programmers were truly partners. We shared in each others' goals and successes.

But today when content can be accessed at any time or any place, over devices such as digital television sets, PCs and cell phones, it seems as if it's every man for himself.

Last year I commented on how major programming networks package and sell content directly to our customers, but don't give operators that same flexibility.

This year I have seen sports leagues, which were ecstatic when cable created ESPN because it gave them greater fan reach and valuable advertising revenues, create their own channels and try to dictate how cable operators bundle and sell their service.

And local broadcasters, who were happy to have the reach cable originally gave them, now charge monopoly rates and say cable carriage provides no value.

All of this is occurring in a political/regulatory climate where Congress and the FCC are watching.

Congress, at least, hopes it doesn't have to act on programming choice and indecency issues. But if these problems don't get better, Congress will act, and the answer will be mandatory a la carte. Chairman Martin is already there.

Congress and the FCC need to act on retransmission consent, which is only getting worse.

Cable operators must unite to tell Washington that **RE-TRANSMISSION CONSENT IS NOT A FREE MARKET THAT BENEFITS CONSUMERS.**

If we are to solve these issues collectively, then it is time once again for cable operators and our programming partners to figure out how we can share in each others' successes. Content owners—programming and broadcasting—need to move away from “take it or leave it”

tactics, which are a selfish, short-term strategy that will result in a congressional overreaction to what lawmakers will perceive as a denial of consumer choice.

FCC Chairman Martin says his agency will no longer track cable rates on a per-channel basis because “cable operators” aren't selling their programming on a per-channel basis.



Matt Polka

I acknowledge there is debate in our industry over whether the bundle is good or bad, but the point is that cable operators don't have the choice anyway. Content owners won't allow it.

Like it or not, our industry is hurtling toward a digital world where choice will be the norm. Maybe it will take this technological revolution and transformation to occur first before our industry accepts that more choices for consumers are not a bad thing.

But in the meantime, let's start together elsewhere.

Wireless, video-on-demand, and video-on-the-go are three of many new services where consumers will benefit from the breadth of video content that is available today.

All of these business plans need content and a way to deliver that content to the consumer. We, as a collective industry, need to figure out how to give our customers what they want, when they want it.

When the cable industry was in its infancy, programmers and operators joined forces to create new compelling content delivered in new ways, in addition to the free over-the-air broadcast signals that were available on cable systems.

Once again, we're together on the verge of a brave new world. Our future, and what happens in Washington and elsewhere, is up to us.

Matt Polka is pres/CEO of the American Cable Association.

CableFAX databriefs



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Symonds Says...

Now that this year's Cable Show is winding down, this is as good a time as any to remind you it's time to start planning next year's show. And I probably don't need to tell you that in 2008 we're heading back to bruised and battered New Orleans, but I will.



Curtis Symonds

And I bring it up because, in so many ways, New Orleans is this industry's unofficial home away from home. It

is, in a very meaningful way, one of us, a place that every day lives and breathes the maverick spirit on which this industry was built.

No city we visit embraces us any more; none better handles the incredible demands we put on its infrastructure, its eateries and its musical venues.

And when it comes to doing it with style, charm and, yes... attitude, no city in America even finishes second. New Orleans is cable and we are New Orleans.

Not only that, think about the Cox system based there. Long before super-systems became the standard, Cox was running a mega-operation in New Orleans, complete with a commitment to local programming that was second to none.

Or think about Spike Lee's amazing

documentary, "When the Levees Broke," which to this day I can't turn off once I start it. Mr. Lee's love letter to New Orleans was produced and aired by HBO. But more than just a Spike Lee love letter, or an HBO love letter, it was a cable love letter. Because in a meaningful way we all played a part in delivering that movie's poignant message to America.

And let's not forget New Orleans mayor Ray Nagin. Ray's been through the wringer, but he's still one of us. He's a brother, and not just because of his skin color.

Just as there's no such thing as ex-Marines (just ones who are no longer active), Ray is, and always will be cable. The Cox system he ran for years is still a part of who Ray is, just as every operator, programmer and vendor we ever worked for is now and forever part of who we are.

So with that in mind, I throw down this gauntlet. Roughly one year from now we will be in New Orleans to once again discuss, ponder and shape the future of this business. At that time, it would be incredible if the companies in this industry could point to some significant thing they did to help New Orleans recover.

I urge every last company in this industry to find a charity or a needy cause and—let's see, how shall I

say this?—knock their socks off.

Buy new instruments for one of the French Quarter's marching bands. Pick up a vacant house in the lower 9th Ward, fix it up and get it back on the tax rolls. Better yet, give it to some needy family.

Find a small candy shop struggling to survive the downturn in tourism and at next year's Cable Show give away more bags of pralines than that little company can little company can manufacture in a month. Adopt a school's music program. Heck, adopt a school.

Think about the story we could tell as we descend upon New Orleans next year: not only are we willing to do our part to help New Orleans as an industry, but individually our companies took it upon themselves to mine down deep within the community and find people who needed help most. And when they did, they then raged against New Orleans' ills with an unprecedented level of collective creativity, financial resources and human compassion.

Can we do it?

Of course we can.

Will we?

Symonds says, that's a different issue altogether. Either way, it's up to you, or should I say us.

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