

CableFAX Daily™

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What the Industry Reads First

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Legal Muster: Bells Use Ruling to Push for Access to RSNs

The telcos are trying to use Tues' federal appeals court decision regarding MDU contracts as a way to push for further changes to cable regulations. The US Court of Appeals for the DC Circuit upheld a '07 FCC ruling preventing cable companies from having exclusive contracts with apartments and other MDUs and abrogating existing contracts. The Commission based its decision on Sect 628 of the Communications Act, and the Bells are arguing that the section can be used for other new rules. "In upholding the ban on new and existing exclusive access deals, the Court's decision also confirms the FCC's authority to address other barriers to more meaningful competitive choice and video competition, such as the cable companies' refusal to provide competitors with access to regional sports programming," said *Michael Glover*, **Verizon** svp, deputy gen counsel. It's a point **AT&T** is currently arguing before the FCC, saying it should reconsider its program access complaint rejected by the Media Bureau earlier this year. "Just as the FCC acted decisively in 2007 to stop cable providers from using exclusive access to apartment buildings to limit competition, it must now act to stop them from using exclusive access to video programming to do the same," an AT&T spokesman said. The Bureau in Mar rejected AT&T's complaint over **Cox San Diego's Cox-4**, which shows **Padres** baseball games, saying Cox is not required to make it available to competitors because it's terrestrially delivered. But AT&T said the Bureau should have to consider the MDU order because it believes that Sect 628 "bars anticompetitive conduct that significantly hinders provision of a competitive video service—whether that conduct involves exclusive contracts for service to MDUs or exclusive contracts for terrestrially delivered programming," AT&T told the FCC in its petition for review of the decision last month. **NCTA**, which sued over the MDU rules, declined to comment on the decision Tues. The cable group lost a motion to stay last March when the court refused to prevent the FCC from enforcing rules that abrogated exclusive contracts between cable and MDUs.

Jon & Kate + 9.8mIn: *Jon and Kate's* marital woes do more than sell tabloids—they bring in a whole lot of television eyeballs. **TLC's** "J&K + 8" Season 5 premiere garnered 9.8mIn viewers and notched a 6.8 HH rating. Not only does it mark the highest delivery ever for TLC for P2+, HHs and women 18-49, TLC had the #1 show of the night among any network (including broadcast). Last season, the reality series about a family with septuplets and twins averaged 2.9mIn viewers. But with Mom and Dad's relationship visibly strained in the premiere and allegations of cheating in the tabloids, there are many questions about what direction this season will take. The couple was pretty frank during the show, with Kate wondering out loud if the family portrait taken during the ep could be the last one with all 10 of them together.

In the States: According to local reports, **Verizon** is lobbying hard for passage of legislation in MA that would streamline the state's video franchise process so as to speed up its rollout of **FIOS TV**. The service is currently offered in 93 state communities. -- **Optimum Lightpath** bowed to NY-area hospitals **Interactive Patient Care**, a tech featured on in-



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Source: Beta Research, Brand Identity Study, 3/09. One of my favorite channels. 58% of Women 18+ (Ranked 1st). Ranking excludes networks carried almost entirely in digital cable packages.

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room TVs offering patients additional health info plus access to VOD content, email and the Internet. -- **EchoStar** inked a deal to deliver video transport services to **Canby Telecom**, which serves more than 8K customers in OR. -- **Cox** chose **Bridgewater Systems** tech to support its 3G wireless service rollout and plans to evolve to 4G LTE.

Retrans: Following a new retrans deal with **Sinclair** covering 58 stations in 35 markets, **DirecTV** is negotiating to resolve a distribution dispute with **Gray TV's** **CBS** affil **KBTX** in College Station, TX. At its Website, the station said DirecTV sent subs an email over the weekend erroneously stating a need for new equipment to receive local channels, but that carriage talks are positive. The DBS op said local stations in the market will move to a new satellite band requiring subs to upgrade to MPEG-4 tech, noting that discussions center on the need to offer a 2nd CBS HD feed in the market (DirecTV already carries **KWTV**).

Carriage: **TuTv** will make its nets available for distribution to **Comcast** systems nationwide. TuTv networks **De Pelicula**, **De Pelicula Clasico**, **Telehit**, **Ritmoson Latino** and **Bandamax** will be included in Comcast's national feed of Spanish-language channels via the **Comcast Media Center** in Denver. The nets, which are part of the Grupo Televisa and Univision jv, will launch initially in Chicago and Boston early this summer.

Online: **SciFi.com** launches 15 new games this summer, including the "Battlestar Galactica Cylon Combat Simulator."

Intl: **Virgin Media** deployed **Motorola** tech to deliver media services to UK customers, including broadband speeds of up to 200Mbps. -- **Disney Channel** will replace the **Jetix** brand on 5 channels in Europe and launch later this year in Hungary, Romania, Czech Republic, Slovakia and Bulgaria.

Ratings: The season finale of **E!**'s "Keeping Up with the Kardashians" posted a series-high 1.93 HH rating in metered markets. -- The premiere of **History's** "The Link," featuring the discovery of a 47-yr-old primate fossil, garnered 2mln total viewers, up 67% versus the net's prime avg.

Technology: A record of more than 20 content and hardware suppliers participated in a recent **tru2way** interoperability event hosted by **CableLabs**. A week of lab sessions included numerous successful runs of tru2way and **EBIF** apps.

Programming: As of May 5, **QVC HD** is 100% native high-def. The net launched last year as a HD simulcast. -- **Bra-vo** announced another spin-off. "The Real Housewives of DC" is in development. No truth to the rumors that **Cfax's** editor-in-chief will star. -- **Bill Engvall**, comedian and star of **TBS'** "Bill Engvall Show," will host the CMT Music Awards June 16, 8pm, **CMT**. -- **Outdoor Channel Holdings'** aerial camera company **Skycam** inked a multi-year contract to provide services for **ESPN** sports coverage including "MNF." -- The 7th season of **Oxygen's** "Snapped" kicks off Jun 4 (10pm ET) with the series' 100th ep. -- **Discovery Channel** is set for the US premiere of "Nature's Most Amazing Events" (Fri-Sun), a 6-part HD natural history series the net co-produced with the **BBC**. -- Masculine home design reigns in new **HGTV** series "Man Land" (Jun 3). -- **TV5Monde** inked a sub-license deal with **Tennis Channel** for the French-language broadcast rights to the '09 French Open. -- **Discovery Health's** 7th annual Baby Week! stunt (Jun 14-19) births real-life pregnancy and delivery programming including "Twins by Surprise" and "Obese and Pregnant."

People: **MSG** named **Gail Stern** svp, merchandising and licensing. -- **Canoe Ventures** announced it hired **Kevin McHugh** and **Tom Huber** for senior roles in its engineering and dev team, which is based out of the company's newly

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established engineering facility in Centennial, CO. Huber, formerly of **OpenTV**, will serve as exec dir of system integration and test. McHugh, who will serve as exec dir of interactive app, has supported Canoe on a consulting basis since '08. Previously, he worked in product dev at **Tandberg**. -- **Charter's** board appointed *Grier Raclin* evp/chief administrative officer, *Gregory Doody* chief restructuring officer/genl counsel, and *Richard Dykhouse* vp, assoc genl counsel/corp secretary. -- **Discovery Comm** promoted *Greg Yavello* to vp, domestic distribution.

On the Circuit: Sponsored by **WE tv**, **WICT's** '09 Betsy Magness Leadership Institute recognized 54 sr-level female execs as graduates of the yearlong training program. The Institute now counts nearly 500 grads.

Clarification: **Moody's** upgraded **Bresnan's** corp family rating to B1 from B2.

Business/Finance: Riding surging markets on Tues, the following established '09 share price highs: **Mediacom** (\$6.39), **Discovery Comm** (\$22.26), **Viacom** (\$24.02) and **HSN** (\$10.54). -- **Collins Stewart** increased estimates for **DISH's** FY09 sub losses to 417K from 392K and lowered EBITDA to \$3.064bln from \$3.156bln, while keeping a "hold" on the stock. -- **ActiveVideo Networks** agreed to acquire **Avinity Systems**, a Dutch provider of cloud-based iTV platforms and apps.

CableFAX Daily Stockwatch

Company	05/26 Close	1-Day Ch	Company	05/26 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BROADCASTERS/DBS/			AMPHENOL:	33.48	1.39
BRITISH SKY:	29.09	0.73	APPLE:	130.78	8.28
DIRECTV:	24.31	0.60	ARRIS GROUP:	11.57	0.91
DISH:	17.09	0.27	AVID TECH:	14.51	1.42
DISNEY:	24.54	0.84	BIGBAND:	5.20	0.24
GE:	13.39	0.29	BLNDER TONGUE:	1.68	0.00
HEARST-ARGYLE:	4.49	0.01	BROADCOM:	22.89	0.64
NEWS CORP:	10.70	0.50	CISCO:	18.49	0.59
MSOS					
CABLEVISION:	19.84	0.65	CLEARWIRE:	4.43	(0.2)
COMCAST:	14.68	0.46	COMMSCOPE:	24.90	(0.4)
COMCAST SPCL:	13.75	0.42	CONCURRENT:	4.40	0.07
GCI:	7.07	0.75	CONVERGYS:	9.64	0.30
KNOLOGY:	8.33	0.44	CSG SYSTEMS:	13.41	0.35
LIBERTY CAPITAL:	13.85	0.32	EHOSTAR:	16.16	0.25
LIBERTY ENT:	24.88	0.83	GOOGLE:	404.36	10.86
LIBERTY GLOBAL:	14.70	0.12	HARMONIC:	5.75	0.56
LIBERTY INT:	5.88	0.23	INTEL:	15.48	0.43
MEDIACOM:	6.39	0.28	JDSU:	5.24	0.25
SHAW COMM:	17.25	0.29	LEVEL 3:	1.19	0.04
TIME WARNER CABLE:	32.93	0.65	MICROSOFT:	20.34	0.59
VIRGIN MEDIA:	7.29	(0.04)	MOTOROLA:	5.99	0.09
WASH POST:	362.77	0.95	OPENTV:	1.63	0.04
PROGRAMMING					
CBS:	7.19	0.18	PHILIPS:	19.76	0.61
CROWN:	3.06	0.25	RENTRAK:	10.30	0.09
DISCOVERY:	22.26	0.43	SEACHANGE:	6.84	0.24
EW SCRIPPS:	2.03	0.25	SONY:	26.58	0.79
GRUPO TELEVISA:	17.56	0.71	SPRINT NEXTEL:	5.20	0.04
HSN:	10.54	0.36	THOMAS & BETTS:	31.05	1.67
INTERACTIVE CORP:	16.04	0.57	TIVO:	7.28	0.37
LIBERTY:	26.53	0.77	TOLLGRADE:	5.51	0.33
LODGENET:	5.73	0.24	UNIVERSAL ELEC:	20.49	0.79
NEW FRONTIER:	2.19	(0.03)	VONAGE:	0.52	0.09
OUTDOOR:	7.05	0.67	YAHOO:	15.28	0.30
PLAYBOY:	2.98	0.11	TELCOS		
RHI:	3.38	0.24	AT&T:	24.51	0.83
SCRIPPS INT:	28.08	0.63	QWEST:	4.33	0.32
TIME WARNER:	23.51	0.65	VERIZON:	29.63	0.82
VALUEVISION:	0.75	0.01	MARKET INDICES		
VIACOM:	24.02	1.15	DOW:	8473.49	196.17
WWE:	12.35	0.56	NASDAQ:	1750.43	58.42
TECHNOLOGY					
3COM:	4.28	0.17			
ADC:	7.09	0.29			
ADVANTAGE:	1.85	0.11			
ALCATEL LUCENT:	2.43	(0.01)			
AMDOCS:	21.75	0.60			

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April Web Traffic Does a Spring Shuffle

Internet activity among the top cable brands in April didn't grow so much as shift across the sites. According to comScore's tally of Web traffic to the most subscribed cable networks, overall audience didn't grow at all, with total cumulative unique users still hovering in the range of 192mln. But as spring approached and outdoor DIY projects became more appealing in an economic downturn, it is not surprising that **HGTV.com** (+18% Unique Visitors) drew more fans, while some properties whose Web sites align with more indoor TV viewing declined. **ABC Family** (-45% UVs), **C-SPAN** (-47% UVs) and **USA** (-10% UVs) all took the hardest hits in audience size. **Nickelodeon** sites (-3% UVs) may have been seeing a pullback in Apr after the Mar Kids' Choice Awards.

The time spent metric has become increasingly important to Web ad sales, and more often than not in recent years, the escalating time-spent metric can be attributed to video usage at a site or the addition of community initiatives like article commentary. Cases-in-point are two very different sites in terms of content. C-SPAN.org saw a large drop in audience size in Apr, and yet its time spent metric soared 30%. The site is pushing its video content. A live TV feed from the 3 C-SPAN channels is available at the site, and all of the major stories on most pages link to recent clips.

After its January redesign, **ESPN.com** (+6.3% minutes-per-visitor) integrated video into all aspects of the site, including the oversized marquee spot. Game highlights and "SportsCenter" clips now play directly in the top position of the home page, including pre-roll and mid-roll ads. Look for this higher level of video integration to become more common in site redesigns this year, because the strategy raises the bar for everyone. Despite the boom in video consumption online, usability has always held streaming media back. For years, the expectation of jagged and broken feeds deterred many onliners from pressing that Play button on a site. Now performance is less of an issue. Once video simply becomes another way of experiencing the content a user wants at a site, then cable brands can become more creative in

their use of their primary asset on sites. For instance **TBS.com** (-39.7%, MPV) has an embedded player on its home page with a "daily laugh break," a short clip that runs on the home page but clicks through to a full episode. **Comedy Central's** (+14.7% MPV) entire home page is a video player.

The new strategy of embedding video in an existing page does keep users stuck to the site. The downside? It also eliminates previous ad opportunities in dedicated players, like skinning the players or running rich, interactive media units that complement the pre-rolls.

(Steve Smith is a lapsed academic turned media critic and consultant. He is the Digital Media Editor for Min, conference programmer for Mediapost, and longtime columnist for eContent Magazine).



comScore Web Box Scores

	Total Unique Vistors (000)	Total Unique Vistors (000)	Total Unique Vistors (000)	Average Minutes Per User	Average Minutes Per User	Total Average Minutes
	Mar-2009	Apr-2009	% Change	Mar-2009	Apr-2009	% Change
Total Internet : Total Audience	192,173	192,875	0	1,765.0	1,814.3	2.8
The Weather Channel	39,452	40,160	2	9.8	11.0	13.0
CNN	33,462	34,926	4	43.4	42.7	-1.6
Nickelodeon Kids and Family	29,803	28,966	-3	87.8	81.6	-7.1
ESPN	21,262	21,384	1	53.9	57.3	6.3
MTV Networks Music	16,367	18,543	13	16.7	16.0	-3.8
Discovery Digital Media Sites	13,640	15,412	13	10.1	9.4	-7.4
FoxNews.COM	8,890	9,033	2	80.2	73.3	-8.6
FoodNetwork.COM	7,203	7,663	6	16.5	19.6	18.9
Comedy Central	4,866	4,437	-9	4.1	4.7	14.7
HGTV.COM	2,844	3,361	18	11.0	13.1	19.2

Data represents the top 10 most trafficked Web sites among the top 20 cable programmers based on the NCTAs rankings

Source: ComScore (www.comscore.com)

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