Our 27th Annual Cable Academy – THIS COMING WEDNESDAY & THURSDAY, APRIL 15 & 16 AT THE SHERATON HARRISBURG-HERSHEY – will illustrate in detail the cable industry's future with multi-screen video, streaming media and all things over-the-top!

"Are There Fish in the Stream?"
Matt Polka – President & CEO, American Cable Association
Tom Cohen, Partner – Kelley Drye & Warren LLP

"X1 and Home Automation"
Scott Wurman — Executive Director, Product Management, Comcast Cable

"Multiple screens and customized guides are just the start!"
Bob Shallow – Senior Vice President, Sales and Marketing, Service Providers and Portals, Rovi

"Alternative content delivery – Tools of the cord cutter"
Gerard Kunkel – Media Technology Executive & Consultant, Nautics.tv

"It's Always Sunny in Washington"
Bob DeSousa, State Director & Steve Kelly, Press Secretary for U.S. Sen. Pat Toomey (R-PA)

"Strategies for Obtaining and Retaining Business Customers"
Wendy Hartman – General Manager, Adams Cable Service
Scott Hoppel – Director of Commercial Sales, PenTeleData
Edward Rowan – Director of Sales, Cox Business
Mike Starner – Senior Strategic Enterprise Account Executive, Comcast Business

"Cable's migration to IPTV comes in all sizes."
Stephen Parsons – Senior Solutions Architect, ARRIS

Also…

- **SPEED NETWORKING FOR PROGRAMMERS**
- **BCAP PRESIDENT'S AWARD PRESENTATION**
- **CASINO NIGHT**
- ***and much more!***

Reserve your room at the Sheraton Harrisburg-Hershey now!

CONFIRM YOUR REGISTRATION AND EXHIBIT TODAY!

April 13, 2015

Associated Press
Can phone companies do more to block robocalls?

Washington Post
Net neutrality will be fair game for lawsuits starting next week

New York Times
At the Head of the Pack, HBO Shows the Way Forward

Lancaster Intelligencer Journal
State lawmakers introduce bills aimed at turning up the turnout

Allentown Morning Call
Politics as Usual

Washington (PA) Observer-Reporter
Democrats have prevailed in Washington County politics since the New Deal, but demographics change

Just before 2 a.m. at his waterfront home in Greenwich, Conn., Time Warner Inc. Chief Executive Jeff Bewkes early this month placed his fourth call of the evening to Dish Network Corp. Chairman Charlie Ergen. They were racing to complete negotiations over how much Dish pays to carry Time Warner channels, such as TNT and CNN, on its satellite service.

If the two couldn't seal a deal, Dish's roughly 14 million subscribers would have to live without programming, such as the NCAA Final Four and the season premiere of "Game of Thrones." Such talks often come down to the wire, but this time they were complicated by an about-face from Mr. Bewkes: After years of saying it didn't make sense to sell an online-only HBO version because the economics of the pay-TV bundle at the time were too good, Time Warner moved last October to begin targeting "cord-cutters," or people without pay-TV subscriptions, with HBO.

Mr. Bewkes needs the online-HBO offering to compete for this growing audience of people who consume their programming online from Netflix Inc. and others. But the move risks alienating companies that have distributed Time Warner's programming for decades. Dish, like many pay-TV operators, wasn't initially comfortable with the idea—fearing HBO's online service would lure away traditional TV subscribers. Dish's concerns had contributed to a delay in negotiations, say people familiar with the discussions and the late-night phone call.

In the final push, the companies agreed to go after cord-cutters together: Dish would offer HBO via Sling TV, its own new online-TV service targeting cord-cutters, while the companies hashed out details that would give Dish incentive to sell HBO more actively. They reached the pact minutes before the deadline of midnight Mountain time, the time zone at Dish's Englewood, Colo., headquarters. The complexity of the negotiation shows the enormous challenge Mr. Bewkes faces as he tries to fashion a business model for Time Warner as the Internet remakes the television landscape.

Over 3,100 hours of LIVE and exclusive sports from around the globe
ONE WORLD SPORTS
AMERICA'S NETWORK FOR GLOBAL SPORTS
For more information, please contact:
Mark Romano | Senior VP of Distribution - Eastern Division
951.795.6902 | mromano@oneworldsports.com

Before, consumers who wanted to watch Time Warner's networks had to buy a package of channels from a pay-TV distributor like Dish. But with the pay-TV industry in the early stages of decline, Mr. Bewkes concluded that targeting cord-cutters is imperative for growth. In recent months, he and his lieutenants have mounted a charm offensive to urge cable and satellite partners to get behind HBO's online push, called "HBO Now." The service lets broadband users watch new episodes of shows like "Game of Thrones," "Veep" and "Silicon Valley," which launch their new seasons April 12, and older programs like "Sex and the City"—without requiring proof of a traditional cable or satellite-TV subscription. HBO Now became available earlier this month from Apple Inc. and Cablevision Systems Corp.

In an interview, Mr. Bewkes says Time Warner has been telling cable and telecom partners that HBO Now can help them cope with cord-cutters. "For those customers that have left the video service," he says, "put HBO on your broadband package and let HBO help drive sales." His pitch has gotten a tepid reception. So far, the only traditional pay-TV company to sign on as an HBO Now backer is Cablevision, the ninth-largest player, though Verizon Communications Inc. and Cox Communications Inc. are in discussions with Time Warner,

Philadelphia Daily News Dwight Evans: Philly's political phoenix ***Pittsburgh Tribune-Review*** Search warrants on Kane's offices seek emails ***pennlive.com*** Kathleen Kane could pose a political problem for other Democrats, but she isn't doing that yet ***Philadelphia Inquirer*** Top Pa. Democrats say it's too early to move against Kane	people familiar with the talks say. Other TV networks watch HBO's moves closely, and its foray into streaming has been already followed by the likes of CBS Corp., Viacom Inc.'s Noggin and Comcast Corp.'s NBC. "We don't make plans for just Time Warner here," Mr. Bewkes says. "We make them so they can ultimately apply for everybody." Besides dangling the carrot, HBO has been wielding the stick, showing it can do an end-run on pay-TV providers. The first partner it announced, Apple, competes with pay-TV providers through an online-TV service. Still, it would be risky for Mr. Bewkes to target cord-cutters without the blessing of pay-TV distribution giants, which will likely provide the bulk of profits for HBO and its parent for years. The stakes are high for the 62-year-old Mr. Bewkes, who has spent his seven CEO years dismantling what was once the world's largest media company. He unwound the AOL merger and spun out Time Warner Cable and Time Inc., leaving three businesses—HBO, Turner Broadcasting and Warner Bros.—devoted to video content. "He never believed the b— about corporate synergy in a big company," says former Viacom CEO Tom Freston, a friend of Mr. Bewkes's. "He wanted to slim the thing down and make it something more based on organic growth and creativity." Together with stock buybacks, the moves helped boost Time Warner's stock but also made it a takeover target. Since Mr. Bewkes rejected 21st Century Fox Inc.'s unsolicited bid last summer, he has been under pressure to lead the stock higher. (Until mid-2013, The Wall Street Journal was part of the same company as 21st Century Fox.) HBO looked ripe for reinvention. Despite HBO's reliable profits, its U.S. subscriber base—31.4 million at the end of 2014, according SNL Kagan—isn't growing as fast as Netflix's, which zoomed past it in 2013. Analysts say Time Warner's October announcement that it was taking HBO "over the top"—distributing it online—was meant to show Wall Street it was fighting back. People close to Time Warner say Fox's bid hastened its decision to publicize its online-HBO plans. The original plan, by HBO's technology chief, was to do it mostly in-house by 2016 at a projected cost of $900 million over several years, but the company decided to move faster by seeking outside help. The HBO online plans and Time Warner cost cuts have helped push up the stock, which closed at $85.49 on Friday. Fox's bid was $85. Mr. Bewkes's online-HBO strategy represents the latest in a series of fundamental shifts he has pushed for as new technologies change viewer behavior. Mr. Bewkes grew up in Darien, Conn., and followed his businessman-father's footsteps to Yale University. There, in the early 1970s, he fell in with "lunatic fringe types and free thinkers," says his friend Gary Lucas, a guitarist who went on to collaborate with avant-garde acts like Captain Beefheart. "I think of him as an artist first and foremost," says Bill Moseley, a college friend who went on to a career in horror films like "Texas Chainsaw Massacre 2." Graduating with a philosophy major, Mr. Bewkes tried his hand at documentary work for NBC News, then attended Stanford University for an M.B.A. After a stint at Citibank, in 1979 he joined seven-year-old HBO. Rising to CFO in 1986, COO in 1991 and CEO in 1995, he pushed HBO to adopt technologies that gave people more control over viewing—initiatives that were often not initially popular with distributors. In the early 1990s, as subscriptions were falling amid competition from VCRs and consumer complaints about reruns, he led HBO's push for "multiplexing," or adding extra channels free of charge so viewers could choose from among a half-dozen HBO shows at a given time. He then worked with HBO's then-sister company Time Warner Cable to develop technology to make HBO On Demand by 2001. Mr. Bewkes tripled profits as HBO's CEO and oversaw a fundamental shift in its content, away from just movies and fights and toward original shows like "The Sopranos." These shows also sold well on DVD, helping popularize "binge viewing." "It was the beginning of unbundling the appointment viewing, and letting people view in whatever way they thought people could get into it," says Dick Parsons, Time Warner's CEO before Mr. Bewkes took that post in 2008. By 2009, Mr. Bewkes became a vocal backer of a new strategy called

"TV Everywhere," which would let cable subscribers watch channels like TNT and TBS online. But it wasn't available to nonsubscribers.

Gradually, with growth in services like Netflix and Hulu, it became clear to Mr. Bewkes that many viewers want online content without paying a cable subscription to get it. Although plans for HBO's online service had been in the works for five years, HBO didn't start laying real groundwork for HBO Now until August 2013, say people familiar with the matter. HBO CEO Richard Plepler turned to his friend Doug Schoen, a pollster famous for working for Bill and Hillary Clinton, who helped concoct a plan with hallmarks of a political campaign. Mr. Schoen conducted a survey that found there were 10 to 15 million U.S. households that didn't subscribe to HBO but were "persuadable," much like undecided voters. Of those, most said they would sign up for HBO if delivered online. Only 3% of respondents who had the HBO TV channel said they would drop it for the Web version, say people familiar with the poll. That suggested that HBO could woo cord-cutters without cannibalizing traditional business.

Building HBO's online offering fell to the network's chief technology officer, Otto Berkes, famous as one of Microsoft Corp. 's Xbox creators. He developed plans to build a Netflix-like platform that would require hiring 500 to 700 more engineers—up from 85—over several years, say people familiar with the plans. Current and former HBO executives referred to it as "the golden spaceship" and "lunar landing module," and HBO executives worried about Mr. Berkes's ability to deliver on time.

A week before the October announcement, HBO officials met with Major League Baseball Advanced Media, whose technology powers streaming apps like WWE. They decided to rent the technology for HBO Now rather than have Mr. Berkes's team build it—a move the tech-team leadership believed risked giving up the company's chance to control its destiny, say people familiar with their thinking. Mr. Berkes and his lieutenants left the company. "There are those that want to do everything in-house and build an empire," says Mr. Bewkes, "and then there is me and the rest of us trying to figure out the best way to do this over time."

But his toughest task has been to win over pay-TV giants. HBO executives have crisscrossed the country over the past few months, armed with the polling data, to get support for the initiative from executives at the likes of Dish and Comcast Corp. HBO's evangelizers explained that revenue from selling HBO Now subscriptions to cord-cutters would be shared by HBO and distributors, who have historically gotten about half the roughly $15 retail price of every HBO subscription.

Dish's response showed what Mr. Bewkes was up against. Last fall, as Time Warner began the contract negotiations it does once every several years, its Turner unit had outlines of a deal with Dish, including for its channels to appear on Sling TV. But the October announcement that it was taking HBO online raised concerns for Dish and contributed to a decision to delay Turner's Dish deal until March 31, the day HBO's Dish deal was up, say people familiar with the negotiations. The broader negotiations got so testy that CNN and other Time Warner channels went dark on Dish for a month, with Mr. Ergen sniping during a November earnings call that CNN wasn't a top network anymore "unless they find the Malaysian plane."

Meanwhile, one of Mr. Bewkes's challenges was to ensure HBO's foray into Web TV didn't compromise Turner's cable networks, which collectively account for about half of operating profits. If people cut the cord to sign up for HBO Now, those channels would lose subscribers. During the last lap of the Dish negotiations, Mr. Bewkes emailed Turner CEO John Martin and HBO's Mr. Plepler to indicate he was balancing both sides' interests, writing: "We hang together."

Hanging together in the future might mean using HBO's online-TV strength to help distribute other Time Warner content, a person familiar with the strategy says. The company could sell an online sports package combining basketball and baseball games aired on the Turner

channels, say, or a children's package with programming from Cartoon Network and Looney Tunes. That could lead to negotiations even more complicated than those that ended just before 2 a.m. for Mr. Bewkes. "Next time this thing comes up," Mr. Bewkes joked to Dish's Mr. Ergen that night, "we're doing it on East Coast time." – ***Wall Street Journal***

Viacom Inc. said it would take $785 million in pretax charges for job cuts and to write down the value of underperforming shows hurt by weak ratings, a soft advertising market and growing online competition. The layoffs affected as many as 400 people, according to people familiar with the matter, while the shows being written down include reruns of "CSI," "Entourage" and "Community," among others. Charges include an accounting change for programming such as reality and game shows that are losing their allure faster than in the past.

New York-based Viacom is grappling with weak ratings across all its major networks, and concerns on Wall Street that pay-TV providers may decide they can do without its bundle of channels. In the first quarter, its Nickelodeon channel was down 34% in its target demographic, its Comedy Central was off 30%, Spike dropped 23%, and MTV lost 34%, all compared with a year earlier, according to Jefferies and Nielsen estimates. On Monday, it said the restructuring is expected to provide annual savings of about $350 million, and $175 million this year. The company disclosed plans for the restructuring in February during its first-quarter earnings call.

Net income in the media giant's fiscal second quarter is projected to fall 15% to $429 million, according to analysts' estimates compiled by FactSet. Viacom earned $502 million in net profit on $3.17 billion in revenue a year ago. About $430 million of the write-down is to account for underperforming programming, including abandoning some acquired shows, according to a regulatory filing on Monday. The charge underscores the difficulty that many big media companies are facing with reruns as they cope with cord-cutting, Netflix's popularity and rapid changes in what viewers find popular.

The restructuring formalizes the reorganization of Viacom's television networks into two groups from three. That move was signaled when longtime Viacom executive Van Toffler, who led the group that included MTV, VH1 and CMT, said in February he would leave the company in April and his division's channels would be absorbed by two newly reorganized groups. The company said the new structure "realigns sales, marketing, creative and support functions, increases efficiencies in program and product development, enhances opportunities to share expertise, and promotes greater cross-marketing and cross channel programming activity." The company also said that the savings would let it reallocate resources to expand in new areas like "data analysis, technology development and consumer insights."

Viacom Chief Executive Philippe Dauman has been one of the most vocal critics of Nielsen's ability to measure viewing that occurs on nontraditional platforms like mobile devices, and has pledged to increase the amount of its revenues that are "non-Nielsen-dependent" to 50% from 30%. The recent proliferation of competition for viewers' attention from streaming video services like Netflix, Amazon and Hulu may be largely to blame for the steep drop off in cable TV's ratings. The Cabletelevision Advertising Bureau estimates that about 40% of third- and fourth-quarter TV ratings declines can be attributed to such subscription online video services, according to people who attended the industry group's March meeting.

Because of the charge and other acquisitions, Viacom said it would "temporarily pause" until October a $20 billion share repurchase program. Viacom, which is controlled by media mogul Sumner Redstone, fell as much as 1.8% in late trading after closing up 98 cents at $68.92 in 4 p.m. Nasdaq trading. Its shares were off 19% in the last 12 months. – ***Wall Street Journal***

127 State Street, Harrisburg, PA 17101
717.214.2000 • bcapa.com

First in Broadband.
The Future of Broadband.®