
Why Ad-Supported Local Cable?



Ad-Supported Wired Cable

Why Local Cable?

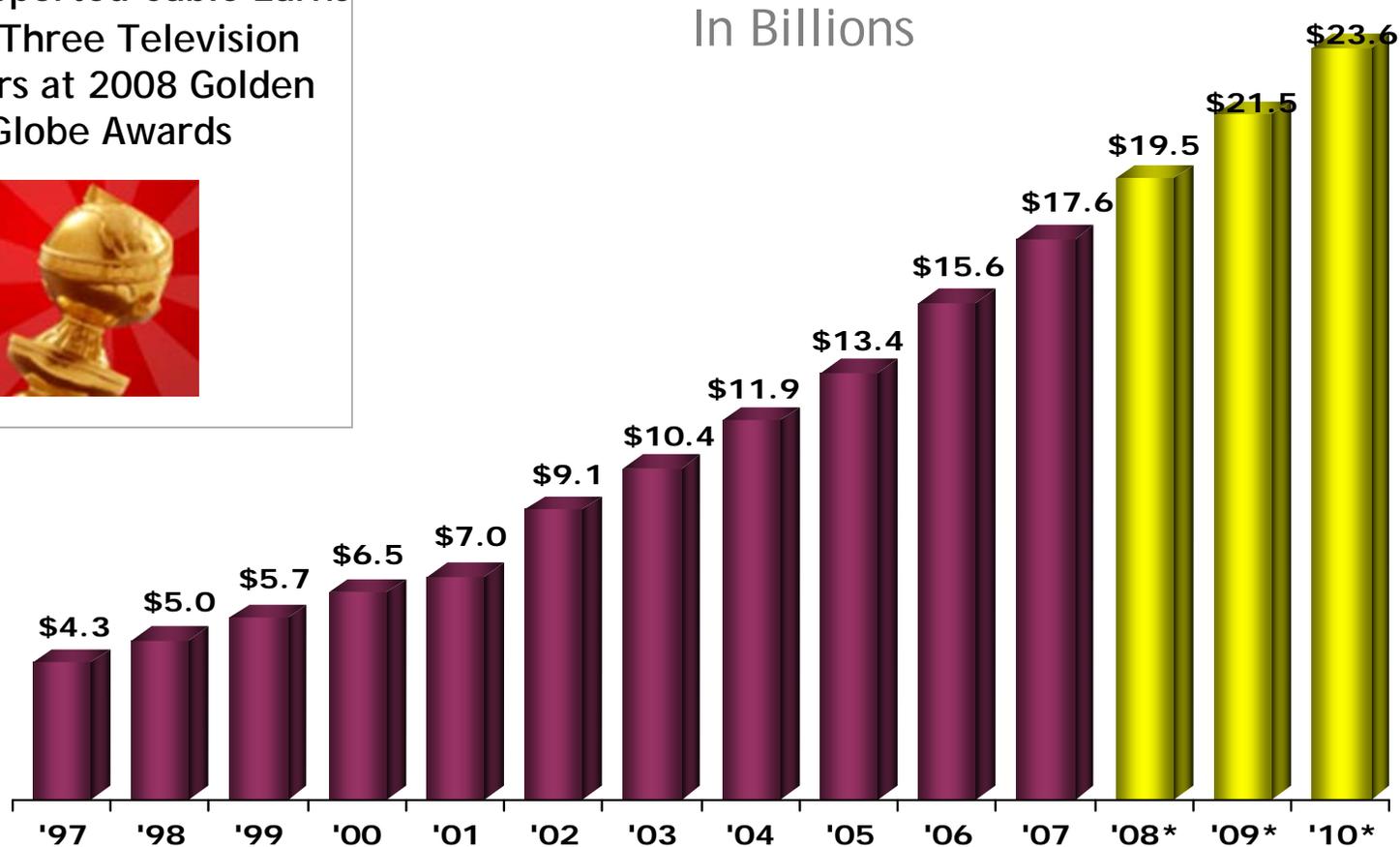
- Best known and most respected brands
- Huge investments in award winning programming
- Cable has changed the media viewing landscape
- Delivers more affluent consumers
- Cable owns more than half of the viewing pie
- Cable necessary to maximize target Reach
- Only Local Cable can geographically target your consumers

Why Local Cable?



Cable's Ongoing Investment in Award Winning Quality Programming

Ad Supported Cable Earns
Top Three Television
Honors at 2008 Golden
Globe Awards



Why Local Cable?

Local Cable
Delivers
Programming In
Every Genre

- News
- Sports
- Drama
- Comedy
- Documentary
- Kids
- Music



Why Local Cable?



Local Cable
Delivers Local
News to the Local
Community

Why Local Cable?

Only Local Cable
Delivers Targeted
Community
Programming



Dual Destination Appeal to Viewers

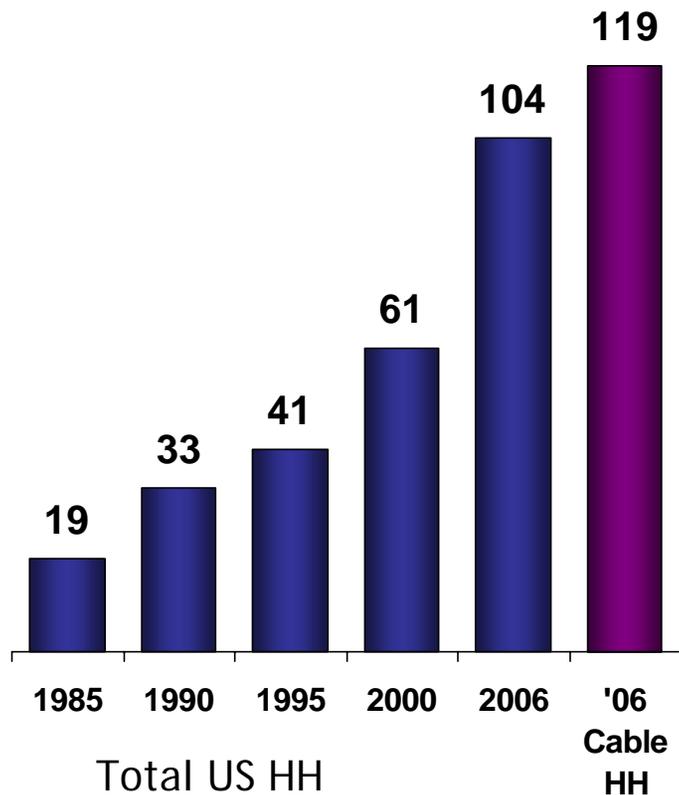


Why Local Cable?

Cable has changed the
television landscape
forever

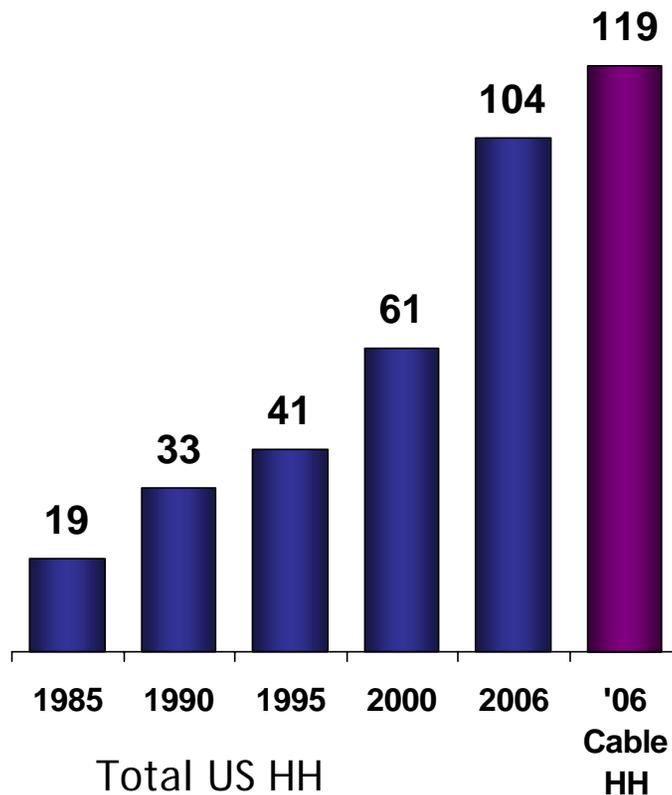
Today's Viewing Environment is One of Personalization and Choice

Average Channels Receivable

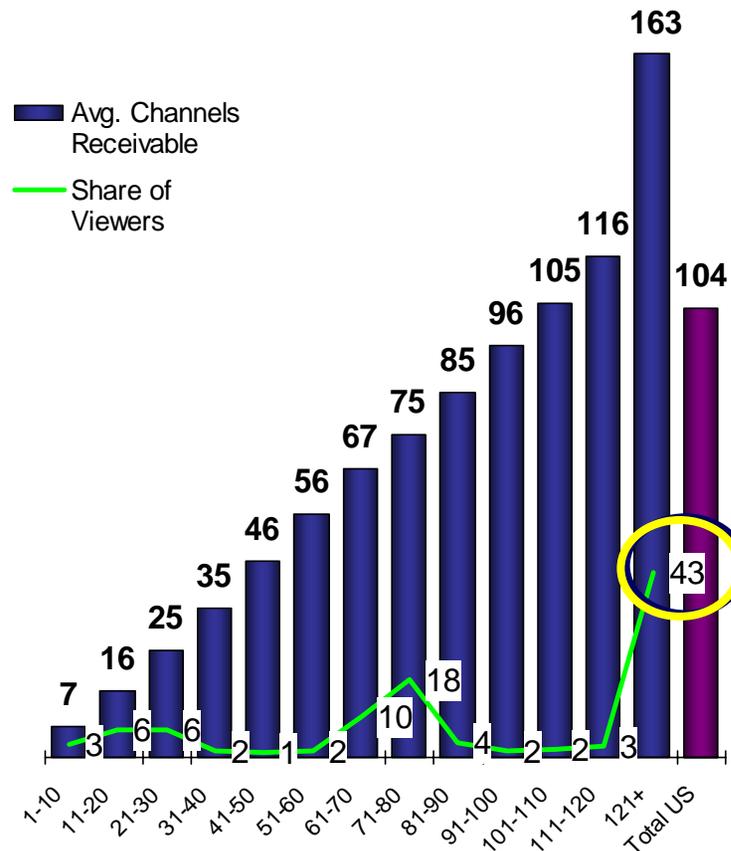


43% of Viewing is Now in Multi-Channel Homes Receiving on Average 163 Channels

Average Channels Receivable



Distribution of Channels Receivable



In the Early '90s, 75% of Big-4 Networks' Primetime Programs Earned a 5.0 A18-49 Rating or Better

A18-49 Rating	92/93 Season	% of Total Programs
15+	1	1%
10-15	7	7%
5-10	68	67%
0-5	25	25%
Total	101	100%

} **75%**

Now, 88% of Big-4 Nets Primetime Programs Earn Below a 5.0 A18-49 Rating

A18-49 Rating	92/93 Season	% of Total Programs	06/07 Season	% of Total Programs
15+	1	1%	0	0%
10-15	7	7%	2	2%
5-10	68	67%	11	10%
0-5	25	25%		88%
Total	101	100%	113	100%

Why Local Cable?

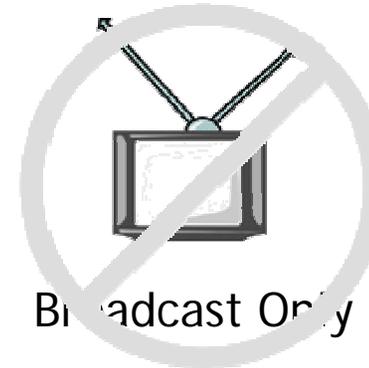
Wired Cable Homes Deliver the Most Desirable Marketing Prospects



Wired Cable



A/S / Satellite



Broadcast Only

Why Local Cable?

Remember...



ADS / Satellite

- Can Not Insert Ads Locally
- Can Not Replace Viewers Who Migrated from Broadcast

**Only Wired Cable is a Local
Broadcast Replacement**

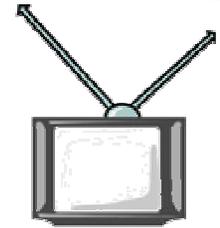
Wired Cable Homes are More Affluent



Wired Cable



ADS / Satellite



Broadcast Only

	Wired Cable	ADS / Satellite	Broadcast Only
Home: Median Value	\$178,172	\$148,031	\$154,526
Household Income: \$250K+	119	104	33
Education: Graduated College or more	108	87	90
Career: Management/Business	108	103	77
Married	99	116	85
Family: 5+ People in the HH	93	103	124

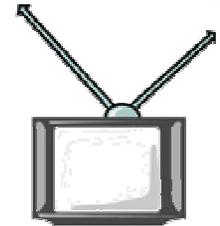
Wired Cable Homes Have Different Spending Abilities...



Wired Cable



ADS / Satellite



Broadcast Only

Spent \$4,000+ on Home Computer

116

96

44

Spent \$500+ on Watch for yourself

124

67

58

Spent \$5,000+ on Last Trip

112

81

76

Spent \$3,000+ on Television Set

117

107

38

Spent \$150+ on Groceries

104

102

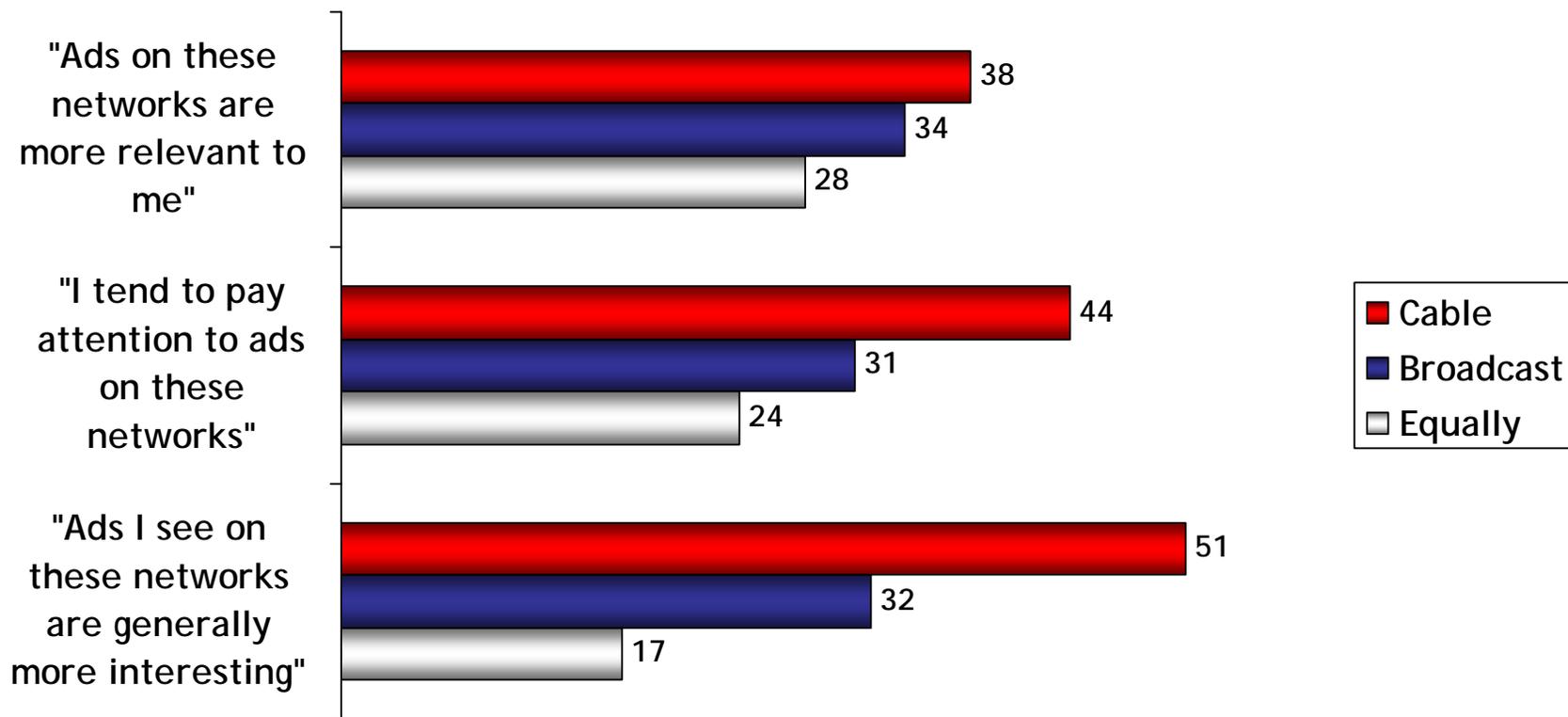
84

Why Local Cable?

Because Advertising Works
on Ad-Supported Cable...

Ad-Supported Cable Connects with Viewers

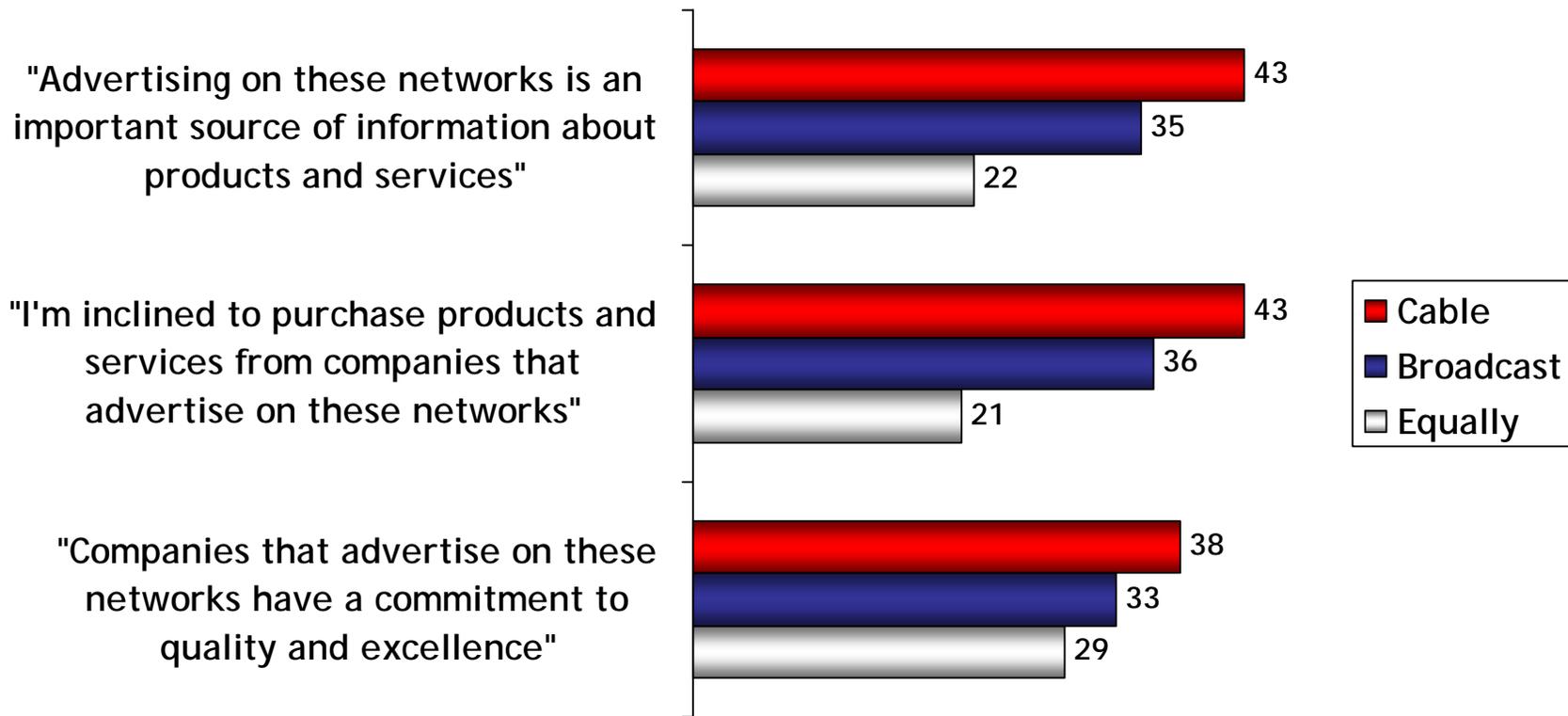
% Describe Programs Usually Watch on "Broadcast" or "Cable" Networks



Source: CAB How People Use TV Study; Feb/March 2004 - SRI/Knowledge Networks

Brands are Sold on Ad-Supported Cable

% Describe Programs Usually Watch on "Broadcast" or "Cable" Networks



Source: CAB How People Use TV Study; Feb/March 2004 - SRI/Knowledge Networks

So why would anybody make a broadcast-only buy that concentrates media weight in non-cable households?

For Every 100 Broadcast Total Day Rating Points:

92 Points Are Delivered in
Cable Universe

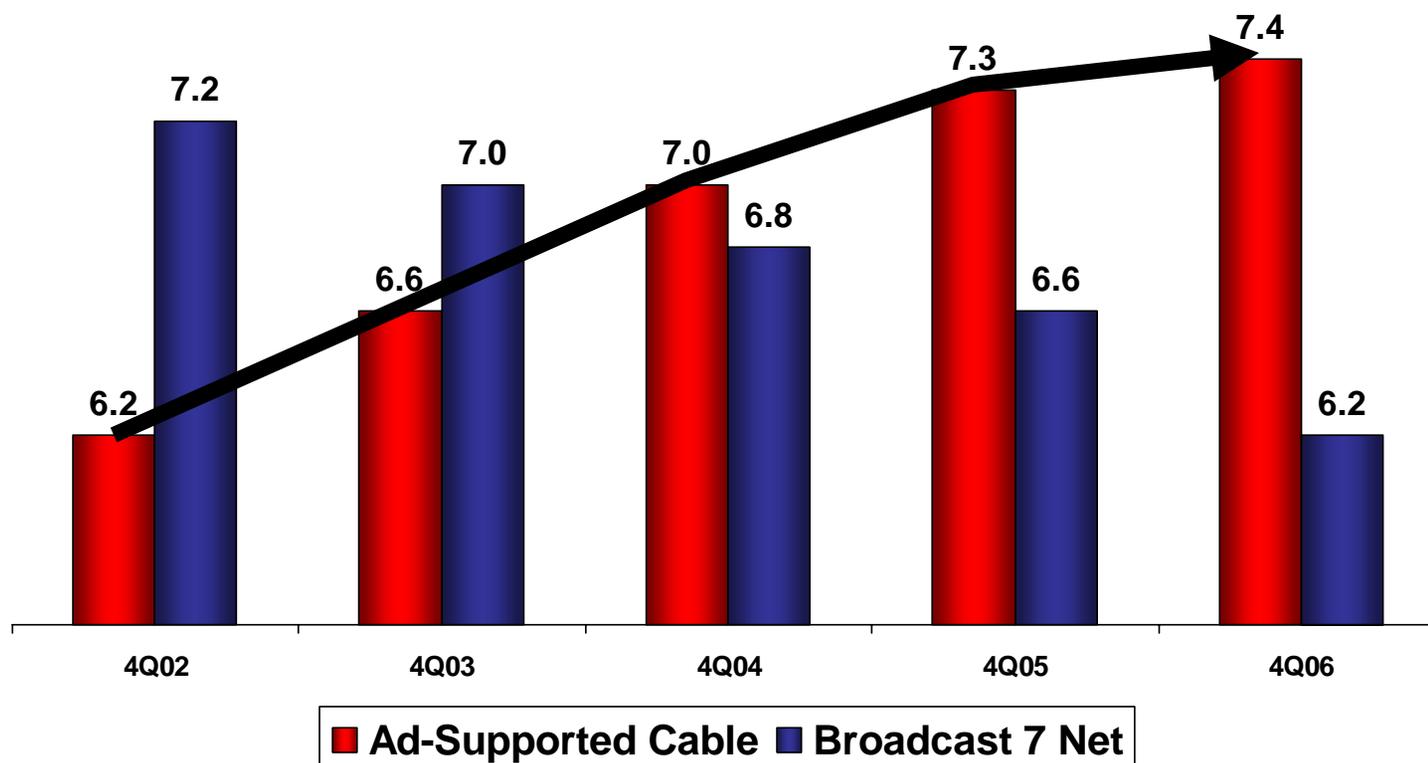
147 Points Are Delivered in
Non-Cable Universe

And Buying More Broadcast
Just Compounds the Imbalance

Viewers Watch More Primetime Ad-Supported Cable: Now 7.4 Hours/Week



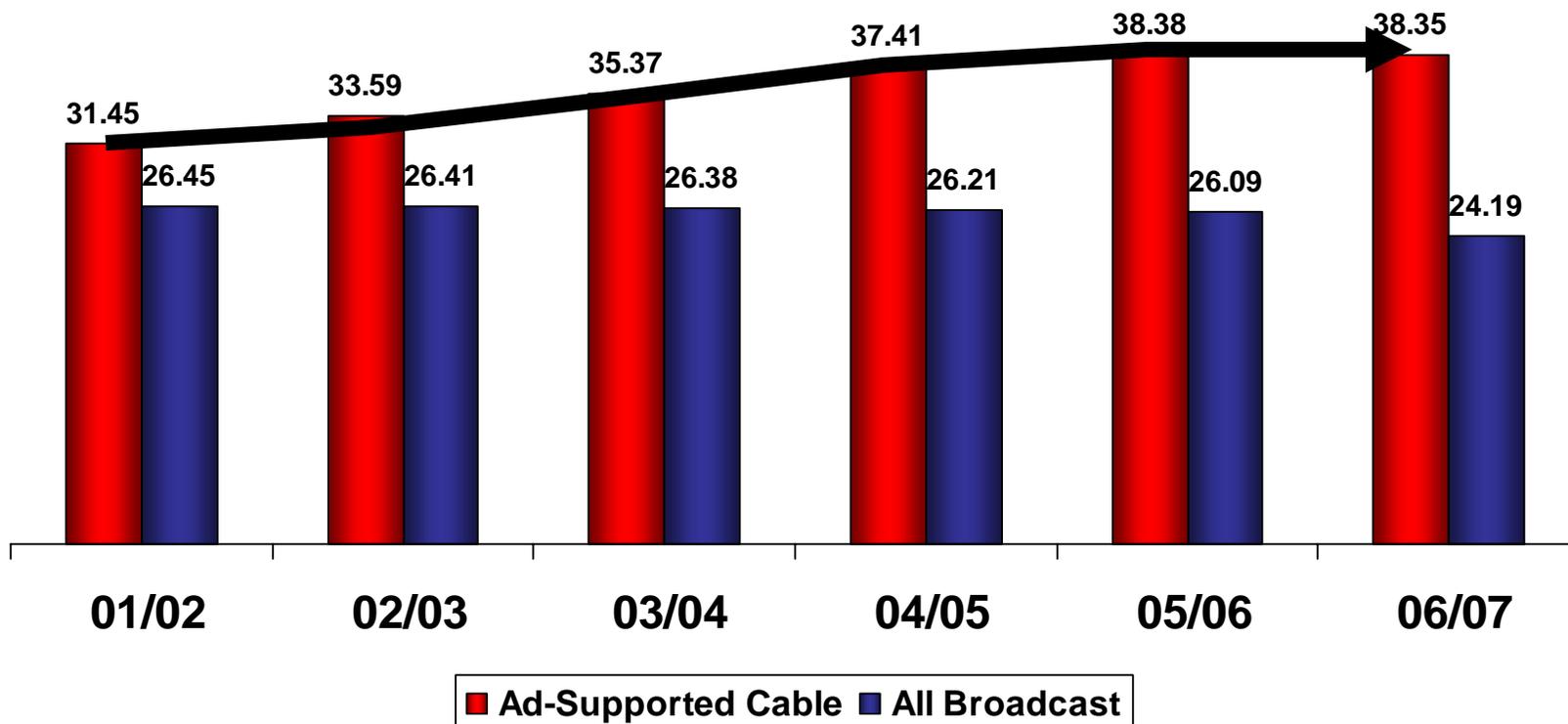
Primetime: Avg Weekly Time Spent Viewing (Per Home)
In Total TV UE (In Hours)



Viewers Watch Over 38 Hours of Ad-Supported Cable Each Week



Total Day Average Weekly Hours: Minutes Per Household



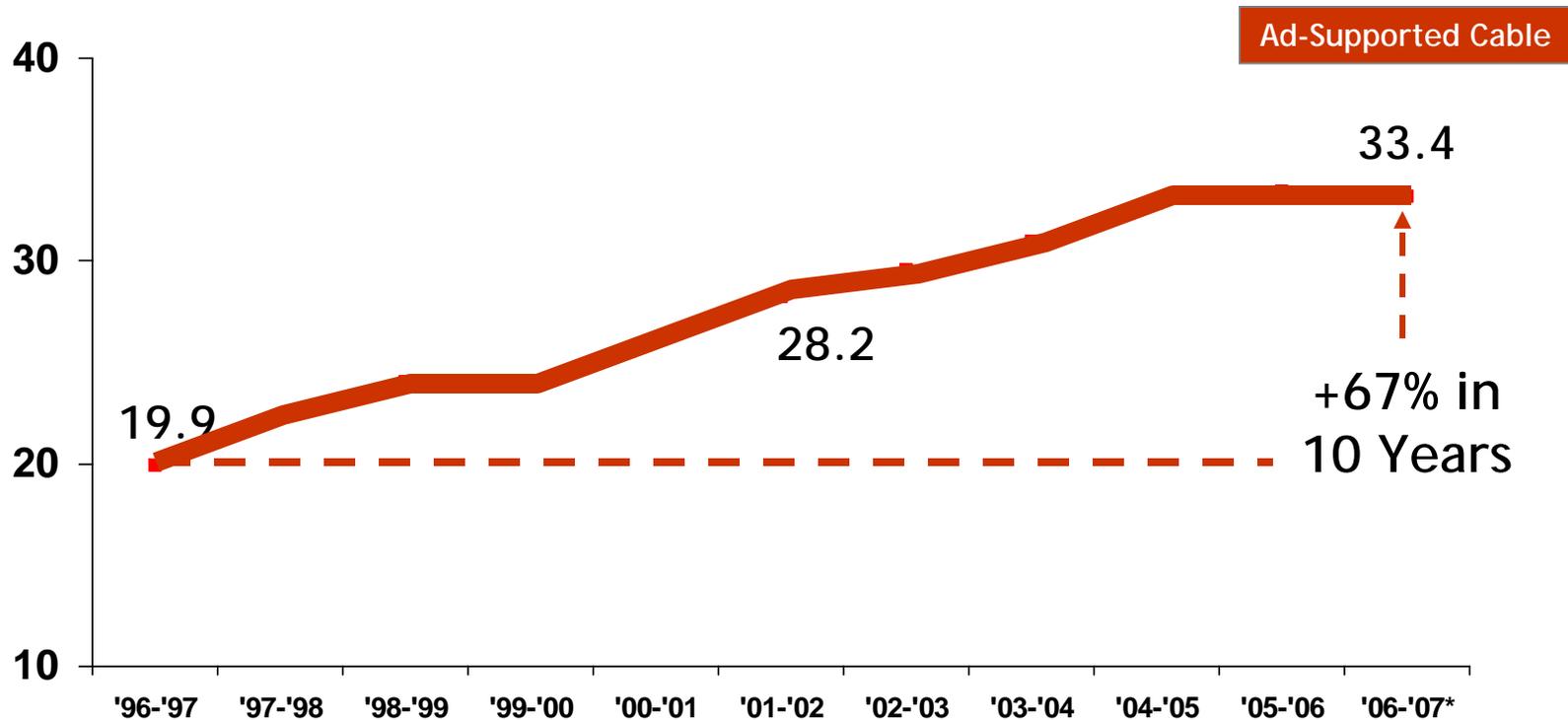


Cable's audience grows every year—a claim newspapers, radio, and broadcast TV can't make!

Cable Ratings Continue to Climb



Cable HH Primetime Ratings



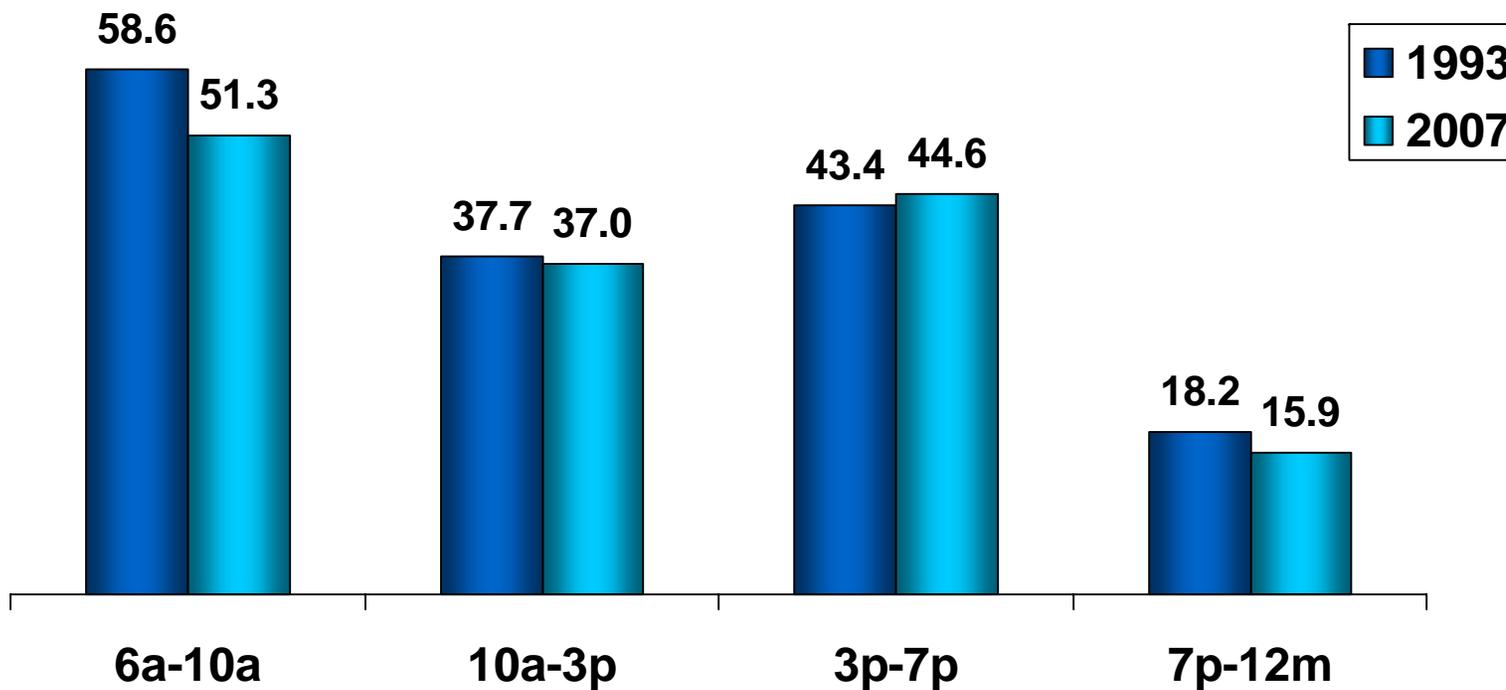


Radio listenership is down (although thanks to consolidation, rates keep going up!)

Radio Usage Declines in 3 of 4 Dayparts



Percent Cume Adults 18+ By Daypart (Weekday)





Why are radio listeners going away?

“When you throw 20 to 25 commercial units per hour at an audience--some are going to go away”

“When programming innovation stops--some are going to go away”

James Duncan Jr., President of Duncan's American Radio from his speech at the PaineWebber Media Conference.



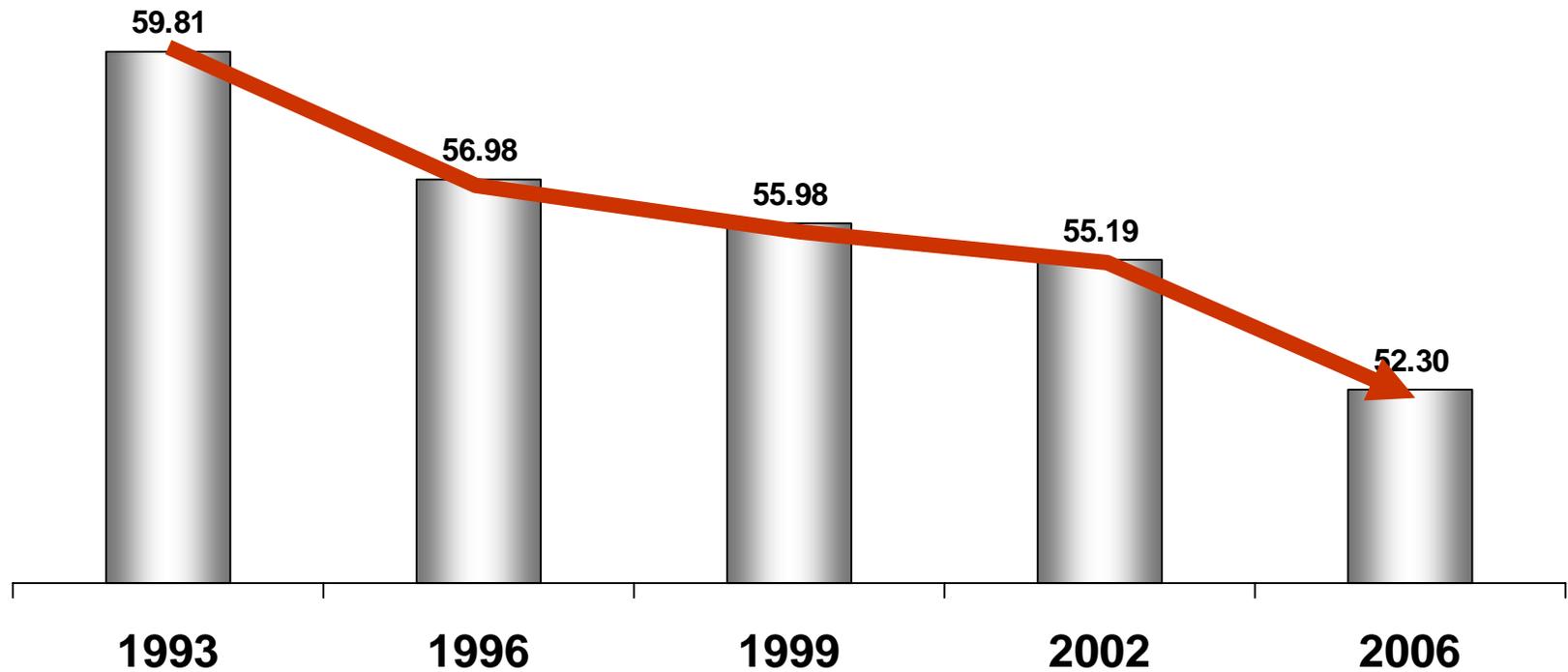
Newspaper circulation is **WAY** down...

How about rates?

Newspaper Circulation Continues To Decline



U.S. Daily Newspaper Circulation (In Millions)



There's a Difference Between Newspaper Readership & Ad Exposure



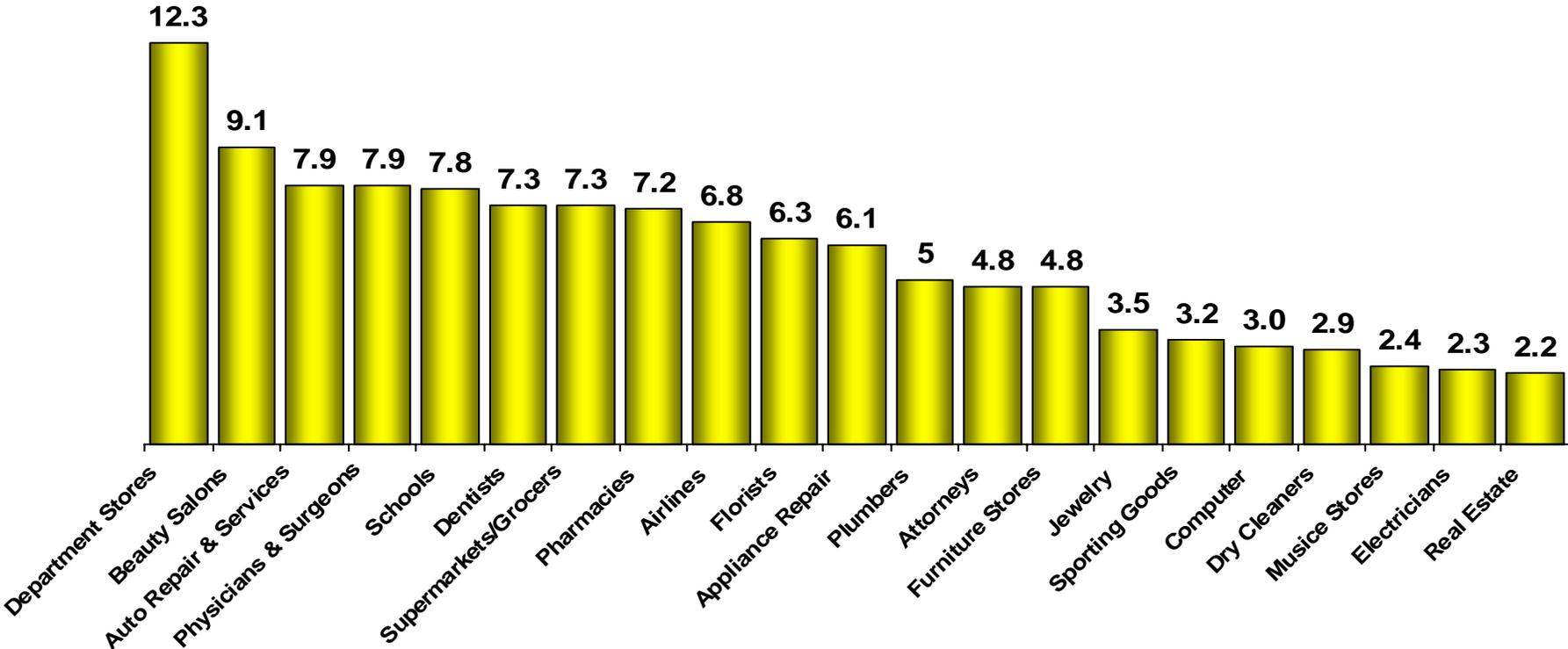
<u>READ SECTION IN PAST 30 DAYS</u>	<u>FOR EVERY 100 READERS</u>	<u># of ADULTS WHO READ/LOOKED INTO SECTION</u>
Local News	100	85
Sports	100	54
Business/Fin.	100	42
Classified	100	38
Food / Cooking	100	38
Home/ Design / Furnishing Section	100	27

For every 100 newspaper "readers" ... their exposure to each section varies

Yellow Page Usage Is Low For Most Products/Services



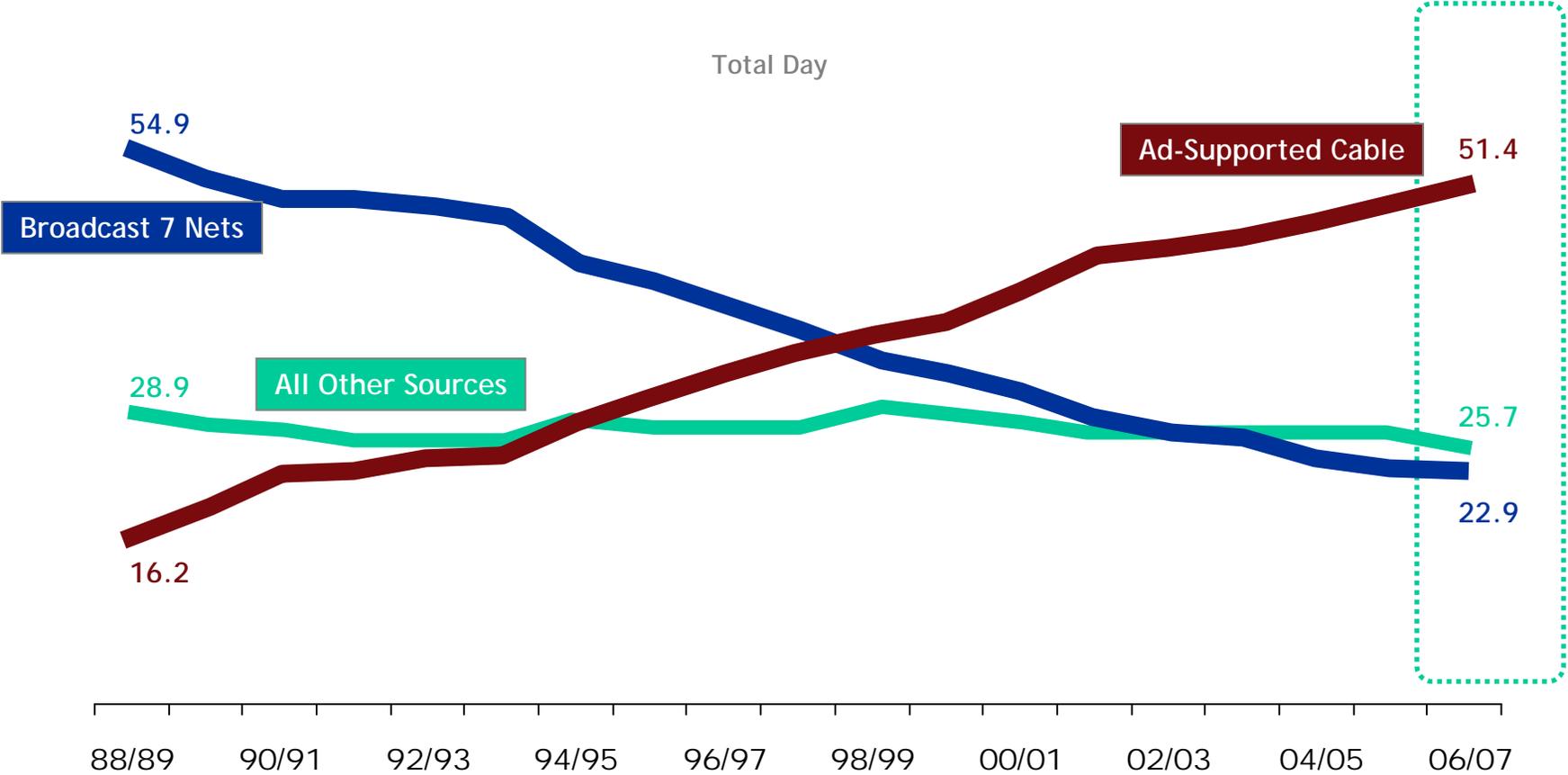
**% of Adults 18+
Products/Services Checked in Past Year**





And Broadcast TV...?

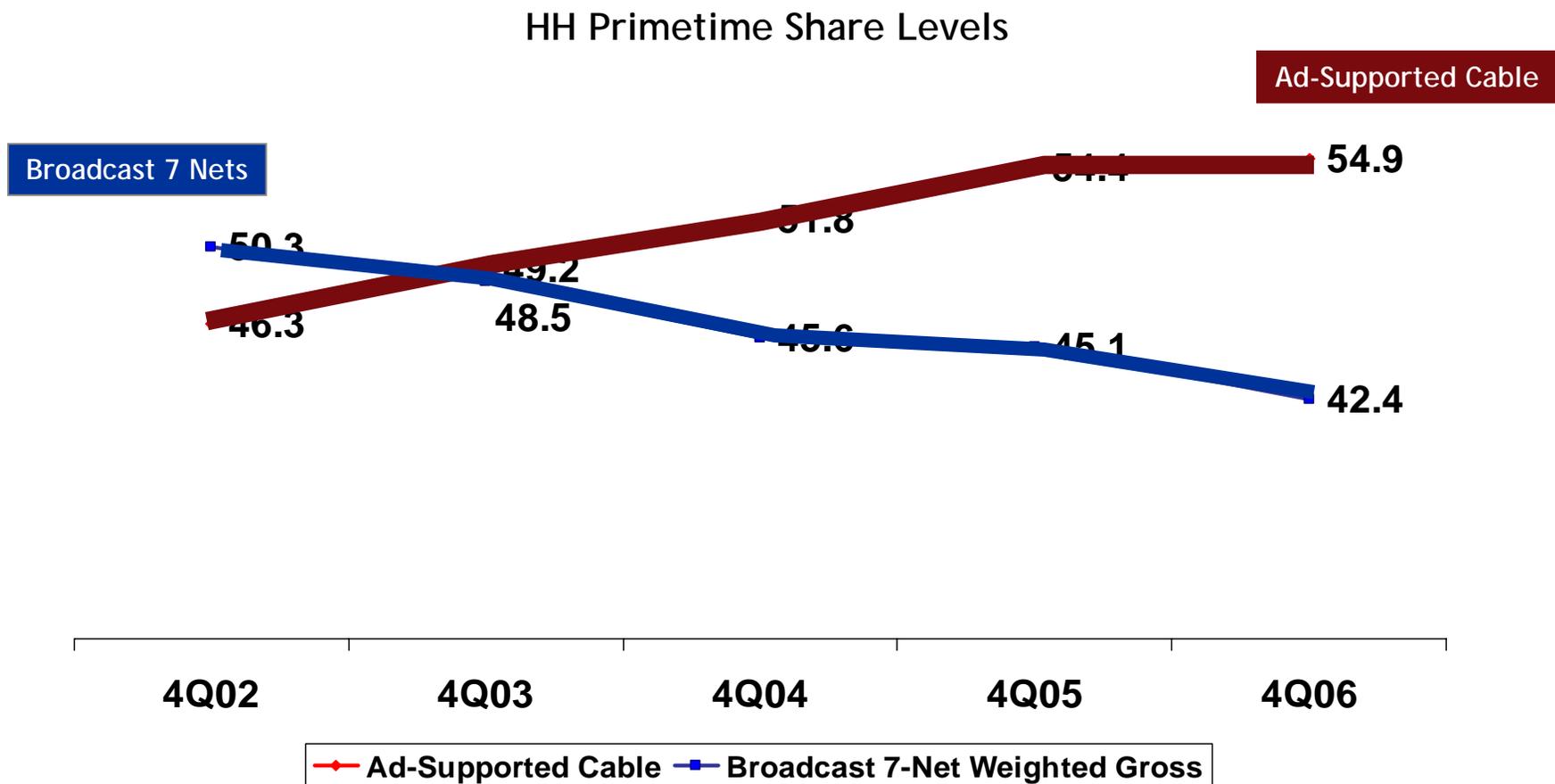
Long Term Total TV Household Share Trend: Total Day



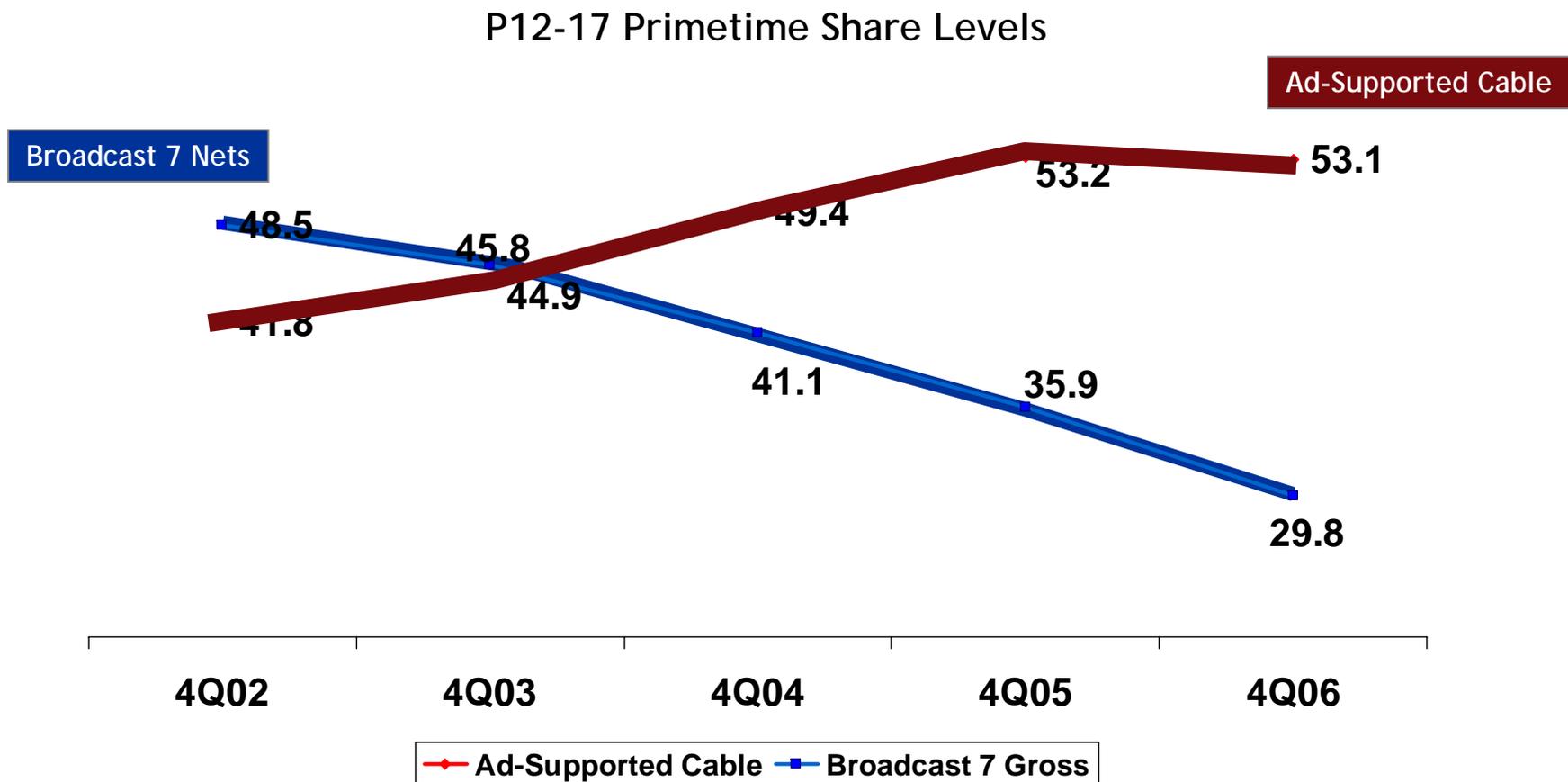
Source: Nielsen NCAR 4Q-3Q various years



HH Share Gap Widens: Cable Now 13.0 Points Above Broadcasts' Level

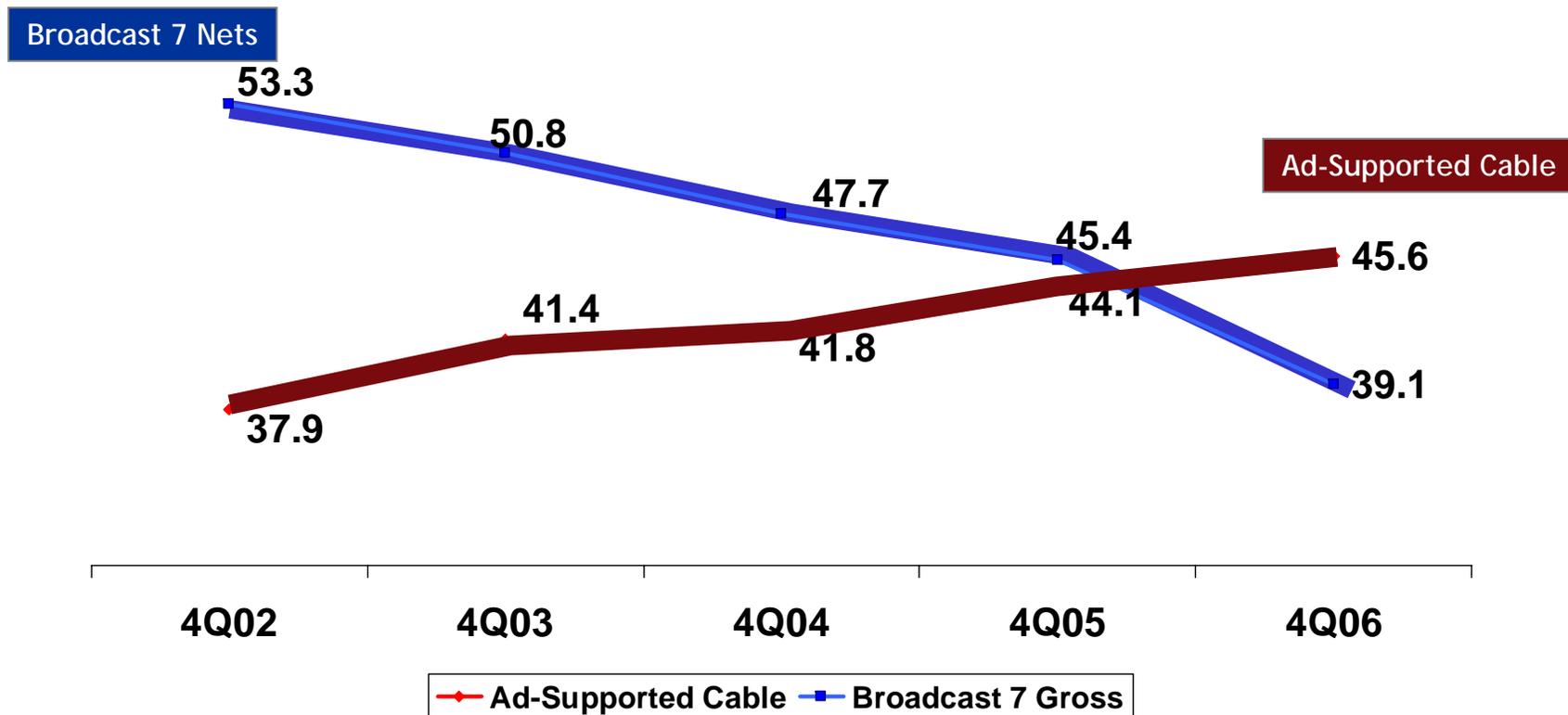


Almost 24 Point Share Gap Persists Among Teens



Ad-Supported Cable Surpasses Broadcast In 4Q06 Among P18-34, Generating a 6.5 Point Gap

P18-34 Primetime Share Levels

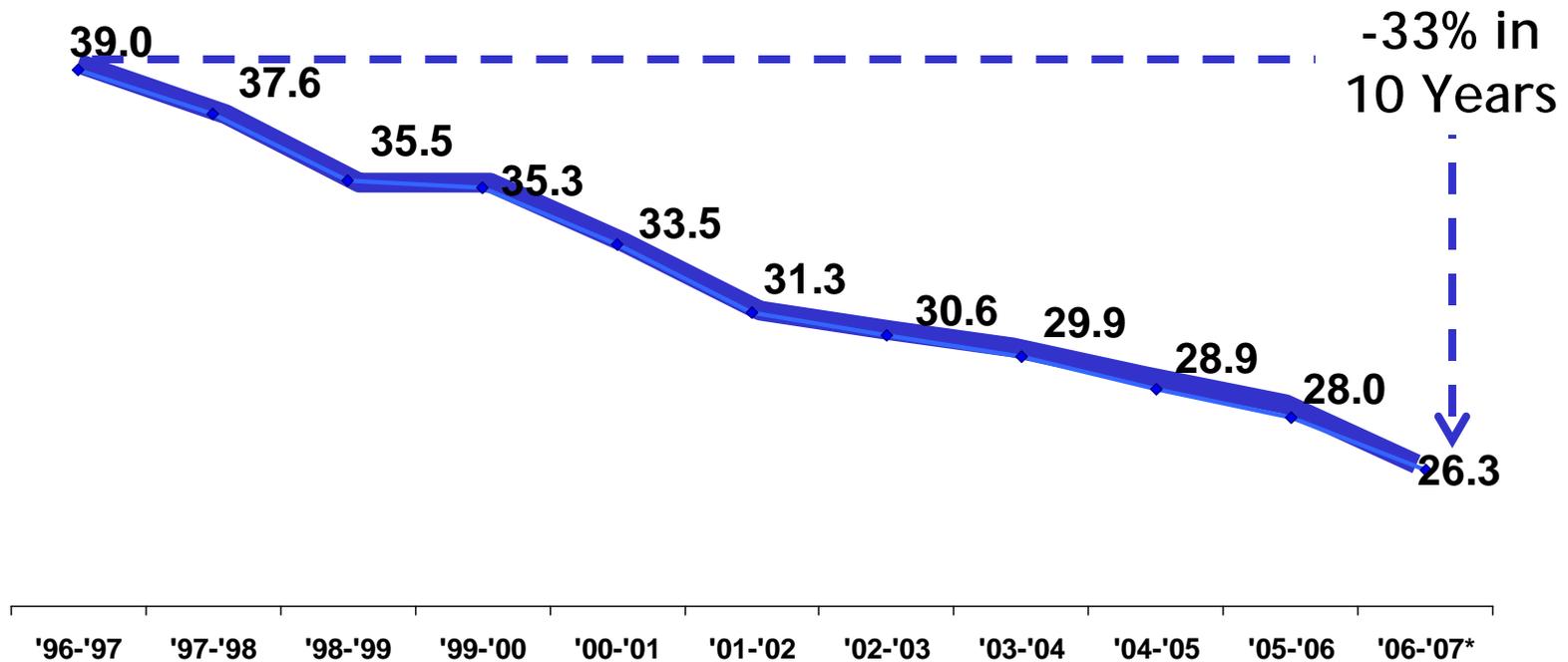


Broadcast Ratings are on a Fast and Steep Decline



Broadcast HH Primetime Ratings

Broadcast 7 Nets

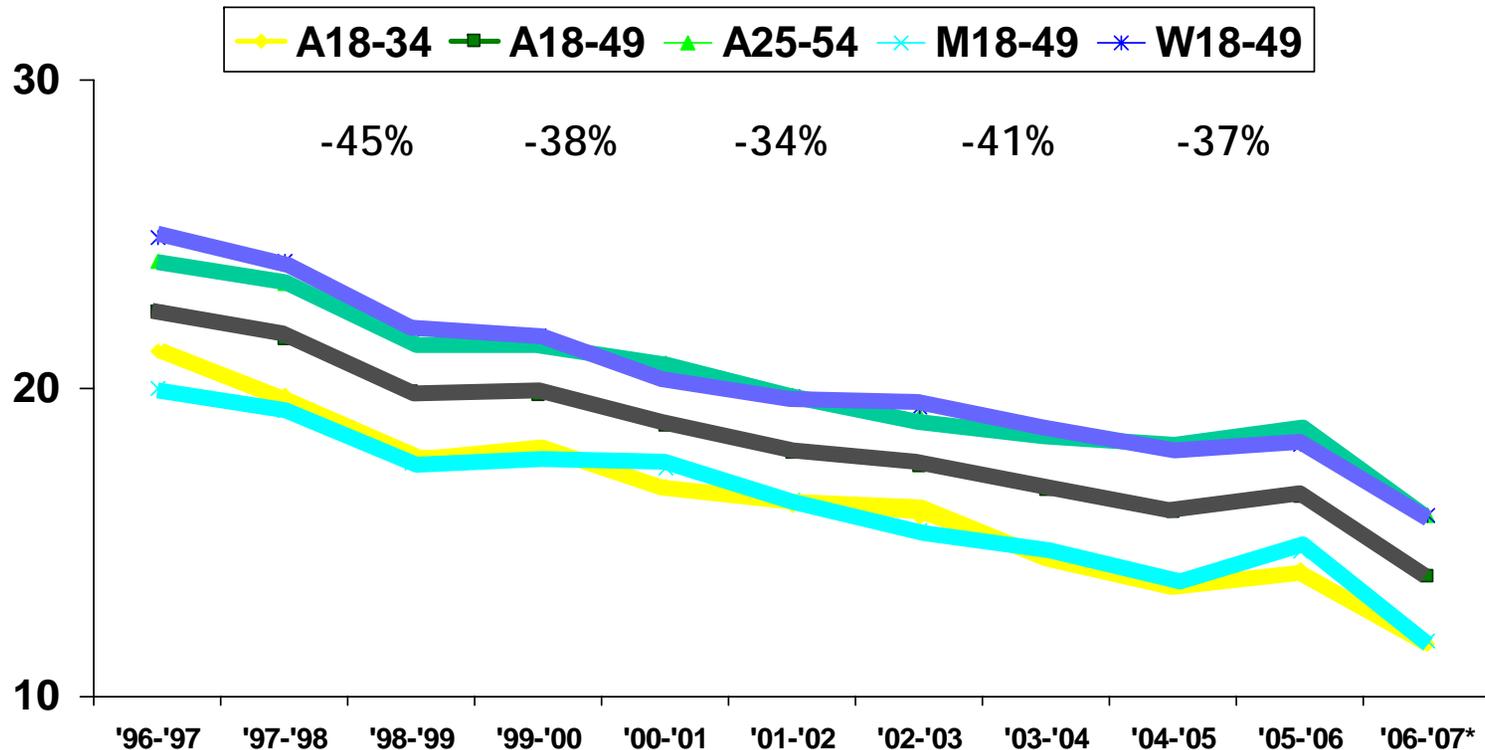


Broadcast Ratings Have Declined Across All Demos



Broadcast 7 Nets

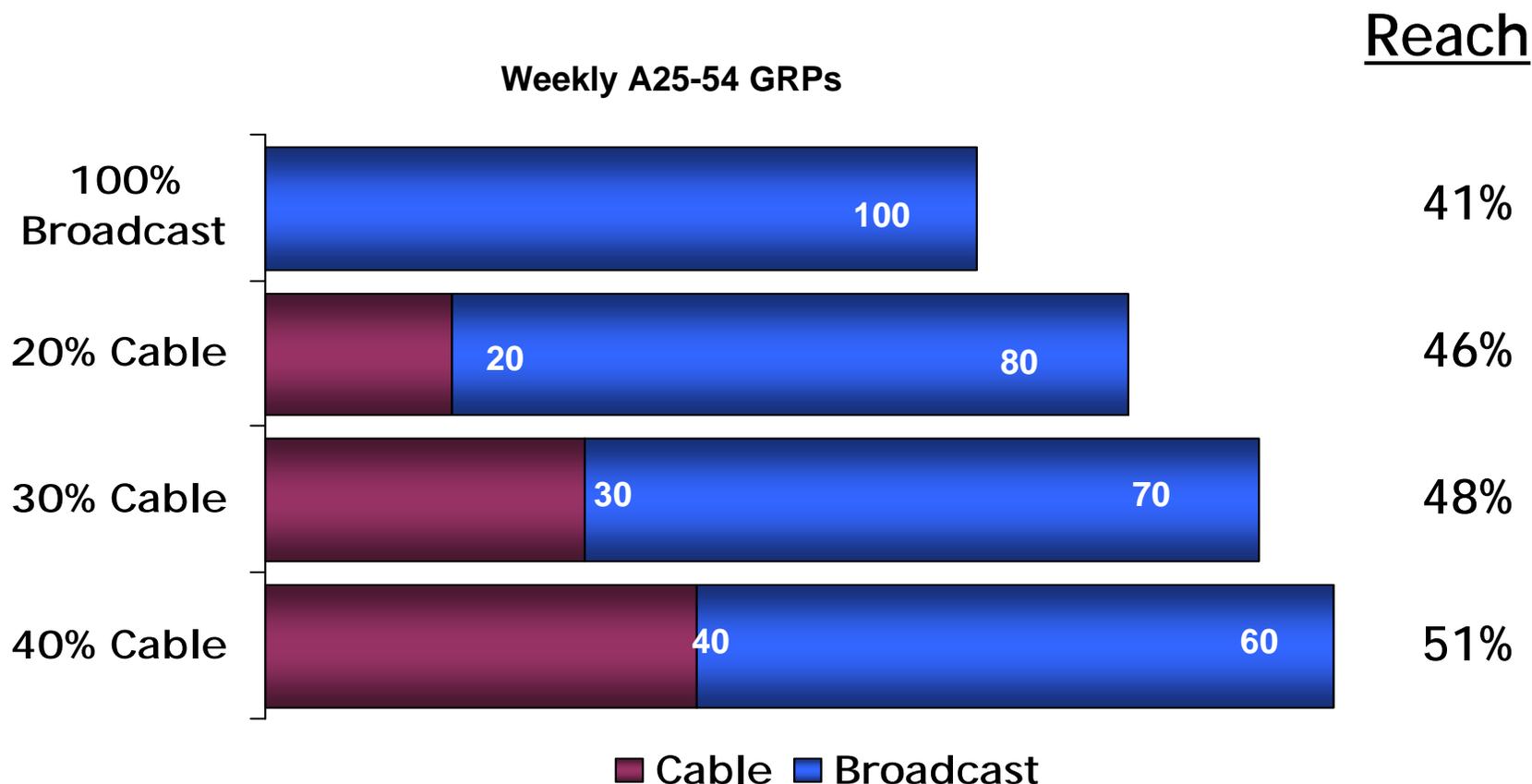
Broadcast HH Primetime Ratings



In fact, to maximize reach today, advertisers
must combine broadcast with cable --
with a mix of 60% broadcast and 40% cable --
is that your TV media mix?

Increasing or Adding Cable to the Mix Significantly Improves Overall Reach

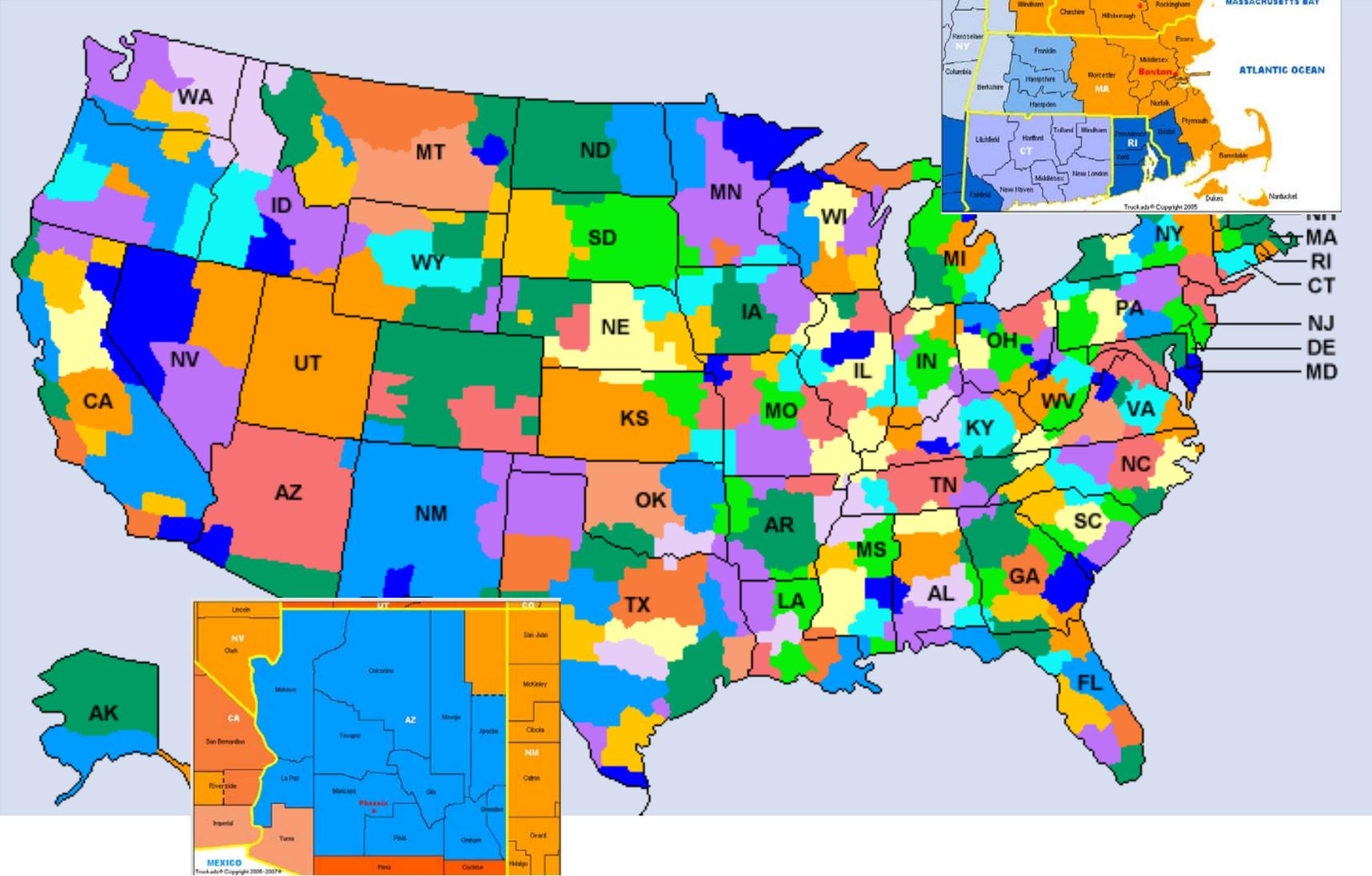
**+24%
Reach**



Local cable TV advertising allows you to focus your message and precisely target your most valuable potential customers in your desired geographic area.

- DMA - Interconnect
- Ad Tag - Ad Copy

Sub-DMA Advertising



Interconnects

Deliver a large group of cable systems that are “connected” together - can be as large as an entire DMA, or a smaller group of local cable systems purchased as one package.

1. The ease of “one tape, one contact and one invoice”
2. Minimum 80% of subscribers hardwired
3. 50 Ad-Insertable Networks to choose from
4. Integrated promotional marketing opportunities with network partners

In essence, like a high-tech version of your local broadcast station or station group, only they’re more precise in their ability to deliver the target audience you desire - and they’re just as easy to buy.

Adtag / Adcopy

Split the message, increase your impact

Picture this: You're at home one evening watching ESPN's SportsCenter.

At precisely 7:09pm, a commercial comes on for the new Chevy Blazer. At the very same time, a friend of yours is also watching SportsCenter; only instead of seeing a Chevy Blazer commercial, he sees a commercial for the all-new Chevy Equinox.

Chevrolet planned it that way. They utilized a targeted TV application called **Adcopy**™, a market segmentation product that broadcast networks simply cannot offer.

Adtag / Adcopy

Adtag allows advertisers to run the same 25-second commercial throughout a market, finishing the spot with customized 5-second “tags” that give specific information to the appropriate geographic location within the market.

Adcopy allows advertisers to simultaneously run completely different commercials to different audiences within the same market targeting viewers based on aggregate geographic, demographic or psychographic or other characteristics of the consumers residing within specific areas.

Why Local Cable?

Local Targeting Capabilities



Flexible Scheduling



One-Stop-Shopping



Targeted Reach



Advanced TV Opportunities



Promotional Opportunities



Buying Efficiencies

Specify geography down to the cable system.
- Run two or more ads to different market segments simultaneously (Adtag /Adcopy)

Choose which networks and which programs best match to your brand target viewers

One phone call - - one contract - - one invoice
- Across MSOs, markets, networks...
- One Stop Shopping!

Reach upscale consumers in your most important markets... on the most targeted media channels available

Interactive TV - - Video-on-Demand - -
Program Guide billboards - Only Available in
Local Cable

Easily create targeted local market promotions matching the right networks with the right consumers

Eliminate waste - reaching the right people in your area at the right times and during the right programming.

Why Ad-Supported Local Cable?



Ad-Supported Wired Cable