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GROWTH OF ORIGINAL PROGRAMMING POWERING CABLE

-- \$19 Billion Annual Investment in Programming Paying Huge Dividends --

-- Successful Cable Premieres Driving Overall Television Growth --

New York, NY – August 11, 2008 – More than at any time in its history, ad-supported cable’s strategy of delivering balance between acquiring viewer favorites while investing heavily in original programming is driving a new era of growth. However, more noteworthy is the role ad-supported cable is now playing as the engine powering all of television. While acquired favorites continue to contribute to cable’s success, the investment in original content which comprises more than two-thirds of the total programming offered has become the biggest factor in accelerating television’s overall growth.

An analysis of the past five years by the Cabletelevision Advertising Bureau (CAB), found that the success can be attributed to the collective \$19 billion investment in original programming made by ad-supported cable networks. This has led to strong viewer followings, consistent ratings growth and critical acclaim for dramas such as TNT’s *The Closer*, AMC’s *Mad Men*, USA’s *Burn Notice*, FX’s *Damages* and Lifetime’s *Army Wives*. Additionally, the success of programs such as Discovery’s *Deadliest Catch*, Spike’s *UFC*, ESPN’s *MLB All-Star Home Run Derby*, Nickelodeon’s *Avatar* and Sci Fi Channel’s *Ghost Hunters International* series demonstrates the variety of original programming and the positive impact it is having on cable viewership.

Programming Composition Changes

Over the past five years ad-supported cable has reached a composition where 67% of its programming is now original content. This dramatic rise in programming investment is evident when compared to five years earlier (2003).

Average Week	#	%
April 2003	Shows	Total
Original	741	59%
Acquired	517	41%

Average Week	#	%
April 2008	Shows	Total
Original	1407	67%
Acquired	688	33%

In addition to the change in programming composition, the total number of original programs in any given week has surged from 1258 to nearly 2100 in 2008.

Original Programming Growing Across Wide Spectrum

A closer look at the rise in original ad-supported cable programming reveals that the growth is spread across a wide spectrum of television genres. The depth and breadth of investment in various types of programming has provided marketers innumerable video options in reaching their target audiences. Since 2003, the number of originals within every major genre has dramatically increased.

Programming Genre	# Originals Feb. 2003	# Originals Feb. 2008
Dramas	18	79
Documentary	83	527
Instruction	16	385
Music	191	246
Sports	294	500
Totals	602	1737

Success of Originals Widening Ratings Gap

Through the first 42 weeks of the current television season the analysis shows that the ratings gap between ad-supported cable and broadcast television has doubled over the same period one year earlier. Moreover, it is clear that the ratings trend is not solely due to the 14-week Writer's Guild of America (WGA) strike. In the 22 weeks since the end of the work stoppage, the ratings performance of ad-supported cable has continued to grow buoyed by the successful premieres of several highly acclaimed programs. The chart below provides two key sets of demographics and the widening gap in ratings performance.

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22 Weeks Post Strike	2007 Ratings	2007 % Share	2008 Ratings	2008 % Share
A18-49 Cable	15.8	46.0	17.2	49.1
A18-49 Broadcast	12.8	37.5	11.7	33.3
A25-54 Cable	16.8	44.7	18.3	47.5
A25-54 Broadcast	14.6	39.3	13.7	35.8

* Source: CAB Analysis of Broadcast 7 Affiliates & Ad-Supported Cable Primetime Live +7 Ratings
2/11/08-7/13/08 & 2/12/07-7/15/07

In each of the key demographics both the ratings growth and share gap increased two fold over the previous year. In 2008, for adults 18-49 the post-strike gap advantage for cable during the 22 weeks analyzed grew to an astounding 47% up from a previous 23% advantage in 2007. For adults 25-54 the gap advantage for cable grew to 34% in 2008 versus a 15% advantage in 2007.

“It is clear from the trends that ad-supported cable’s considerable investment in high-quality, relevant and diverse programming has paid huge dividends,” said Sean Cunningham, president and CEO of the CAB. “By any measure cable television is the leader in quality original content, ratings performance, water cooler buzz and critical acclaim – offering something for everyone each night.”

About the CAB

Founded in 1980, the Cabletelevision Advertising Bureau (www.thecab.tv) is a television advertising advocacy group dedicated to providing advertisers and their agencies with the most current, complete and actionable media insights at the national, DMA and local levels.

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