
Why Ad-Supported Cable?



Ad-Supported Wired Cable

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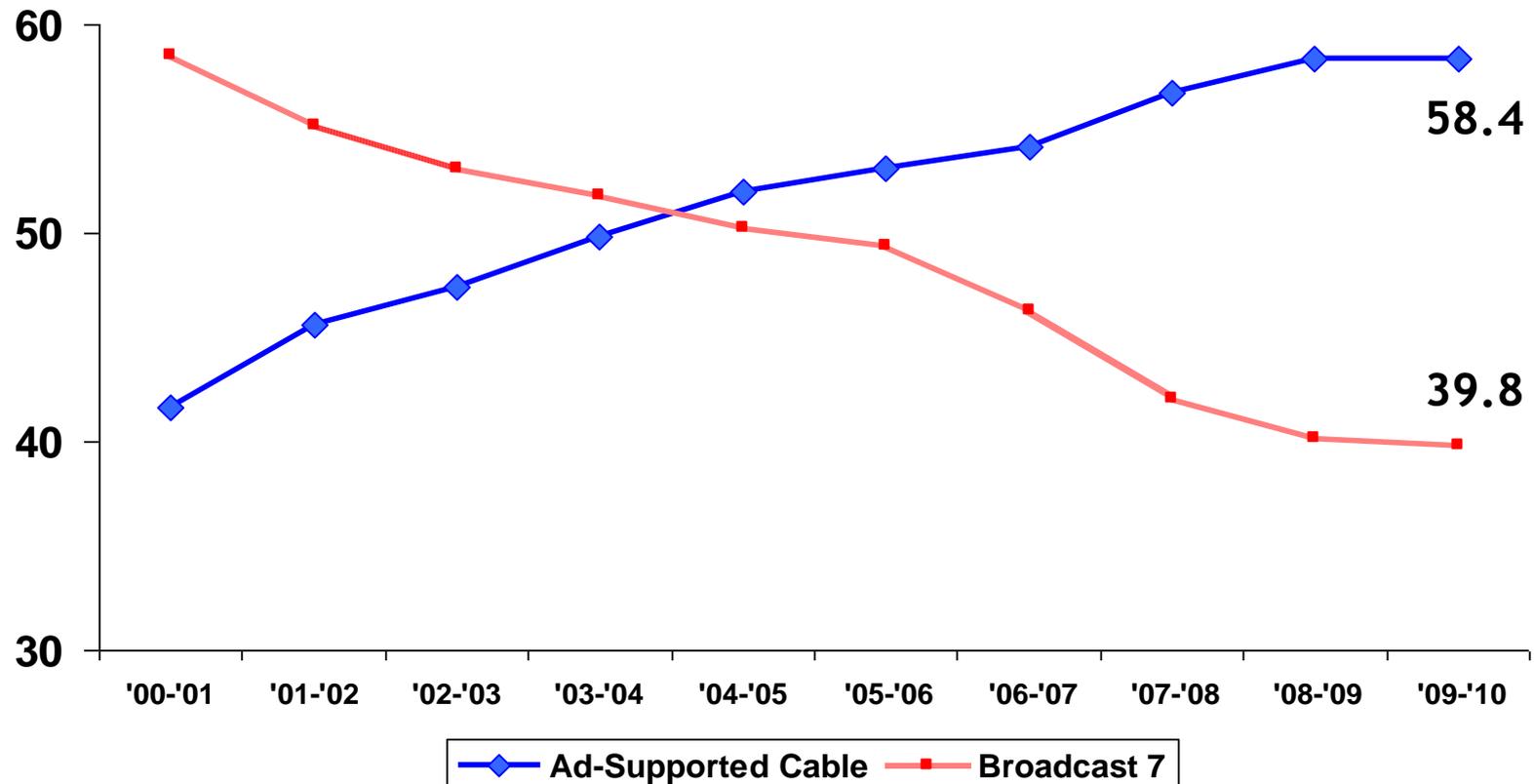
- It's where the viewers are
- World class brands & Award winning programming
- Targets passionate viewers with high ad receptivity
- Precision geographic targeting

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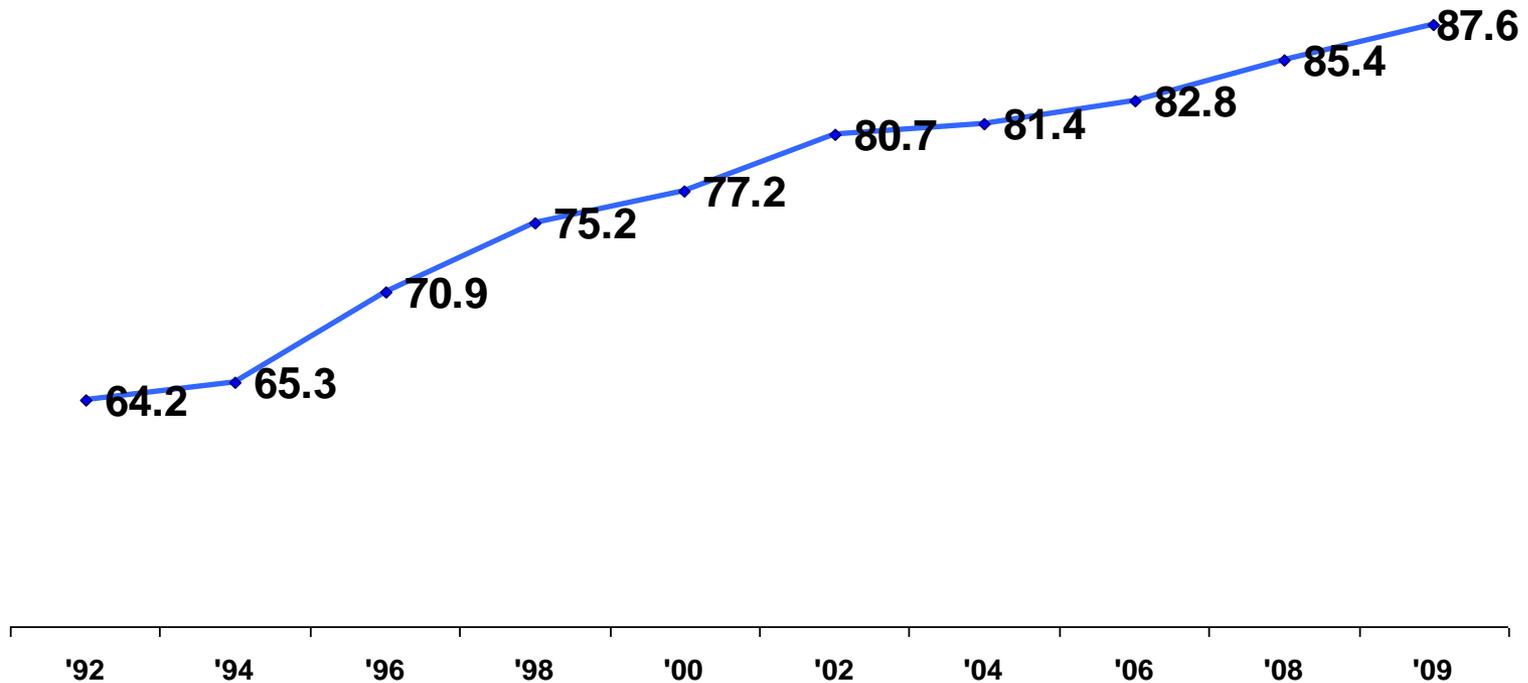
Ad-Supported Cable Accounts for Almost 60% of All Television Viewing

Household Primetime Share Levels



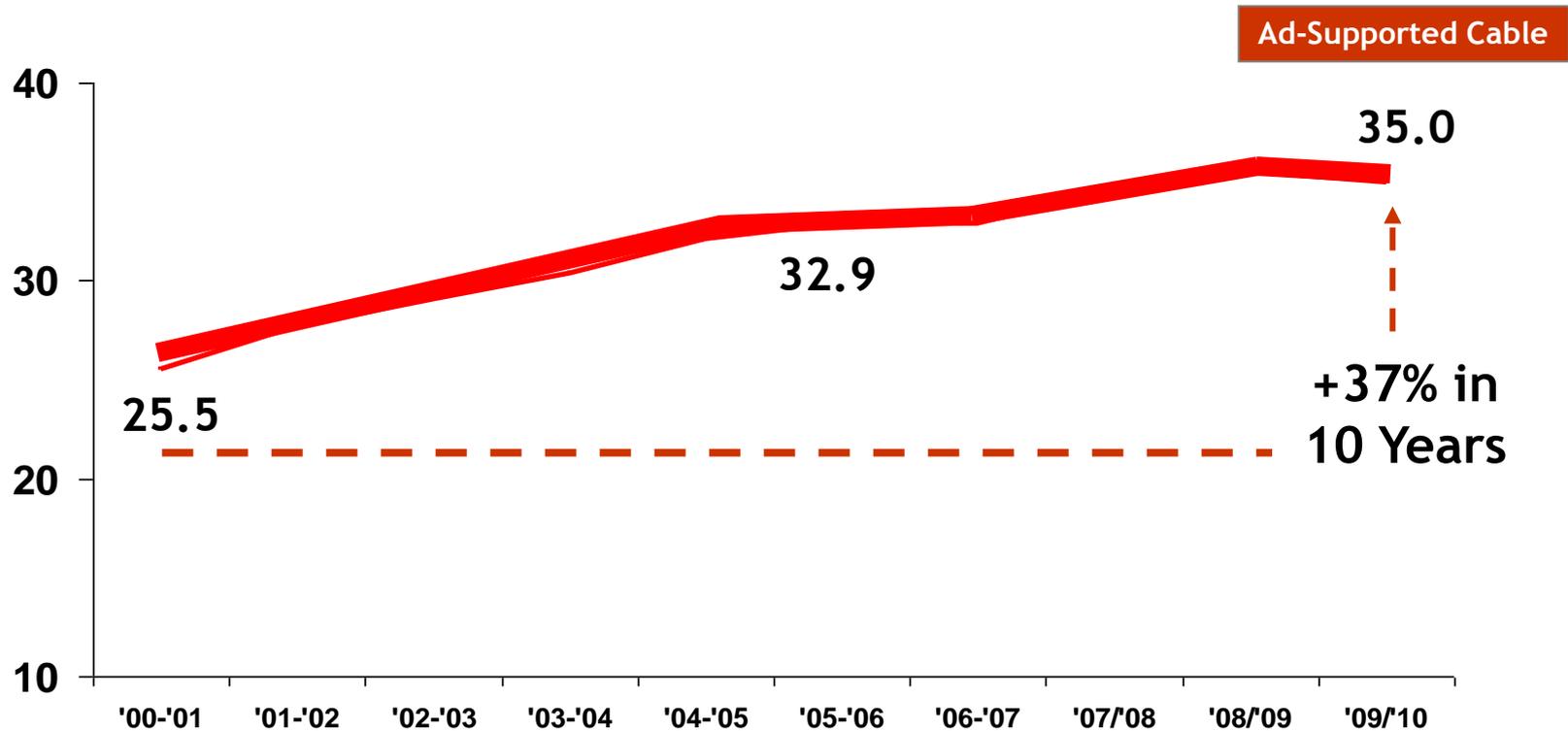
Ad-Supported Cable's Reach Continues To Grow

% U.S. HH Total Day Weekly Cume: Ad-Supported Cable



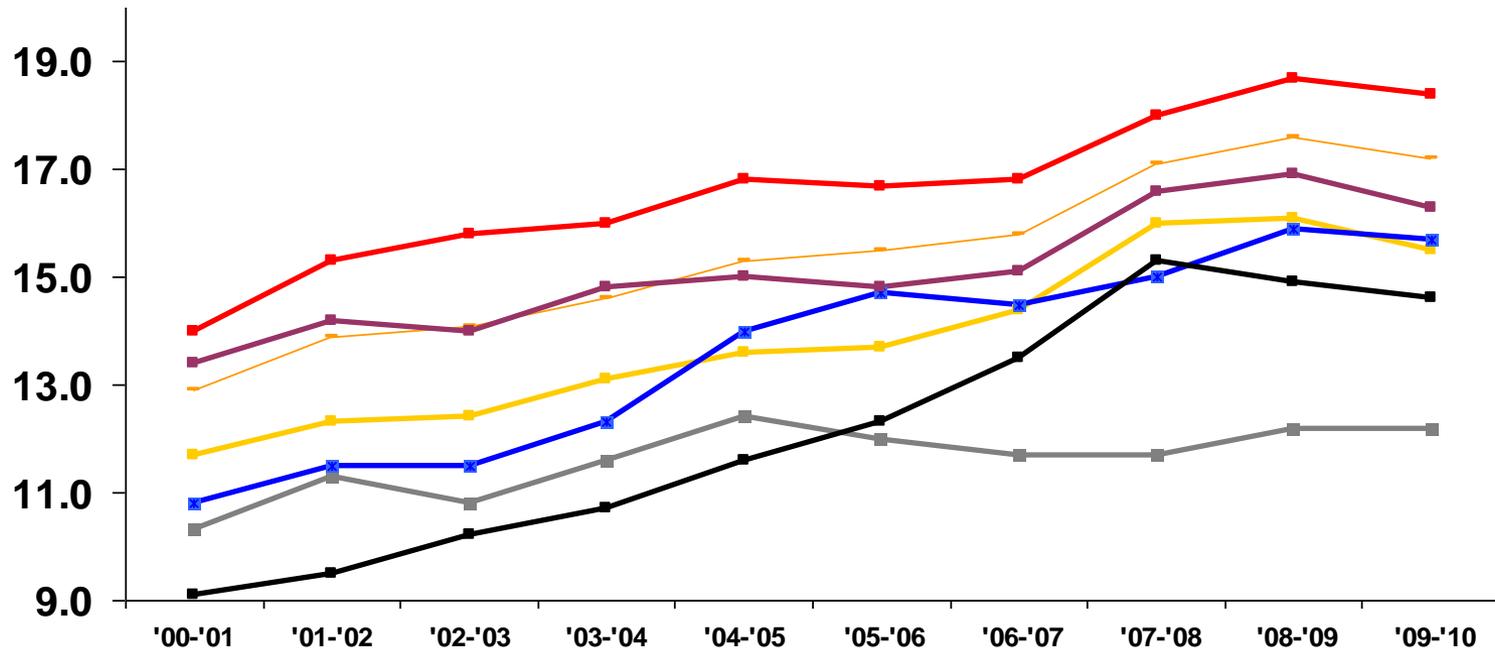
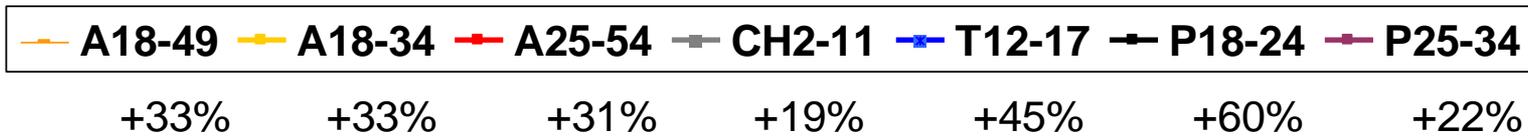
...And Cable Ratings Continue to Climb

Ad-Supported Cable HH Primetime Ratings



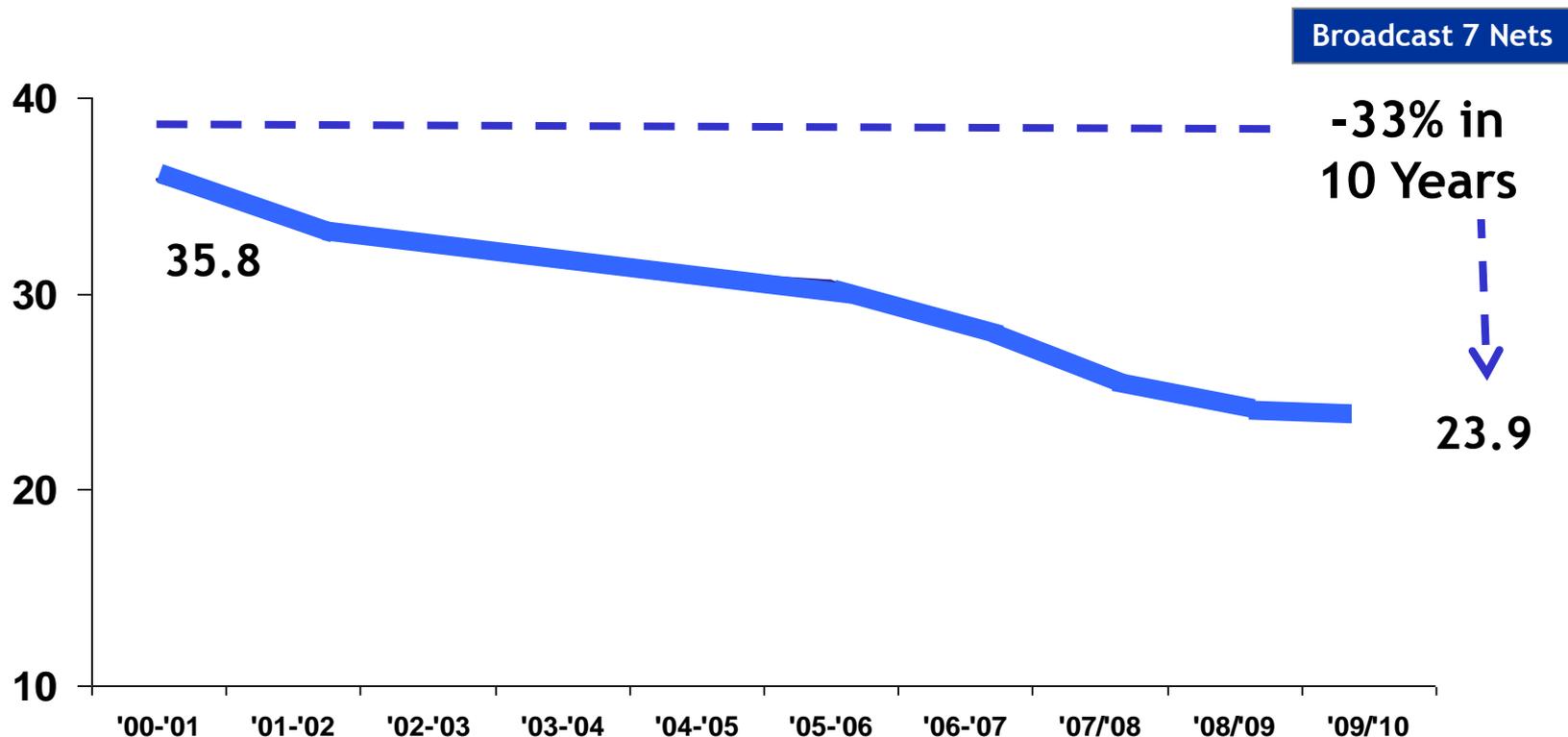
...Among All Key Demographic Groups

Ad-Supported Cable Primetime Ratings



In Contrast, Broadcast Ratings are on a Steep Decline

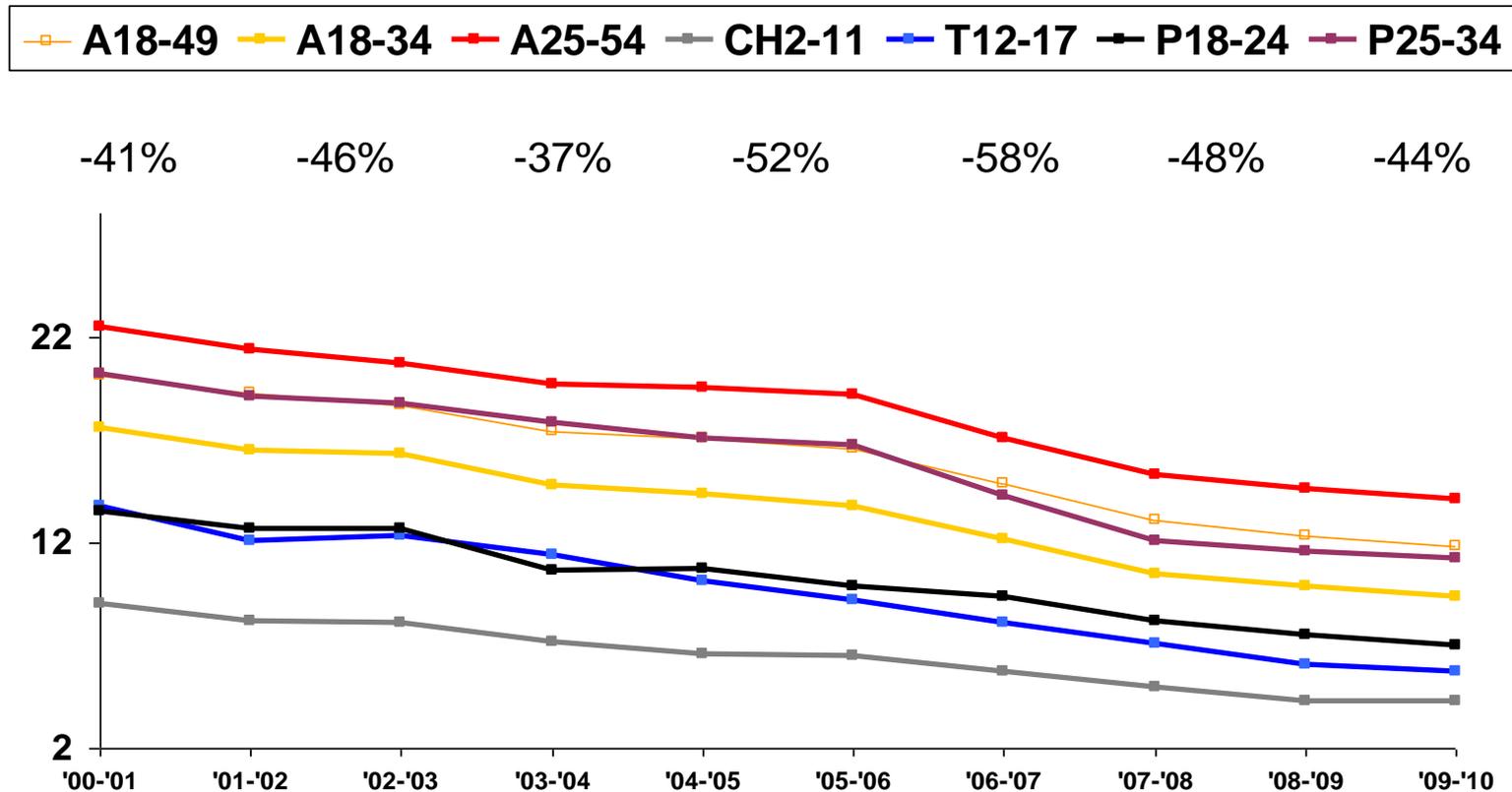
Broadcast 7 HH Primetime Ratings



...Across All Key Demographic Groups

Broadcast 7 Nets

Broadcast 7 Primetime Ratings



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

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, 93% of Big-4 Nets Primetime Programs Earn Below a 5.0 A18-49 Rating

A18-49 Rating	92/93 Season	% of Total Programs	09/10 Season	% of Total Programs
15+	1	1%	0	0%
10-15	7	7%	0	0%
5-10	68	67%	8	7%
0-5	25	25%	103	93%
Total	101	100%	111	100%

At the Turn of the Century, Broadcast was the Dominant Viewing Source on Ratings

1999 / 2000 TV RATINGS: CABLE v. BROADCAST 7

	HH	P18-34	P25-54	P18-49	P50+	M18-24	M18-34	F18-24	F18-34	P2-11	F12-17
TOTAL DAY	7-NET	7-NET	7-NET	7-NET	7-NET	CABLE	CABLE	7-NET	7-NET	CABLE	CABLE
EARLY MORNING	7-NET	7-NET	7-NET	7-NET	7-NET	CABLE	CABLE	7-NET	7-NET	CABLE	CABLE
DAYTIME	7-NET	7-NET	7-NET	7-NET	7-NET	CABLE	CABLE	7-NET	7-NET	CABLE	CABLE
EARLY FRINGE	7-NET	7-NET	7-NET	7-NET	7-NET	CABLE	CABLE	7-NET	7-NET	CABLE	CABLE
PRIMETIME	7-NET	7-NET	7-NET	7-NET	7-NET	7-NET	7-NET	7-NET	7-NET	7-NET	7-NET
LATE NIGHT	7-NET	CABLE	7-NET	7-NET	7-NET	CABLE	CABLE	CABLE	7-NET	CABLE	CABLE
WEEKEND DAY	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE

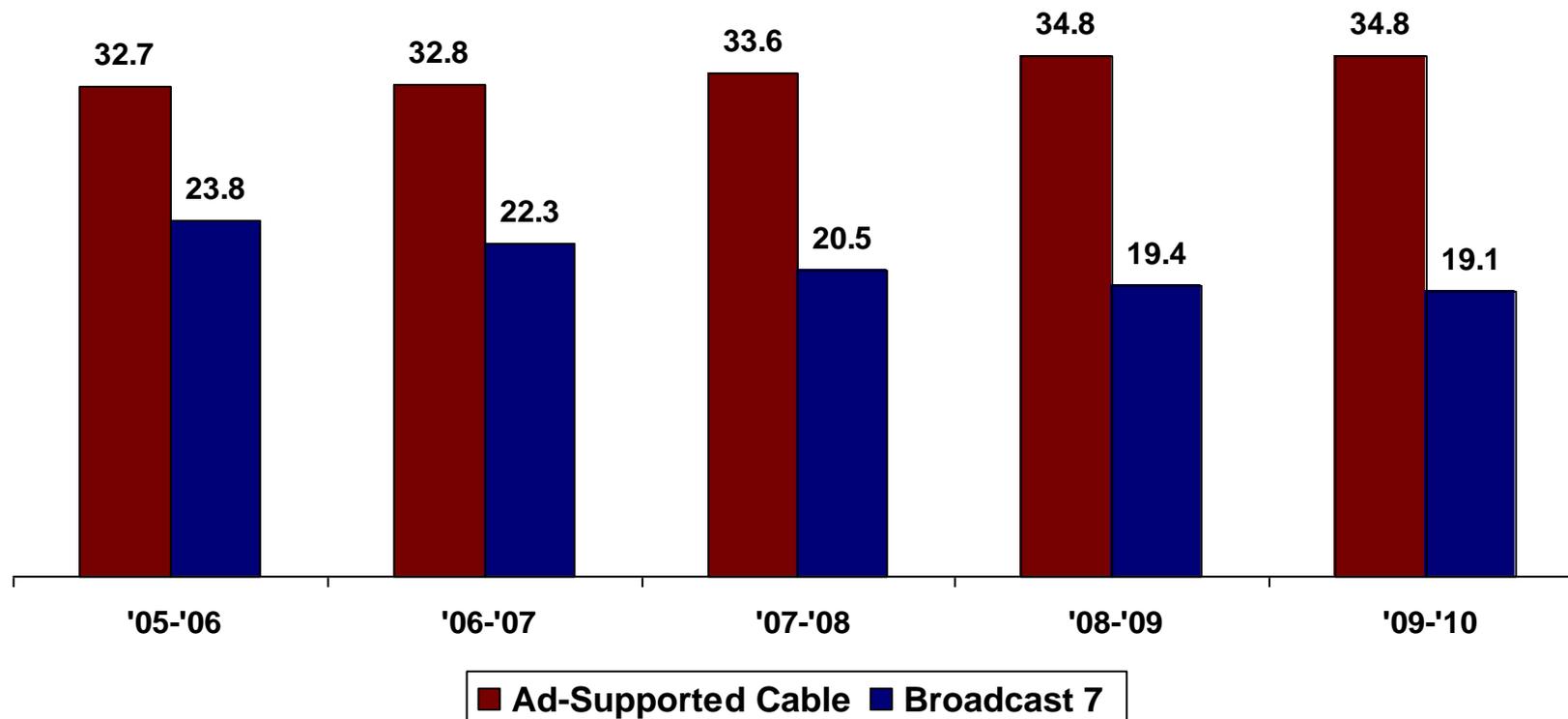
Today, Cable Dominates Across The Board

2009 / 2010 TV RATINGS: CABLE v. BROADCAST 7

	HHL D	P18-34	P25-54	P18-49	P50+	M18-24	M18-34	F18-24	F18-34	P2-11	F12-17
TOTAL DAY	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
EARLY MORNING	CABLE	CABLE	7-NET	CABLE	7-NET	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
DAYTIME	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
ACCESS	CABLE	CABLE	CABLE	CABLE	7-NET	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
PRIMETIME	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
LATE NIGHT	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
WEEKEND DAY	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE

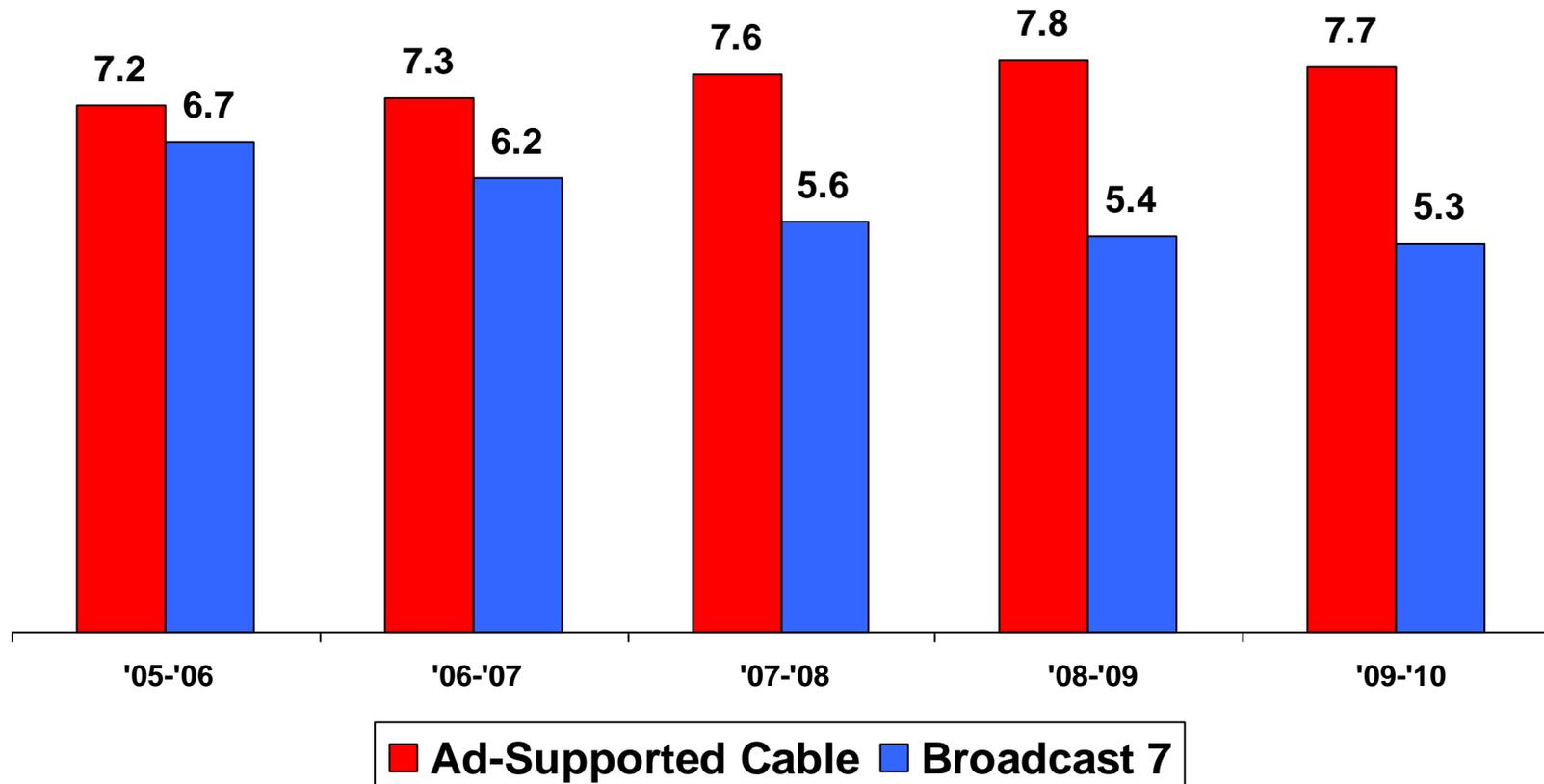
Viewers Spend 35 Hrs A Week With Cable - Almost Double The Time With Broadcast

Total Day: Avg Weekly Time Spent Viewing (In Hours)



Each Season, Primetime Viewers' Spend Less Time Watching Broadcast

Primetime: Avg Weekly Time Spent Viewing (In Hours)



Why Ad-Supported Cable?

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Cable Delivers the Best Known Video Brands

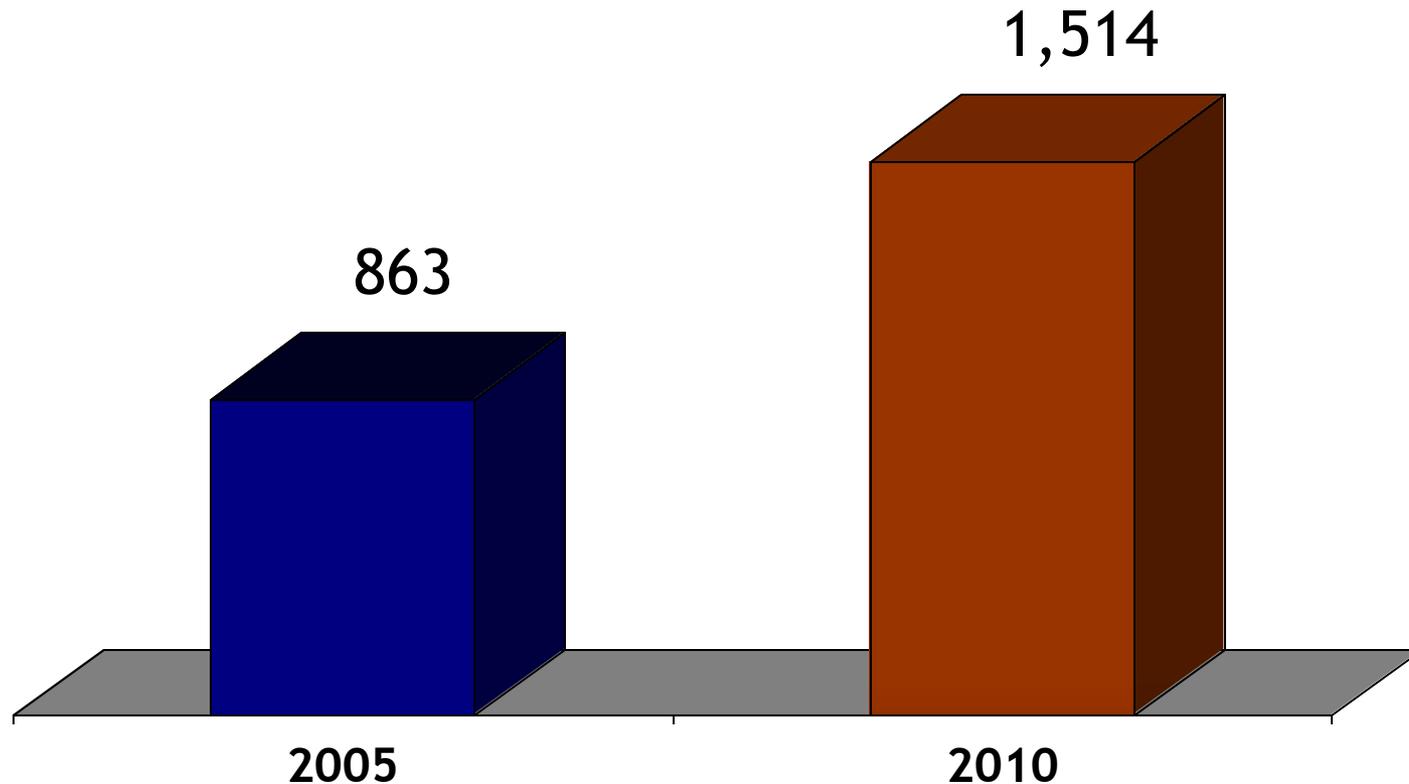


Cable is Not Just Re-Runs, It's Great Original Programs



Cable Originals Doubled in Last 5 Years

Ad-Supported Cable's Original Programs



Specific Genre's Tripled in that Time Period

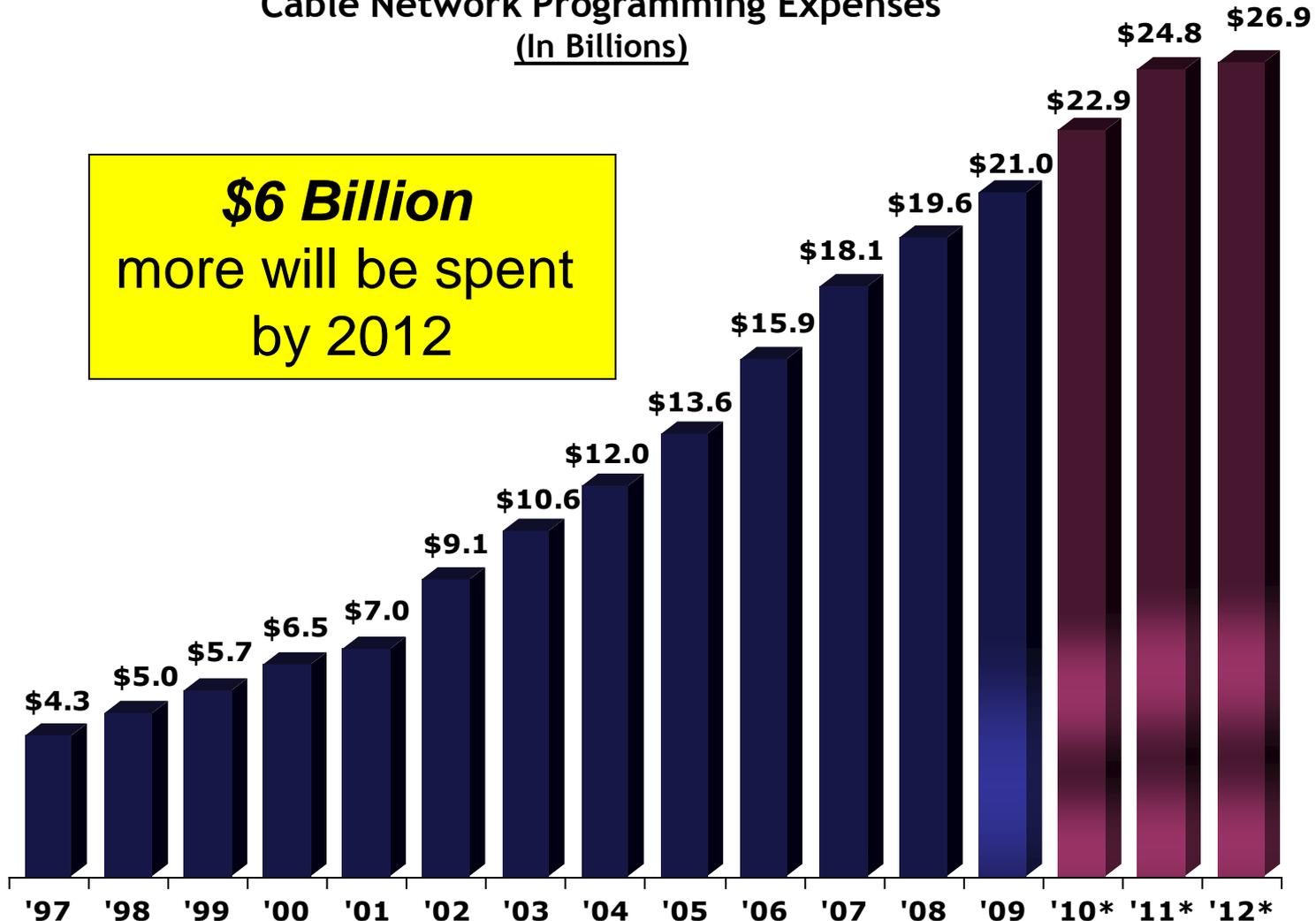
Ad-Supported Cable's Original Programs: Total Day

Genre	# Originals / Avg. Week In Oct. 04	# Originals / Avg. Week In Oct. 09
Dramas	28	66
General Documentary	74	283
Instruction/ Advice	110	329
Sports	136	349
All Other	438	487
Grand Total	786	1,514

Cable's Investment in Quality Programming Will Continue

Cable Network Programming Expenses
(In Billions)

\$6 Billion
more will be spent
by 2012



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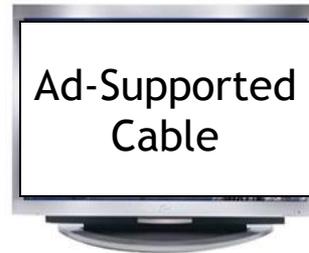
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Viewers are Passionate About Cable



	<u>A18-49 Index</u>	
“I would <u>miss these networks</u> if they were no longer available”	109	92
“I <u>look forward to</u> time watching”	108	96
“I <u>recommend</u> these networks to others”	110	94

Viewers are Passionate About Cable



	<u>A18-49 Index</u>	
“Consider myself <u>loyal</u> to these networks”	109	98
“ <u>Always worth checking</u> to see what’s on”	108	96
“Programs I <u>can’t find anywhere else</u> ”	110	99

***And this makes Cable the ideal environment
to sell products...***

Viewers Are More Receptive to the Ads



A18-49 Index

“I ***remember*** ads on these networks more”

119

99

“I ***trust*** advertising on these networks”

115

97

...And More Likely to Turn to Cable to Determine Their Next Purchase



A18-49 Index

“Advertising on these networks is an **important source of information** about products and services”

116

98

“I’m **inclined to purchase** products and services from companies that advertise on these networks”

118

97

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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?

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

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

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?

Wired Cable Homes Deliver the Most Desirable Marketing Prospects



Wired Cable



ADS / Satellite



Broadcast Only

Wired Cable Homes are More Affluent



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

Wired Cable Homes Have More Disposable Income



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

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.

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