
Why Ad-Supported Cable?



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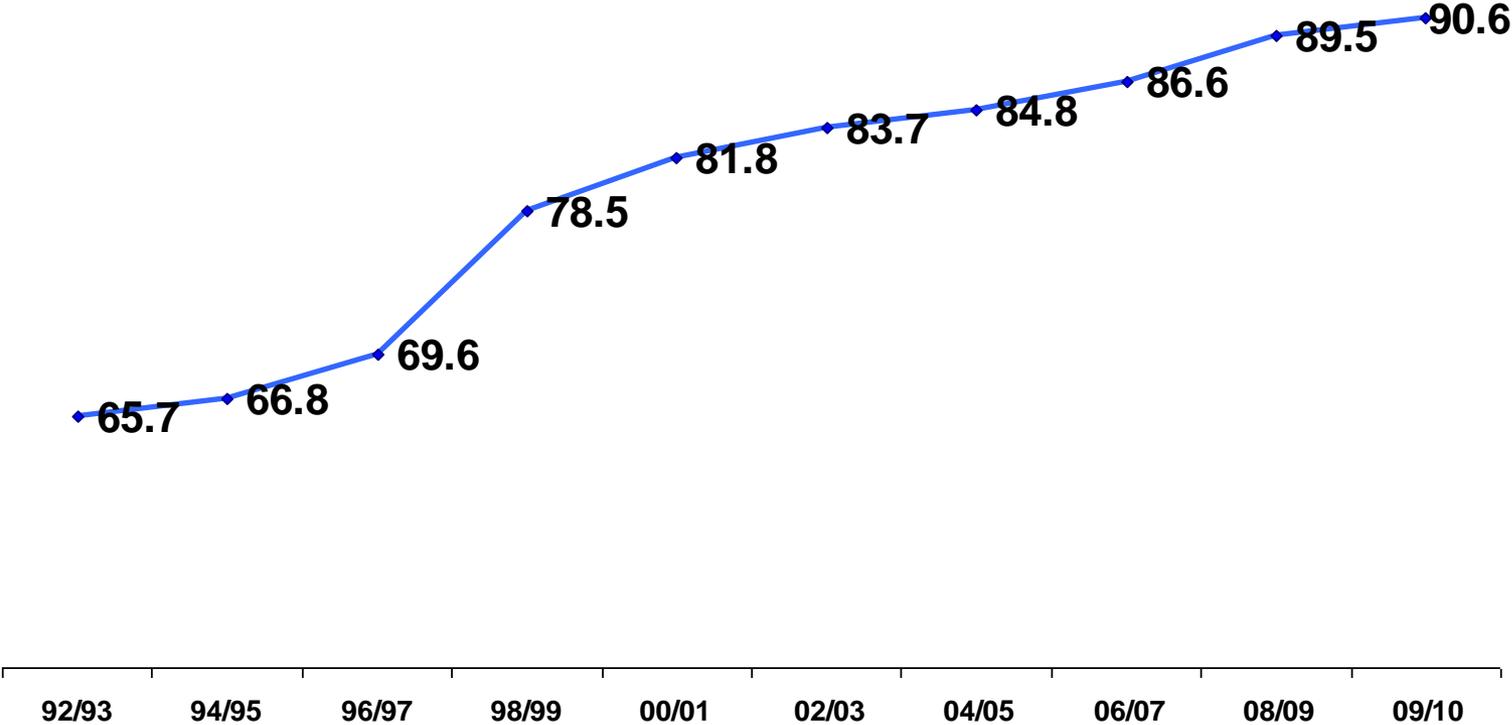
- Follow the migration to where the viewers are
- World class brands & original content
- Targets passionate viewers with high ad receptivity
- Powerful tool which can be used as a broad reach or a highly refined targeted medium

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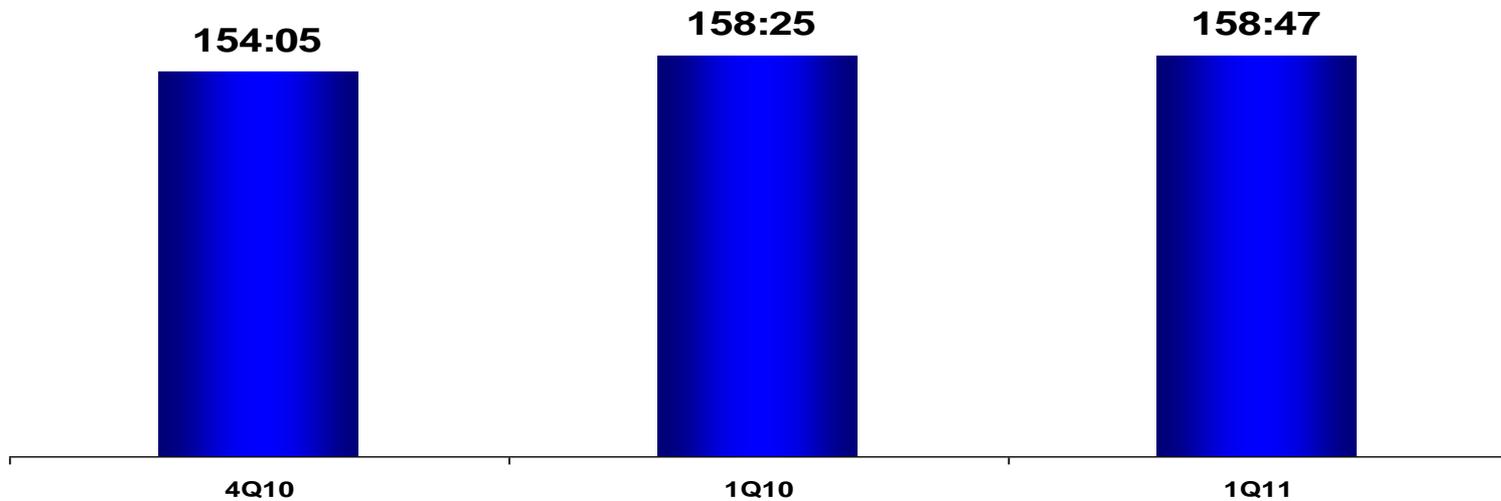
Over 90% Of All Television Households Are Reachable With Cable Programming

Cable HH Penetration %



With Digital Evolution, Time Spent With TV Has Continued To Increase

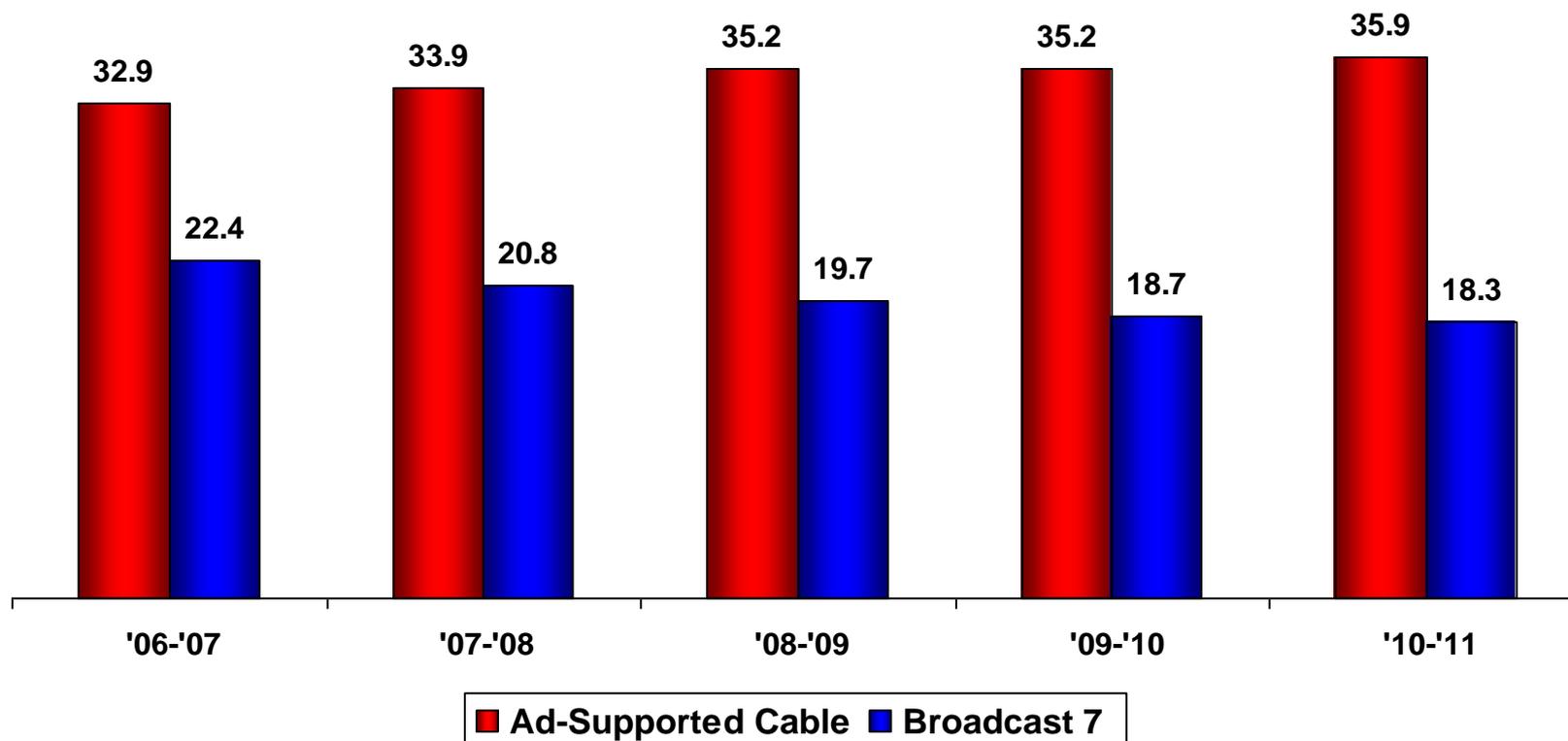
Monthly Time Spent With TV In HH
(HRS:MIN Per User P2+)



Consumers Are Adding Video Platforms, Not Replacing Them

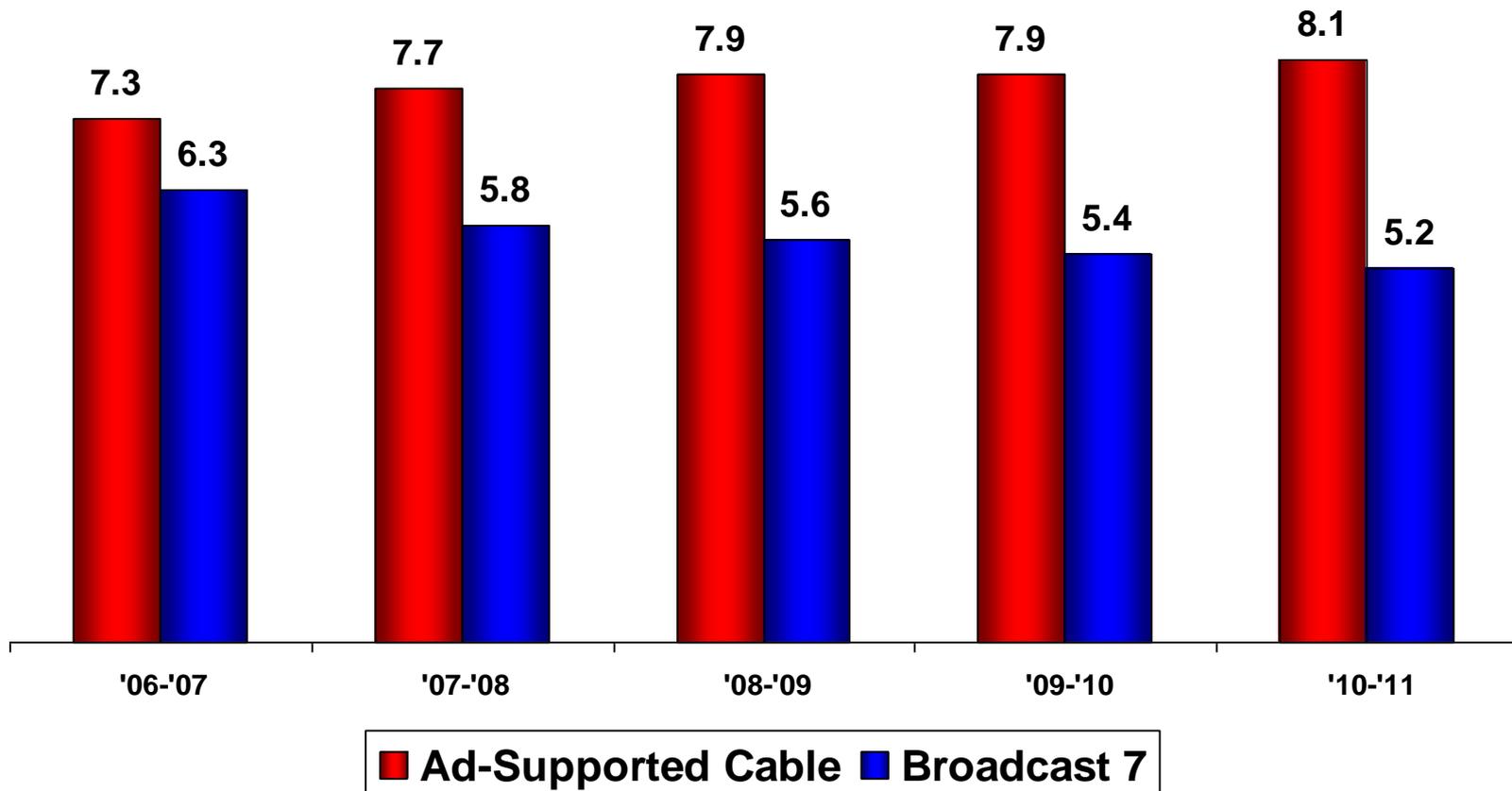
Viewers Spend Double The Time With Cable Programming

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



Each Season, Primetime Viewers' Spend Less Time Watching Broadcast

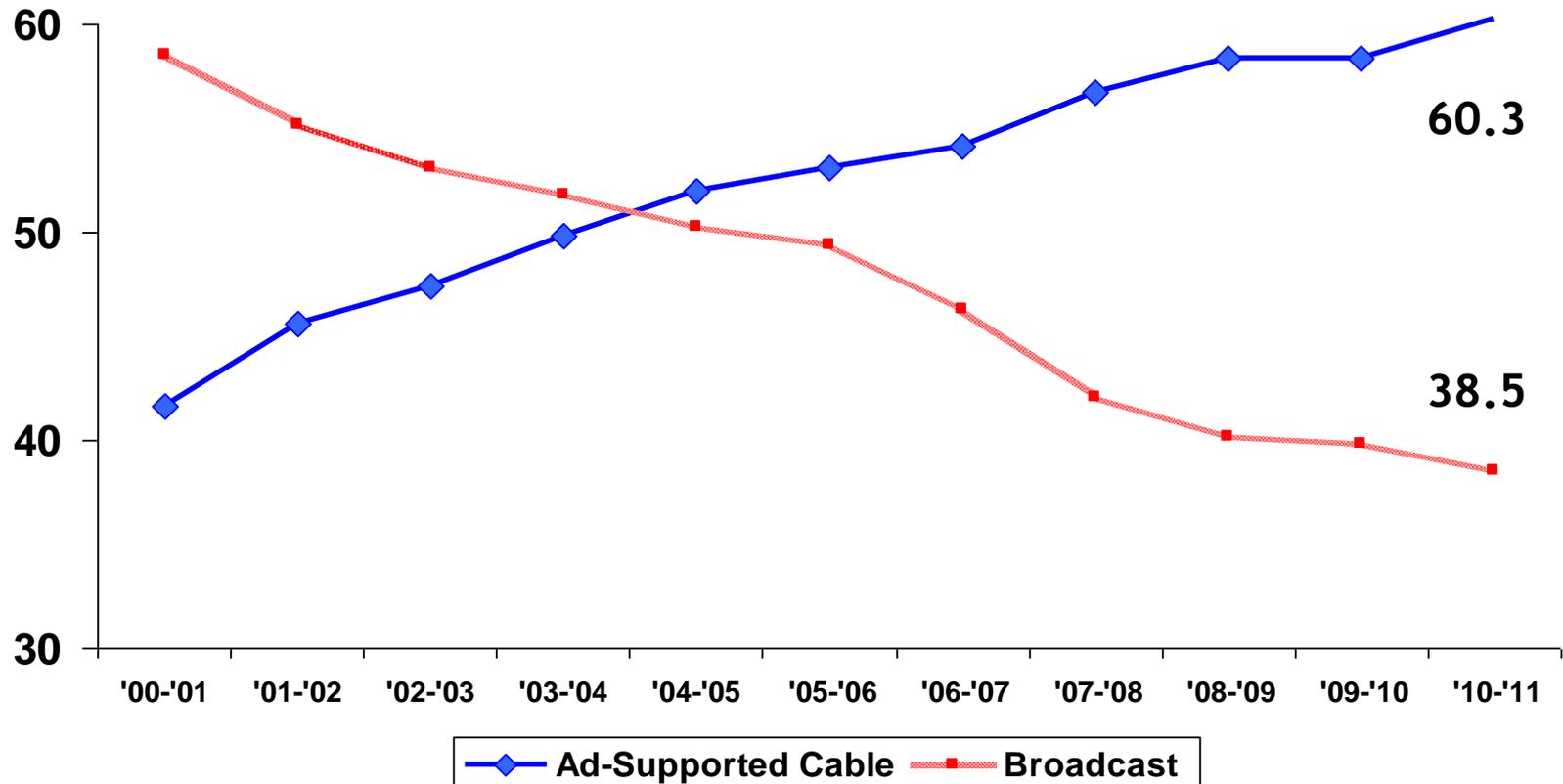
Primetime HH: Avg Weekly Time Spent Viewing (In Hours)



More Time Spent Translates Into Higher Ratings...

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

Household Primetime Share Levels



...And Generates A Broader Gap With Broadcast

Household Primetime Share Levels

Ad-Supported Cable

60.3

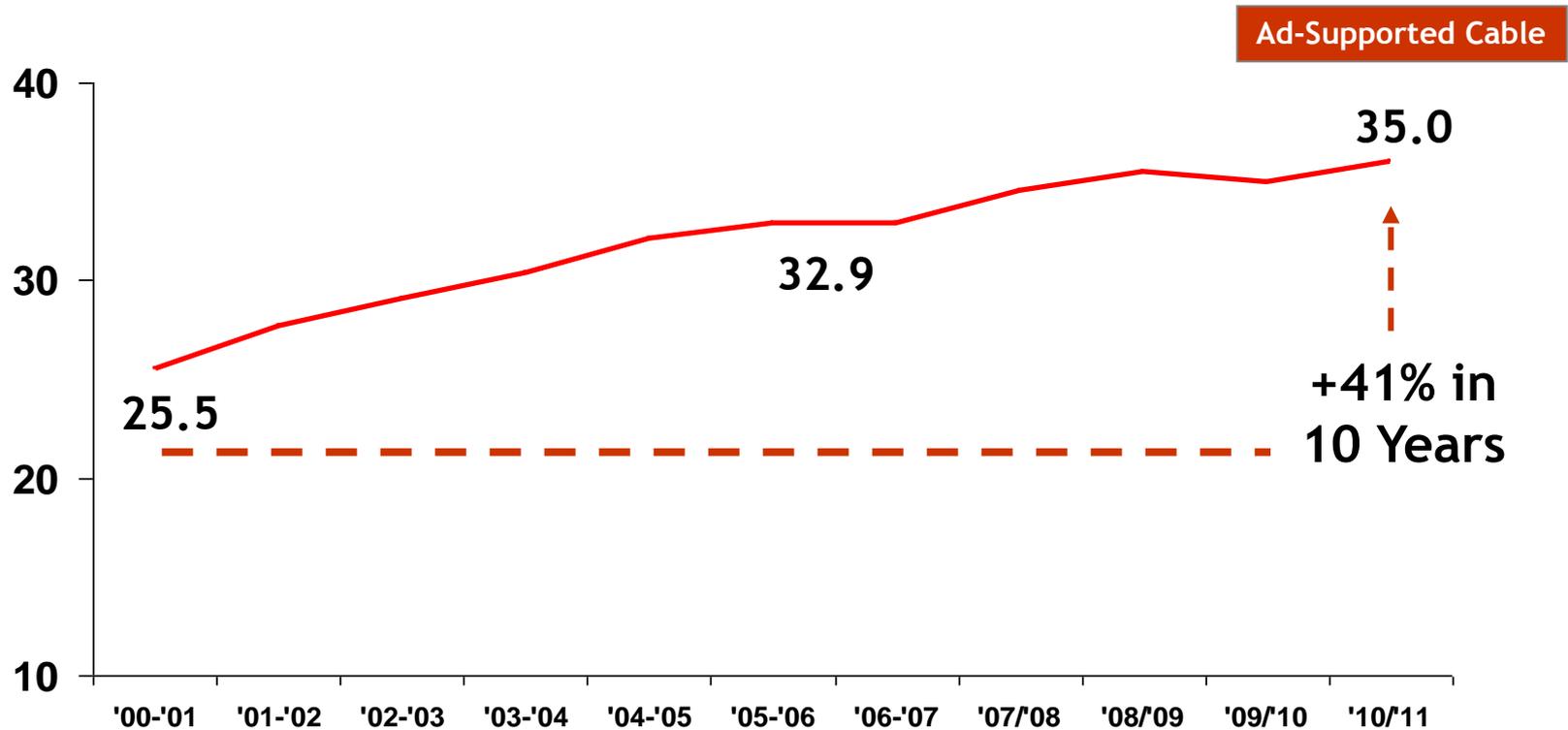
Broadcast 6 Affils

38.5

21.8 Gap

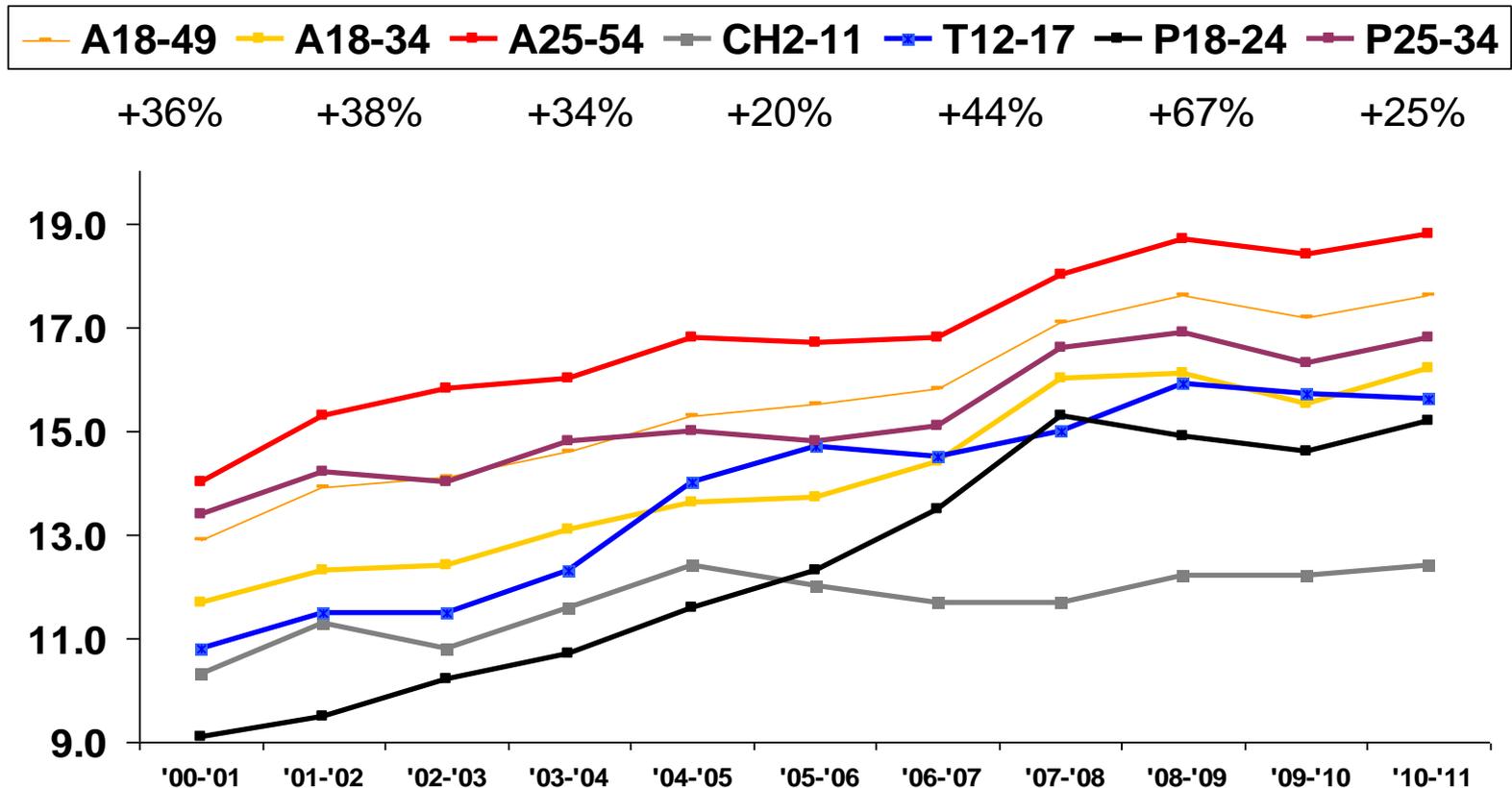
...And Cable Ratings Continue to Climb

Ad-Supported Cable HH Primetime Ratings



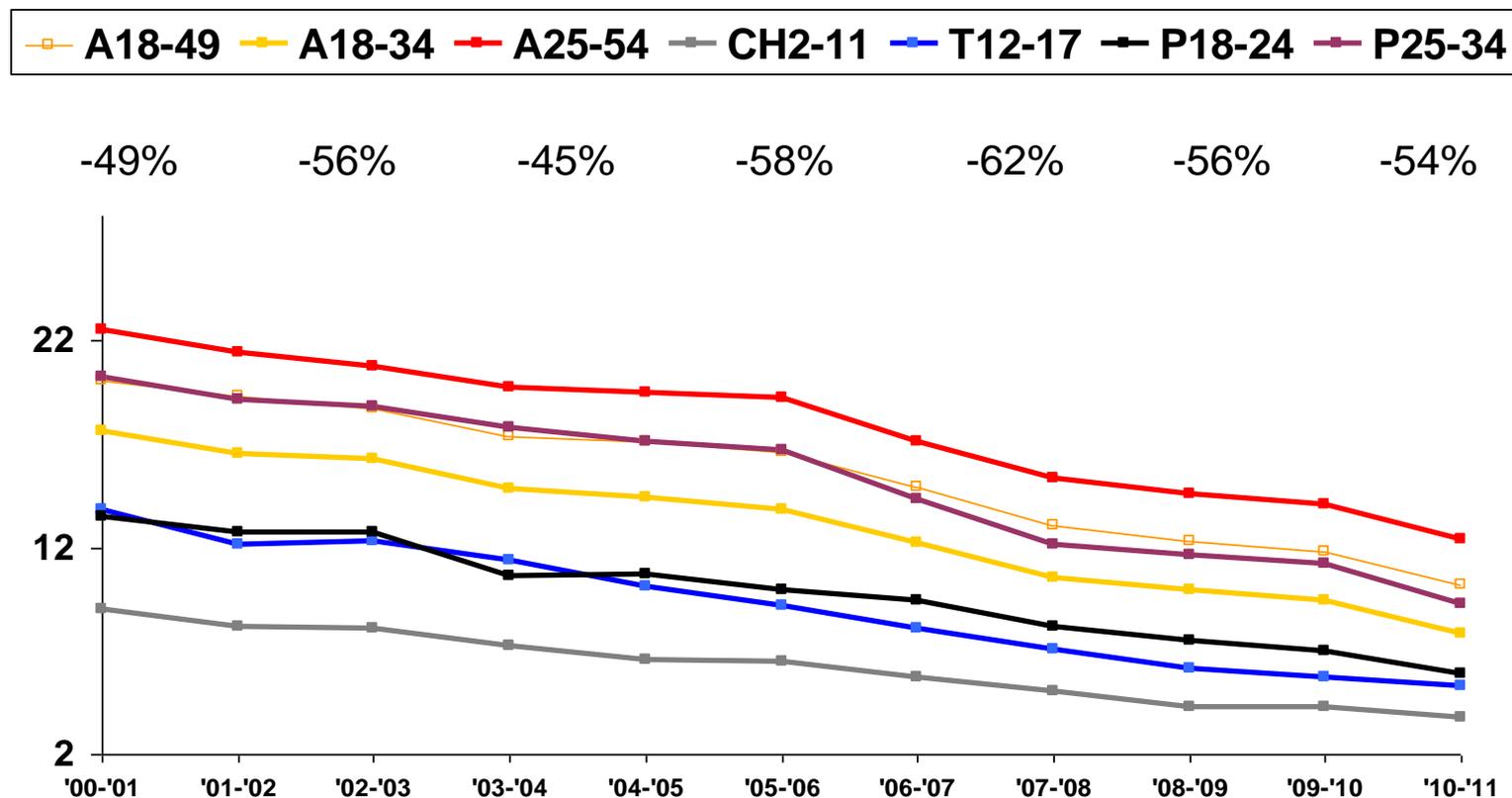
...Among All Key Demographic Groups

Ad-Supported Cable Primetime Ratings



In Contrast, Broadcast Ratings Continue To Decline

Broadcast 6 Primetime Ratings



***Cable's Ratings Growth Have Propelled The
Medium To Lead Across The Board...***

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

2010 / 2011 TV RATINGS: CABLE v. BROADCAST 6

	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	TIE	CABLE	6-NET	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
DAYTIME	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
ACCESS	CABLE	CABLE	CABLE	CABLE	6-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

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%

Today, 94% of Big-4 Nets Primetime Programs Earn *Below* a 5.0 A18-49 Rating

A18-49 Rating	92/93 Season	% of Total Programs	10/11 Season	% of Total Programs
15+	1	1%	0	0%
10-15	7	7%	0	0%
5-10	68	67%	6	1%
0-5	25	25%	91	94%
Total	101	100%	97	100%

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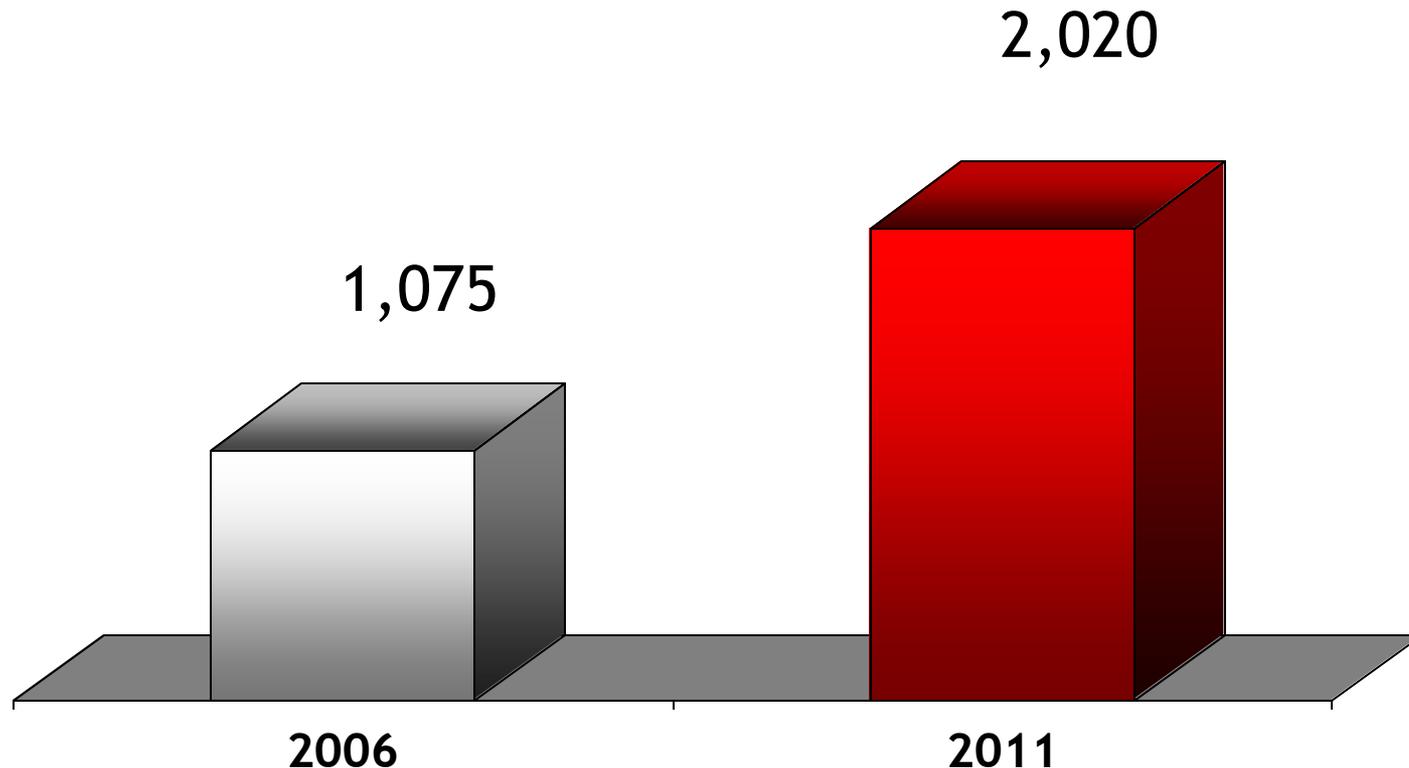
Cable Delivers the Best Known Video Brands



Cable's Originals Doubled in Last 5 Years

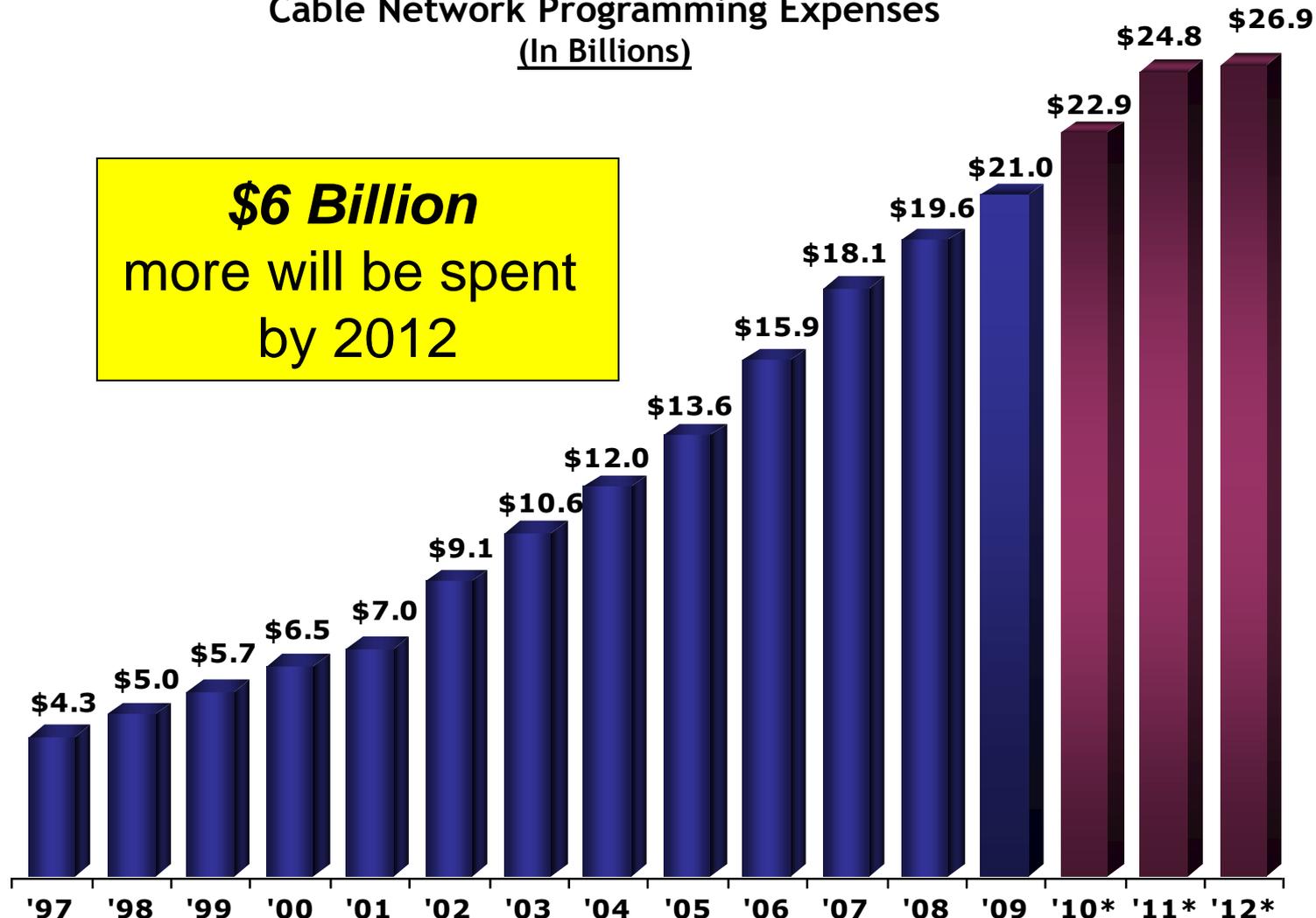
Ad-Supported Cable's Original Programs

March 2011: Total Day



Cable's Commitment to Investing in Original Programming Will Continue

Cable Network Programming Expenses
(In Billions)



Source: SNL Kagan, *projections

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Viewers are Passionate About Cable



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

Viewers are Passionate About Cable



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

Cable Homes Deliver the Most Desirable Marketing Prospects



Cable



ADS / Satellite



Broadcast Only

Cable Represents Your Upscale Consumer



Cable Only



ADS / Satellite



Broadcast Only

Home Value: \$750K+

105

116

49

Household Income: \$250K+

115

95

38

Education: Graduated College or more

109

91

82

Career: Professionals

108

90

90

Cable Homes Spend More On Products & Services

	Cable Only HH	Bdcst Only HH	ADS Only HH
Spent \$5K on Vacations Past 12 Mos	114	44	102
# Nights Stayed for Personal/Vacation [15+]	109	66	99
Spent \$40K+ on Most Recent Purchase/Lease	104	66	109
Spent \$150+ On Beauty Parlor (6 mos)	116	57	91
Spent \$150+ On Flower Shop (6 mos)	114	64	90
Spent \$2K+ Credit Cards Average Monthly	110	62	101
Spent \$250+ On Mens' Business Suit (past yr)	118	60	86
Spent \$1500+ On Jewelry (past yr)	113	60	92
Spent \$2000+ On Clothing (past yr)	110	76	84
Spent \$250+ On Shoes (past yr)	107	77	98
Spent \$700+ On Office Furniture (past yr)	128	30	93
Spent \$7500+ On Home Remodeling (past yr)	107	67	105
Spent \$1000+ On Audio Equipment (past yr)	118	44	97
Spent \$300+ On Camera's (past yr)	107	72	100

In Summary, 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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