

TOP-TIER
CABLE
NETWORKS

Cable? Bull's-eye!

With ratings and revenue on the rise, basic cable is taking aim at network TV's supremacy.

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BY AUSTIN CARR

WHEN CONAN O'BRIEN string-dances on TBS this November, it'll mark a major victory for cable television, which has long been considered second string to big broadcasters ABC, CBS, Fox, and NBC. But any way you slice it—reach, revenue, ratings, and (as Team Coco shows) respect—cable is king. Today, with about 90% of Americans now subscribing in some form, basic cable is basically the norm. Revenue is rising, up 14% over the past two years, to \$48 billion, compared with a 4% slump for broadcast channels, to \$16 billion. "Broadcast television's audience share has been eaten away," says Bill Gorman, media analyst and cofounder of TV by the Numbers. "The danger to broadcast TV isn't the Internet—it's cable."

To set themselves apart in an increasingly cluttered cable box, channels often begin by targeting a niche audience and then push into the mainstream with original programming. Which midsize channels will bully their way into the top ranks? And which new networks have staying power? We chart the expanding cable landscape.

NICHE
NETWORKS
PURSUING
AGGRESSIVE
GROWTH

NEW
NETWORKS

* Average prime-time viewers. Data courtesy of the Nielsen Co.

USA

The former *Law & Order* wasteland rehabbed its rep with hit catch-me-if-you-can shows such as *Burn Notice*, *Psych*, and *White Collar*. USA is the No. 1 network on basic cable, and prime-time viewers are up 44% since 2005.



3 Million*

2.04 Million



TNT

Home to the No. 1 cable series *The Closer*, TNT marries its drama know-how with serious sports cred: In April, TNT reached an unprecedented \$10.8 billion deal for joint broadcast rights for the NCAA March Madness tournament.



1.44 Million

History Channel

This channel recently remade itself with a new slogan—"History made every day"—that frees it to focus on the "history" created from reality shows, such as *Pawn Stars* and *Ice Road Truckers*. That loophole netted \$610 million in ad revenue in 2009, a spot in the top 10 for basic cable, and its best ratings... in history.

1 Million



AMC

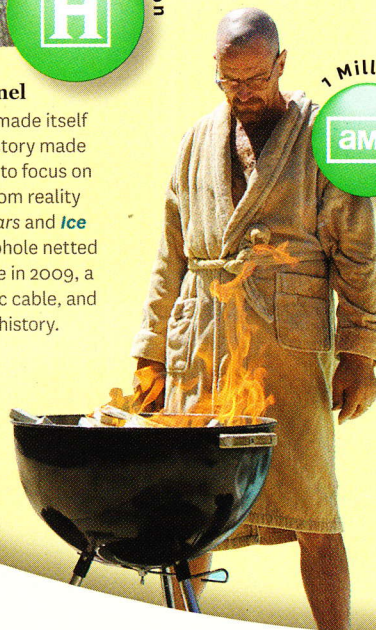
Rebranded from American Movie Classics to AMC in the early aughts, this HBO-wannabe has earned 40-plus Emmy nods in just three seasons with original hits *Mad Men* and *Breaking Bad*. Season three of *Mad Men*, a show HBO and Showtime passed on, was up 77% in viewership over its first season. New series *Rubicon* and *The Walking Dead* premiere this year.

755,000



Centric

Aiming for an older audience than its parent network BET, Centric debuted in 32 million homes last September, offering original African-American series such as *Keeping Up With the Joneses*, *Urban Livin'*, and *Lyric Café*.



1.1 Million



Cooking Channel

While the Food Network battles Bravo and TLC with cooking contests and reality shows, its spin-off returns to its culinary roots: instructional demos. "Many viewers want to go deeper, to level 2.0," says general manager Michael Smith. "We want to give people a second choice." Er, serving.

420,000



Nat Geo Wild

Think the nature niche is filled? Some cable carriers agree, but that didn't stop National Geographic from spinning off this monkey-heavy network (think: *Mystery Gorillas* and *Rebel Monkeys*) in March.



Glenn Watson/USA Network/Everett Collection (Burn Notice); Karen Neal/TNT/Everett Collection (The Closer); Frederick M. Brown/Getty Images (O'Brien);

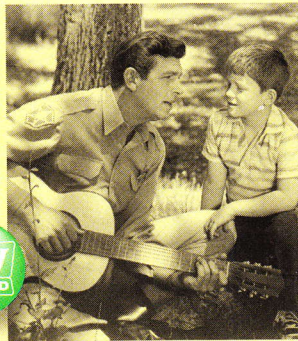
1.68 Million



TBS

With George Lopez and **Conan O'Brien** leading its lineup, TBS is taking on the networks' biggest stronghold: late-night TV.

693,000



TV Land

Known for airing classic-TV reruns, TV Land is updating its programming—but not its audience. Nostalgia is on tap with *High School Reunion* (the classmates.com of TV); *First Love Second Chance*; and two original sitcoms, *Retired at 35* and the Betty White-fronted series *Hot in Cleveland*.

Spike

The first network for men? If they're sweatsoaked and bleeding, maybe. An episode of *The Ultimate Fighter*, featuring **Kimbo Slice**, scored Spike its biggest audience ever for original programming at 5.3 million viewers. It's expanding into even more frat-house fun in 2010 with *Half Pint Brawlers*, a midge-wrestling show.



1.19 Million



284,000



The Weather Channel

The 24/7-forecast network reportedly earns one-third of its \$300 million annual revenue from weather.com, one of the Net's most popular sites. Now execs are trying to funnel that traffic into weather-based reality shows such as *Storm Riders* and *Forensic Weather*, a show where "Mother Nature helps solve crimes."

956,000



OWN: The Oprah Winfrey Network

After 25 years, the queen of daytime TV is leaving her network studio for cable, with a 24/7 **Oprah** lifestyle network. "Discovery Health is really all about wellness," says OWN CEO Christina Norman of the channel Oprah will replace. "It seems like a natural progression to team up with Oprah's brand and supercharge it." TV execs estimate that OWN could be worth \$2 billion by 2014.



Real Hip-Hop Network

"Many have gone an inch deep and a mile wide, but we can go a lot more in depth," says Atonn Muhammad, CEO of this ultra-niche network targeting hip-hop purists. "And when hip-hop puts its name on a brand, the dollars follow."



RightNetwork

Actor Kelsey Grammer is the face of RightNetwork, launching this summer, which caters to the anti-government, anti-taxes, anti-deficits, and anti-death-panels crowd, with shows such as *Running* (following six rookie candidates) and *Politics & Poker*.

▶ If you think offering more benefits to your employees will cost you more, you don't know **quack**.