

# CableFAX Daily™

Wednesday — March 19, 2014

What the Industry Reads First

Volume 25 / No. 043

## T-Minus 11: Broadcasters Use Interconnects, Comcast-TWC to Fight JSA Proposal

With the **FCC** set to vote in 11 days on several proposals broadcasters don't like, 12th Street needs to create a new lane of traffic for all the broadcast lobbyists high-tailing it to the Commission. They have a lot to say, starting with trade group **NAB**. It recently filed an ex parte disagreeing with the **DOJ's** concerns over joint sales agreements—a practice the FCC proposes to tighten ahead of its media ownership review. "First, and critically, the Department does not dispute that limiting the number of JSAs would reduce the amount and diversity of television stations and content available to consumers," NAB told the FCC. What's more, the group said the DOJ ignores the intense competition broadcast faces from MVPDs, pointing to a "stepped-up" use of interconnects that allow advertisers to purchase local ads in many markets on various channels from multiple MVPDs through a single contract. The FCC will vote at its Mar 31 meeting on a proposal that would require a station to take ownership interest when it generates 15% or more of a partner station's advertising sales. Existing JSAs would have 2 years to unwind or seek a waiver. Broadcasters trudging to the FCC's door in recent days include **Sinclair** and **Nexstar**, both of which participate in JSAs. Nexstar pres/CEO *Perry Sook* told Commission staffers he's especially concerned about the proposed order's impact on currently pending transactions proposing JSAs and shared services agreements between his company and sharing partner, **Mission Broadcasting**—which he noted is the largest female-controlled TV broadcast company in the nation. "These pending transactions are collectively valued at over \$400mln, and both Nexstar and Mission are paying costly ticking fees on bank financing for the deals," the ex parte said. "Mr Sook stated that these applications should be processed in accordance with precedent at the time of their filing." Sook also brought up MVPD competition concerns, and suggested any action on JSAs be deferred until a decision has been reached on the proposed **Comcast-Time Warner Cable** merger and its impact assessed. It certainly hasn't been a great time for broadcast stocks, which have slumped given the regulatory uncertainty and seen recent analyst downgrades (**CFX**, 3/18). Sinclair svp, strategy and policy *Rebecca Hanson* also argued that any such rules on JSAs should be applied only to applications submitted for approval after the adoption of such rules, not current pending applications. "To change the rules mid-review (and, in some cases, close to the end of the review process) would be patently unfair, particularly after the time and resources already expended on bringing them into current compliance," read Sinclair's filing.

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**Ratings:** Between the missing **Malaysia Airlines** jet and Ukraine unrest, it's been a newsy month. That showed up in last week's ratings, with **Fox News** having the largest P2+ delivery in prime (2mln) among ad-supported cable nets. The net tied with **USA** and **History** in ratings for total viewers (0.8). "The O'Reilly Factor" and "The Kelly File" performed best for the news net. **CNN** was far behind Fox in prime, despite its missing jet focus, with a 0.3 rating/800K total viewers. **MSNBC** had a 0.3 rating and a delivery of 666K. As for entertainment programs, **AMC's** "Walking Dead" and after show "Talking Dead" were the most-watched cable programs of the week (12.9mln viewers and 5.4mln, respectively). In total day, **Nick** dominated with a P2+ rating of 0.7/1.77mln vs **Disney's** 0.5/1.32mln. Nick has the most kids 2-11 (919K vs Disney's 706K), with new animated series "Breadwinner" scoring as the top-rated show for the demo in only its 4th week on the air. -- Providence's victory over Creighton in the Big East Men's Basketball Tournament Championship Game on Sat was the most-watched college basketball game on **Fox Sports 1** since launch, scoring 702K viewers. The Pac-12 Men's Basketball Tournament Championship Game on the same day bagged 680K viewers, making it the 2nd-most watched college basketball game on network history. On **Fox Sports 2**, Sat night's UFC 171 Prelims drew 305K viewers, a new record for the channel. The prior record was 257K for the Arsenal-Liverpool FA Cup match on Feb 16. -- **NBCSN's** Premiere League coverage on Sun, featuring a doubleheader of Manchester United vs Liverpool, and Tottenham Hotspur vs Arsenal, averaged 725K viewers to rank as the most-watched Premiere League Sun doubleheader on cable ever. Digitally, viewers consumed live streams of nearly 2mln mins of Manchester United vs Liverpool, the most ever for a Sun match.

**In the Courts:** **Viacom**, which had sued **Google** over alleged copyright violations at its **YouTube** unit in '07, has settled with the company. Terms weren't disclosed, but a joint statement referenced "the growing collaborative dialogue between our two companies on important opportunities, and we look forward to working more closely together." Viacom originally sought more than \$1bln in damages for unauthorized uploads of Viacom programs and clips on YouTube.

**Internet Governance:** As the 1st step in relinquishing management over key Internet domain name functions, **NTIA** is asking the **Internet Corporation for Assigned Names and Numbers** to convene global stakeholders to develop a transition proposal. NTIA now contracts with ICANN to carry out the Internet Assigned Numbers Authority functions and has a Cooperative Agreement with **Verisign** under which it performs related root zone management functions.

**Video Discovery:** Startup **Boxfish**, which provides video discovery and recommendation services, scored \$7mln in new funding **Atlantic Bridge**, **Samsung** and existing investors **T-Ventures** and **Naya Ventures**. The company's technology is being used on mobile devices, tablets, set-tops to create search, live alerts and trending topics for TV.

**Upfronts:** At **GSN**, it's not only about what's on TV. "This year the online gaming business will be bigger than our television business in terms of revenue," pres/CEO **David Goldhill** told press at the net's upfront in NYC Tues. Are there lessons learned from having both businesses? In part, yes. "As our television network is more about original programming, contemporary relevant programming, the knowledge we get being in the games business online helps inform a lot of the stuff we do," he told us. "As we get bigger in both businesses, we experiment, think about and play with ideas that combine both forms of entertainment. I don't think we have the secret sauce there yet, but we look at it a lot." It seems to be working, with GSN coming off its most-watched year in its history. Plus, Jan '14 was its most-watched month ever. Goldhill said growth has been driven by originals—notably "The American Bible Challenge" and "The Chase"—and he's bullish on more of the same. "By the end of 2015, our pace of original programming will be triple what it was when we started," he told **CableFAX**. Tues' upfront event for advertisers included some games, natch. **Rebecca Romijn**, host of upcoming body paint competition series "Skin Wars," duked it out with comedian/host of new show "Mind of a Man" **DeRay Davis** during a demo of soon-to-launch "Idiot Test." Other new programming includes "App Wars," where fledgling app creators get a chance to make it big; "Say What?," which has teams compete using the classic telephone game, and traveling game show "The Line."

**Happy Birthday:** Today (Mar 19) marks **C-SPAN's** 35th anniversary. To celebrate, it has curated a video list of 35 greatest moments, one from each year. Check it out at [www.c-span.org/35years/](http://www.c-span.org/35years/).

**Outdoor Partnership:** **Outdoor Channel** expanded its multiplatform partnership with "The Revolution with Jim & Trav: The Official Radio Program of Outdoor Channel," the nationally syndicated radio show and podcast for outdoor enthusiasts. Under the terms, the net will continue its title sponsorship of the radio show. The partnership also includes shared cross-promotional marketing opps, including The Revolution podcasts and "Adventures of Dad and Me" webisodes.

# BUSINESS & FINANCE

**On the Circuit:** NCTA released the 1st group of confirmed speakers for **The Cable Show** (Apr 29-May 1). It includes **AETN's Nancy Dubuc**, L.A. mayor **Eric Garcetti**, **Suddenlink's Jerry Kent**, **Time Warner Cable's Rob Marcus**, **FCC chmn Tom Wheeler**, "Sons of Anarchy" creator/writer/producer/actor **Kurt Sutter**, **Cisco** pres dev & sales **Rob Lloyd** and many more. And yes, **Comcast** chief **Brian Roberts** will present as well. -- **Aereo** founder and CEO **Chet Kanojia** is making a trip to Washington before his day at the US Supreme Court. He's scheduled to speak at **ACA's** 21st Annual Summit in DC (Apr 1-3). Other presenters include Rep **Peter Welch** (D-VT), a member of **House Commerce**, and **FCC chmn Tom Wheeler**. -- **E!'s Giuliana Rancic** will host this year's **WICT** Signature Luncheon at the **Cable Show**, Apr 29. The lunch honors companies committed to gender diversity, recognizing the 2013 **PAR** Best Companies for Women in Cable.

**Programming:** The Gosselin clan is back, minus **Jon**. **Kate** and the kids will catch up with **TLC** for a 1-hour special slated to debut in June. With the twins now 13 and the sextuplets about to turn 10, all 8 kids will join **Kate** in this update about their life. -- **Esquire Network** premieres "Lucky Bastards," a new 10-part original series, on Apr 16.

**People:** **Doug Baker** was named COO, CFO of **Discovery Nets Intl**. -- **Ovation** promoted **Pam Bertino** to svp, content distribution.

## CableFAX Daily Stockwatch

Company	03/18 Close	1-Day Ch	Company	03/18 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
21ST CENTURY FOX:	33.06	0.67	HARMONIC:	6.63	0.08
DIRECTV:	76.17	(0.66)	INTEL:	24.82	0.12
DISH:	62.08	0.11	JDSU:	14.50	0.24
DISNEY:	81.99	0.60	LEVEL 3:	38.61	0.78
GE:	25.65	0.22	MICROSOFT:	39.55	1.50
<b>MSOS</b>					
CABLEVISION:	16.70	(0.15)	NIELSEN:	44.58	0.66
CHARTER:	125.99	(0.5)	RENTRAK:	64.05	(0.34)
COMCAST:	50.22	(0.56)	SEACHANGE:	10.31	0.15
COMCAST SPCL:	48.89	(0.63)	SONY:	17.15	(0.07)
GCI:	11.55	0.06	SPRINT NEXTEL:	8.68	(0.09)
LIBERTY GLOBAL:	42.42	(0.34)	TIVO:	13.38	0.34
LIBERTY INT:	29.26	0.12	UNIVERSAL ELEC:	41.45	0.46
SHAW COMM:	23.33	(0.09)	VONAGE:	4.53	0.13
TIME WARNER CABLE:	136.59	(1.67)	YAHOO:	39.45	0.34
<b>PROGRAMMING</b>					
AMC NETWORKS:	76.69	2.09	<b>TELCOS</b>		
CBS:	66.30	0.46	AT&T:	32.98	0.09
CROWN:	3.80	0.10	VERIZON:	46.70	0.39
DISCOVERY:	83.70	0.60	<b>MARKET INDICES</b>		
GRUPO TELEVISA:	31.63	1.00	DOW:	16336.19	88.97
HSN:	61.57	0.40	NASDAQ:	4333.31	53.37
INTERACTIVE CORP:	76.01	1.53	S&P 500:	1872.25	13.42
LIONSGATE:	30.74	0.41			
MADISON SQUARE GARDEN:	58.76	0.68			
SCRIPPS INT:	79.70	0.50			
STARZ:	32.42	0.15			
TIME WARNER:	67.20	0.53			
VALUEVISION:	5.58	0.16			
VIACOM:	88.41	(0.01)			
WWE:	30.90	0.53			
<b>TECHNOLOGY</b>					
ADVANTAGE:	3.12	(0.01)			
ALCATEL LUCENT:	3.96	0.05			
AMDOCS:	46.15	0.60			
AMPHENOL:	91.75	0.51			
AOL:	42.99	0.66			
APPLE:	531.40	4.66			
ARRIS GROUP:	29.10	0.68			
AVID TECH:	6.53	(0.07)			
BROADCOM:	30.82	0.35			
CISCO:	21.63	0.12			
CONCURRENT:	8.34	0.07			
CONVERGYS:	21.35	0.55			
CSG SYSTEMS:	27.72	0.61			
EHOSTAR:	50.08	0.10			
GOOGLE:	1211.26	19.16			

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