

CableFAX Daily™

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What the Industry Reads First

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Broadcast JSAs: Free Press Staff vs Pai on Twitter

Adding to the intrigue around broadcasters' battle against the FCC's proposed JSA restrictions was some **Twitter** turmoil between **Free Press** Counsel *Lauren Wilson* and FCC commish *Ajit Pai* Thurs afternoon. It all started with a tweet from Wilson: "Commissioner Pai has a newfound concern for POC. Dear Commissioner: YOU CAN'T SIT WITH US." She was referring to research the Republican commish did on his own on broadcast ownership diversity. The research, released Thurs, concluded that JSAs "disproportionately benefit women and African-Americans." Free Press was among the vocal advocates of a JSA ban, which Pai and fellow Republican commish *Michael O'Rielly* oppose. Specifically, the research found 43% of the female-owned full-power commercial TV stations are currently parties to JSAs, as are 75% of African American-owned full power commercial stations. "These findings raise serious questions," Pai said. "Why is the FCC targeting pro-competitive sharing arrangements that appear to disproportionately benefit female and African-American broadcasters? If the Commission forces broadcasters to terminate JSAs, how will that affect diversity? Why is the FCC rushing to a vote rather than taking the time to gather basic facts and study the effect of its proposal on ownership diversity? The Commission should not accelerate the troubling trend of declining minority ownership." The FCC delayed a vote last year on changing the newspaper-broadcast cross-ownership rule so that a study of the proposal's impact on minority ownership could be completed. "The current proposal regarding JSAs should be held to the same standard," Pai said. Tweeting in response, the commish said: "I am proud of my Indian heritage and I am never going to apologize for standing for what I believe is right." In a statement, Pai's chief of staff *Matthew Berry* said it's offensive to suggest that Pai, the 1st Indian American to serve the position, should not be allowed to "sit with" other people of color because of his views on media regulation. "Commissioner Pai is proud of his Indian heritage and will not apologize for standing up for what he believes is right. He strongly believes in diversity of all types, including diversity of thought. We would hope everyone felt that way," Berry said. Wilson apologized on Twitter and in a letter to Pai that **CableFAX** obtained, stating that "I am sorry for any offense my comment on Twitter earlier today may have caused you. I chose my words poorly, and I regret that they may have detracted from this very serious policy debate over diversity and media ownership. I certainly never meant to suggest anything about your heritage or right to express your beliefs." FCC chmn *Tom Wheeler* is set to vote on JSA attri-

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bution during the agency's Open Meeting on Mar 31. The 1st draft legislation from the House tech subcmte to reauthorize the Satellite Television Extension and Localism Act includes a provision that would undercut the FCC's effort. The subcmte has scheduled a markup next week to consider the draft, which several Democrats on the subcmte strongly opposed.

More on JSA: The broadcasters, which stand to take a hit from the FCC's proposed JSA restriction, have developed a compromise approach. Specifically, the FCC should create an exemption from JSA attribution and processing guidelines that would let broadcasters continue operating pursuant to existing JSAs—and enter into new JSAs—provided that they disclose all arrangements to the FCC and satisfy certain criteria, **NAB** pres/CEO *Gordon Smith* said in a letter to FCC commish *Mignon Clyburn*. The criteria include: Meeting standards that establish licensee control of programming, personnel and finances (e.g. licensee must control at least 85% of programming), and demonstration of public interest benefits such as promotion of diversity by expanding ownership opportunities for new entrants.

Net Neutrality: **Netflix** might have inked a deal with **Comcast** to ensure the delivery of its streaming service, but CEO *Reed Hastings* in a blog post is still calling for stronger net neutrality safeguards. "To ensure the Internet remains humanity's most important platform for progress, net neutrality must be defended and strengthened," he wrote. Otherwise, "big ISPs can demand potentially escalating fees for the interconnection required to deliver high quality service. The big ISPs can make these demands—driving up costs and prices for everyone else—because of their market position," he said. However, in the short term "we will in cases pay the toll to the powerful ISPs to protect our consumer experience. When we do so, we don't pay for priority access against competitors, just for interconnection," he said, referring to the deal with Comcast. Responding to Hasting's post, Comcast evp *David Cohen* said "the Open Internet rules never were designed to deal with peering and Internet interconnection, which have been an essential part of the growth of the Internet for two decades... We are happy that Comcast and Netflix were able to reach an amicable, market-based solution to our interconnection issues and believe that our agreement demonstrates the effectiveness of the market as a mechanism to deal with these matters."

M&A: Less than 2 months into the job as **Time Warner Cable** chmn/CEO *Rob Marcus* is set to receive about \$80mln in cash, equity and various benefits upon the completion of **Comcast's** acquisition. According to an SEC filing, the payout package includes \$56.5mln in stock options, \$20.5mln in cash and a \$2.5mln bonus. The filing also disclosed that TWC and Comcast mgmt held early merger talks nearly a year ago as reports about **Charter's** interest emerged.

Boxing Ring: **DirecTV** wants a piece of the boxing pie. The satcaster announced that the Nevada State Athletic Commission has sanctioned its new sports venture Big-Knockout Boxing (BKB). The new form of boxing matches 2 fighters in a smaller area than the traditional 20-foot ring. It features shorter, 2-min rounds and as DirecTV said in a release, "those who prefer a more defensive style of fighting need not apply." The company had preliminary discussions with several venues to host events in Nevada throughout 2014 and 2015. It's also considering building its own facility in Vegas. BKB's inaugural Nevada event is planned for summer. Interestingly, DirecTV didn't say how the matches will be broadcast.

International: **Discovery Comm** continued to expand internationally: It inked a content partnership with China's **WASU Digital TV Media Group** for WASU's new 24-7 subscription channel, **Qiu Suo**. Launched on Mar 16, the new net features content from across Discovery's worldwide networks including **Discovery Channel**, **TLC** and **Animal Planet**.

Advertising: **Viacom** is teaming with **Tumblr** to offer co-branded campaigns during the 2014 Upfront season for Tumblr advertisers. The campaigns will combine Tumblr's ad products with custom content developed for the social media platform by Viacom. The content will connect to shows and events across Viacom nets, including **MTV**, **VH1**, **CMT**, **Nick**, **Comedy Central**, **TV Land**, **Spike** and more. Viacom is the 1st programmer to strike an advertising partnership with Tumblr. The partnership will start with the "2014 MTV Movie Awards" on April 13.

FiOS Expansion: **Verizon** continued to expand its FiOS footprint in NY and CT: Its investment in the 2 states exceeded \$1.6bln last year. Verizon said that since Hurricane Sandy it has deployed fiber infrastructure throughout lower Manhattan and in some of the coastal neighborhoods.

Research: With its fortunes surging last year partly due to the takeover of **Sirius XM Holdings**, **Liberty Media** has replaced **Disney** as the most profitable media and entertainment company, **SNL Kagan** said.

On the Circuit: Rep *Anna Eshoo* (D-CA) will speak April 2 at **ACA** Summit in DC, addressing key legislative issues facing

BUSINESS & FINANCE

the indie ops. ACA chairwoman *Colleen Abdoulah* will interview her.

Programming: Adult Swim picked up season 2 of its original live-action workplace comedy “Your Pretty Face Is Going To Hell.” -- **Travel Channel** premieres “Trip Flip” on April 23 with back-to-back eps. -- **IFC** announced a slate of new and returning comedy projects ahead of its upfront event Thurs night. Joining IFC’s 2015 slate is “American Documentary” (working title), a docu-parody, and “American Storage” (working title), a scripted half-hour comedy. Returning to the net’s comedy slate for an expanded 4th season is “Comedy Bang! Bang!” and a 2nd season of “The Birthday Boys.” The net is also developing “Westside” and “The Bank.” -- **NBC News’ Willie Geist** is the host of **Discovery Channel’s** “Everest Jump Live,” a 2-hour event featuring climber *Jody O’Gwyn* attempting the 1st wing suit flight off the summit of Mt. Everest. **The Weather Channel’s Jim Cantore** will be the chief meteorologist.

Editor’s Note: Did you know that your dreams of Faxie domination could all melt away if you miss the nomination deadline? Don’t let this happen to you! Make sure to enter all of your best people, campaigns and initiatives by Fri, Mar 21, to avoid a horrible fate. More info: <http://www.cablefax.com/cfp/awards/cablefaxies2014/> -- There’s still time to register for our social TV webinar on Mar 25. More info: http://www.cablefax.com/cfp/webinars/2014_Mar25/

CableFAX Daily Stockwatch

Company	03/20 Close	1-Day Ch	Company	03/20 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
21ST CENTURY FOX:	32.75	(0.25)	GOOGLE:	1197.16	(2.09)
DIRECTV:	75.78	0.39	HARMONIC:	6.76	0.09
DISH:	62.42	0.48	INTEL:	25.43	0.41
DISNEY:	80.81	0.29	JDSU:	14.55	0.13
GE:	25.27	(0.01)	LEVEL 3:	38.75	0.15
MSOS					
CABLEVISION:	16.55	(0.05)	MICROSOFT:	40.33	1.06
CHARTER:	126.70	0.23	NIELSEN:	43.82	(0.42)
COMCAST:	50.60	0.72	RENTRAK:	63.63	0.02
COMCAST SPCL:	49.06	0.56	SEACHANGE:	10.36	(0.11)
GCI:	11.30	0.09	SONY:	17.61	0.46
LIBERTY GLOBAL:	41.84	(0.16)	SPRINT NEXTEL:	9.10	0.38
LIBERTY INT:	28.98	(0.13)	TIVO:	13.30	(0.02)
SHAW COMM:	23.19	(0.02)	UNIVERSAL ELEC:	41.10	(0.03)
TIME WARNER CABLE:	138.51	2.05	VONAGE:	4.53	0.05
PROGRAMMING					
AMC NETWORKS:	75.31	0.13	YAHOO:	37.77	(0.84)
CBS:	66.17	0.23	TELCOS		
CROWN:	3.67	(0.04)	AT&T:	34.09	1.13
DISCOVERY:	83.69	(0.01)	VERIZON:	47.21	0.85
GRUPO TELEVISA:	31.81	0.35	MARKET INDICES		
HSN:	60.79	0.04	DOW:	16331.05	108.88
INTERACTIVE CORP:	73.29	(1.38)	NASDAQ:	4319.29	11.68
LIONSGATE:	29.95	0.81	S&P 500:	1872.01	11.24
MADISON SQUARE GARDEN:	58.75	(0.33)			
SCRIPPS INT:	77.22	(1.21)			
STARZ:	32.18	(0.04)			
TIME WARNER:	66.50	(0.58)			
VALUEVISION:	5.46	(0.03)			
VIACOM:	87.63	(0.27)			
WWE:	31.39	0.25			
TECHNOLOGY					
ADVANTAGE:	3.14	UNCH			
ALCATEL LUCENT:	3.94	0.07			
AMDOCS:	46.41	0.60			
AMPHENOL:	91.67	0.53			
AOL:	43.55	0.40			
APPLE:	528.70	(2.56)			
ARRIS GROUP:	29.01	UNCH			
AVID TECH:	6.50	-0.00			
BLNDER TONGUE:	0.99	0.02			
BROADCOM:	31.34	0.48			
CISCO:	21.83	0.20			
CONCURRENT:	8.43	(0.04)			
CONVERGYS:	21.34	0.20			
CSG SYSTEMS:	26.95	(0.01)			
ECHOSTAR:	49.82	0.15			

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PROGRAMMER'S PAGE

The Reality Connection

I've been a fan of all things Henson all my life—from the Muppets to “Dark Crystal” to even the short-lived sitcom “Dinosaurs.” The common theme that keeps me coming back is the imagination involved. So, I was a bit skeptical when I heard **Syfy** was launching reality competition series “*Jim Henson's Creature Shop*” (premieres Mar 25, 10pm). Where's the imagination in reality? But the 1st ep alleviated my concerns. Yes, it feels a bit like “Project Runway,” but the designers are creating fantastical creatures, developing imaginative back stories on what these things are. The judges look at a screen test featuring the creatures—some of which really do seem like something you might see in a major motion picture. The reality component was something *Brian Henson*, chmn of the **Jim Henson Company** and *Creature Shop*, had wondered about. He serves as lead judge on the series and is an exec producer. “We're kind of the antithesis of reality because the Henson Company, generally speaking has an element of fantasy in it. Basically, our shows are reflections of reality as opposed to reality itself,” he said. “But having said that, we always thought that inside the *Creature Shop*, the key designers and builders are really extraordinary artists and so interesting to people.” Henson stressed that the winner really does get a job at the *Creature Shop*—skipping the usual lengthy freelance process that gets a designer's foot in the door. With his name a part of the show, I asked Brian what he thought his father, the man behind Kermit the Frog, would think about it. “My father was never nearly as secretive as people think he would be. He would always invite people on to see how the Muppets were doing. His pilot of *The Muppet Movie*... had the camera pulling back so you could see all the puppeteers. He was really excited about showing off the process,” he said. “I think he would love it.” - *Amy Maclean*

Reviews: “Carson on TCM,” Tues, 8p ET, **TCM**. Watching these short interviews from the archive of “The Tonight Show Starring *Johnny Carson*” is pure pleasure. They're period pieces—just look at Johnny's cravats—but also priceless time capsules, providing a glimpse at what talk shows and celebs were like 40+ years ago. The interviews range from intimate chats between Johnny and his friends, like *Gregory Peck*, *Hope and Crosby* and *Lauren Bacall* to people Carson had not met previously, like a young *Sally Field*. This week's finale puts *Lucille Ball*, *Jack Benny*, *Carol Burnett*, *Candice Bergen*, *Don Adams* and *Red Skelton* on the couch. *Conan O'Brien's* insightful intros add to the fun. -- “Psych,” series finale, Wed, 9p, **USA**. The network's longest-running series ends its 8-season tenure with this appropriately funny and goofy ep revolving around Shawn's (*James Roday*) inability to break important news to partner Gus (*Dulé Hill*). **USA** has requested we keep mum on details, but we will say some partnerships are meant to stay together forever. -- “The Safecrackers,” series premiere, Mon, 10p, **TruTV**. A very good premise well done: Alabaman *Phil Crawford* cracks locks for profit (sometimes), fun and a history lesson. -- **Notable: TV Land** continues to push, with returning series “Hot in Cleveland” (10p) and “The Soul Man” (10:30p) premiering live (Wed). - *Seth Arenstein*

Basic Cable Rankings (3/10/14-3/16/14) Mon-Sun Prime			
1	FOXN	1.7	1623
2	USA	1.5	1458
2	HIST	1.5	1418
4	TBSC	1.3	1294
4	TNT	1.3	1270
4	AMC	1.3	1245
4	DSNY	1.3	1240
8	HGTV	1.1	1056
8	ESPN	1.1	1041
8	DSE	1.1	80
11	DISC	1.0	949
12	TLC	0.9	918
12	ADSM	0.9	910
12	FX	0.9	906
12	NAN	0.9	859
12	BRAV	0.9	799
17	FOOD	0.8	807
17	SYFY	0.8	765
17	LIFE	0.8	764
17	ID	0.8	676
21	A&E	0.7	722
21	FAM	0.7	681
21	SPK	0.7	677
21	CNN	0.7	650
21	MTV	0.7	631
26	TVLD	0.6	620
26	CMDY	0.6	600
26	MSNB	0.6	565
26	BET	0.6	519
26	OWN	0.6	488
26	HALL	0.6	486
26	DSJR	0.6	371
33	TRU	0.5	423
33	H2	0.5	316
35	APL	0.4	418
35	VH1	0.4	403
35	FS1	0.4	388
35	ESP2	0.4	383
35	EN	0.4	376
35	TRAV	0.4	368
35	NGC	0.4	358
35	LMN	0.4	341
35	WE	0.4	325
35	NKJR	0.4	309
35	GSN	0.4	288
35	AHC	0.4	256

*Nielsen data supplied by ABC/Disney

CableFAX webinar

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