

CableFAX Daily™

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What the Industry Reads First

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Transaction Thursday: Comcast Files Transfer Docs, TWC Holds Meeting

On Thurs, **Comcast** and **Charter** filed the necessary documents with the **FCC** related to the divestitures and swaps that will occur with the **Time Warner Cable** transaction. At the same time, TWC held its annual shareholder meeting with CEO **Rob Marcus** declaring that he's "still hopeful" the deals can obtain approval by year-end. That seems unlikely given that we're 6 months into the year, but at least Thurs' filings represent the last of the initial paperwork Comcast has to file with the FCC and **DOJ** for the merger's review. As with its TWC-related filing, Comcast told regulators Thurs that the Charter exchange will fill in gaps in its regional service to facilitate accelerated deployment of innovative services, improved WiFi and improved customer service. "Charter has not deployed a public WiFi network, but Comcast has made this a priority and is likely to deploy additional WiFi hotspots in these regions," Comcast said. Comcast and Charter also use the filings to make the case for how **SpinCo**, the new cable company to be created following the TWC transaction and divestitures, will be in the public's interest. At least initially, SpinCo will be named **Midwest Cable LLC**. Its services agreement with Charter and Charter's financial investment will ensure that the company can leverage Charter's scale, "spurring joint investment in innovation, lowering shared input costs, and enhancing each company's ability to offer high-quality programming and advanced communications services," they said, with Comcast highlighting that SpinCo is completely independent from it. Comcast is prohibited for the first 8 years after closing from owning more than 1% of SpinCo. The filings also detailed how Comcast will not acquire any additional national, RSN or broadcast programming as a result of the Charter-SpinCo transactions. In fact, it actually will divest 7 local TWC nets to Charter and 2 Comcast local programming nets to SpinCo. It does receive 3 small, local nets from Charter in the deal. Meanwhile, TWC shareholders approved the company's slate of directors Thurs. The merger wasn't on the agenda, with a special shareholder vote to be called after regulatory approval. Still, there were a few questions from shareholders about the combo—such as why would it have been spun off from **Time Warner** to end up rejoining a content arm through **NBCU**. "You are correct that in the years that have followed our separation from Time Warner, we've talked a lot about the benefits of being a pure-play cable company and skepticism we might have had about value creation opportunities in connection with owning content and distribution in the same company," CEO Marcus said. "The short answer is: notwithstanding the fact that Comcast does own NBCU,

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which is a very powerful and robust set of content assets, they are primarily a distribution company. And all in, we think the combination of the 2 companies creates the best outcome for TWC shareholders.” While the transaction is under review, Marcus stressed that the company will be “laser focused” on operations. Missing from Thurs’ meeting was board member and former CEO *Glenn Britt*. “As many of you know, over the better part of the last year Glenn has been battling cancer, and we hope you’ll join us in keeping him in your thoughts today,” Marcus said.

Verizon vs Netflix: Welcome to a new episode of **Netflix’s** original drama, starring, this time, **Verizon**. The telco recently inked a peering agreement with Netflix, following a similar pact with **Comcast**. Despite the commercial relationship, Netflix hasn’t exactly been friendly with Comcast, publicly opposing the Comcast-**Time Warner Cable** deal, among other things. The Verizon-Netflix saga started with Netflix’s recent move to display messages on the screen for some subs when the video is buffering. Among the users is *Yuri Victor* of **Vox Media**, who tweeted earlier this week a screenshot of Netflix’s message: “The Verizon network is crowded right now. Adjusting video for smoother playback” (**CFX**, 6/5). As the tweet made noise on the social media platform, Netflix chief communications officer *Jonathan Friedland* noted in a tweet that the streaming service provider is “always testing new ways to keep members informed.” Verizon responded Thurs with a letter from general counsel *Randal Milch*, asking Netflix to cease and desist from providing any such further “notices” to users of the Verizon network. “There is no basis for Netflix to assert that issues with respect to playback of any particular video session are attributable solely to the Verizon network,” the letter said. “There are many different factors that can affect traffic on the Internet, including choices by Netflix in how to connect to its customers and deliver content to them, interconnection between multiple networks, and consumer in-home issues such as in-home wiring, WiFi, and device settings and capabilities. The impression that Netflix is falsely giving our customers is that the Verizon network is generally ‘crowded’ and troublesome.” The telco is demanding that within 5 days from the date of the letter that Netflix provide Verizon with “any and all evidence and documentation that it possesses substantiating Netflix’s assertion to Mr. Yuri Victor that his experience in viewing a Netflix video was solely attributable to the Verizon network.” In addition, Netflix should provide a list of all Netflix subs on the Verizon network to whom Netflix has delivered such messages with the date and time that each such message was displayed for each user. “Failure to provide this information may lead us to pursue legal remedies, and Verizon reserves all rights in that regard,” Verizon said.

On the Hill: A group of Republican House members wants the US Government Accountability Office to examine the Obama Administration’s recent proposal to transition Internet oversight to the global multi-stakeholder community from **NTIA**. The members, including Commerce chmn *Fred Upton* (R-MI), tech subcmte *Greg Walden* (R-OR) and full committee vice chmn *Marsha Blackburn* (R-TN), worry the lack of US oversight could jeopardize a free and open Internet.

Aereo Adds Chromecast: After a short delay, **Aereo** is now live on the **Google** Chromecast platform.

New America Moves: 101 Constitution Ave, NW, DC. That’s **One America’s** new office, at the foot of Capitol Hill. The news and commentary channel is building its new prod studios, with facilities expected to be operational by next month.

DOCSIS 3.1 Education: SCTE and CableLabs’ Pre-Conference Symposium, in conjunction with SCTE Cable-Tec Expo, will feature education on wireless services and DOCSIS 3.1, including details on technical requirements and engineering techniques needed to ensure successful deployments. Sessions will address topics such as WiFi, operational integration

Tune in to the French Open Semi-Finals Live!

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Friday, June 6 | 7am EST | 4am PST

Don’t miss a minute of all of the hot tennis action!



BUSINESS & FINANCE

network maintenance and more.

Research: More consumers are watching video online this year than last year, according to CEA's new study, which found 46% of TV households reported watching video on secondary platforms (up from 38% in 2013). While 43% reported watching video on a smart phone (up from 33% in 2013), 35% watched video on a tablet (up from 26% in 2013). Despite significant growth in tablet and smart-phone penetration rates, TVs are still the most widely used viewing devices, with the highest HH penetration of any viewing devices (97%) and strongest video content viewership (93%). In addition, 45% of TV HHs reported viewing some OTT programming on their TVs, such as **Netflix** or **Hulu**, up from last year's 28%.

Programming: TLC's "Breaking Amish" returns for a 3rd season for 10 hour-long eps. It debuts Oct. -- **Nick** ordered 13 eps of "The Loud House," the 1st series to be greenlit out of the net's 2013 Animated Shorts Program launched in 2012 as part of Nick's search for original content.

On the Circuit: Nat Geo won the Association of Cable Communicators' 2014 Golden Beacon award. See more information about ACC's Beacon Awards at Cablefax.com

People: PeerApp, which provides OTT video caching services, tapped Gadi Tamari as CEO, succeeding Robert Mayer.

CableFAX Daily Stockwatch

Company	06/05 Close	1-Day Ch	Company	06/05 Close	1-Day Ch
BROADCASTERS/DBS/MMDS			CONCURRENT: 7.98(0.07)		
DIRECTV:	82.95	0.40	CONVERGYS:	22.03	0.51
DISH:	58.45	(0.5)	CSG SYSTEMS:	25.91	0.29
ENTRAVISION:	5.37	0.09	ECHOSTAR:	51.66	0.86
GRAY TELEVISION:	11.94	0.05	GOOGLE:	553.90	9.24
MEDIA GENERAL:	18.29	0.20	HARMONIC:	7.47	0.23
NEXSTAR:	46.60	0.36	INTEL:	27.66	0.06
SINCLAIR:	31.00	0.54	INTERACTIVE CORP:	66.74	0.26
MSOS			JDSU:	11.00	0.26
CABLEVISION:	17.55	0.05	LEVEL 3:	43.65	0.03
CHARTER:	147.62	0.14	MICROSOFT:	41.21	0.89
COMCAST:	52.71	0.42	NIELSEN:	47.40	0.17
COMCAST SPCL:	52.21	0.21	RENTRAK:	47.23	1.66
GCI:	11.28	0.39	SEACHANGE:	9.30	0.05
GRAHAM HOLDING:	696.55	4.54	SONY:	16.24	UNCH
LIBERTY GLOBAL:	45.03	0.78	SPRINT NEXTEL:	9.02	(0.38)
LIBERTY INT:	29.26	0.13	TIVO:	12.09	0.11
SHAW COMM:	24.73	(0.38)	UNIVERSAL ELEC:	44.97	0.93
TIME WARNER CABLE:	142.87	0.88	VONAGE:	3.54	0.11
PROGRAMMING			YAHOO:	34.94	0.21
21ST CENTURY FOX:	36.09	0.59	TELCOS		
AMC NETWORKS:	61.17	1.61	AT&T:	35.10	0.05
CBS:	60.48	0.64	CENTURYLINK:	37.18	(0.31)
CROWN:	3.57	0.12	TDS:	26.77	0.16
DISCOVERY:	80.27	1.64	VERIZON:	49.28	0.13
DISNEY:	84.78	0.54	MARKET INDICES		
GRUPO TELEVISA:	33.78	(0.12)	DOW:	16836.11	98.58
HSN:	57.01	0.98	NASDAQ:	4296.23	44.58
LIONSGATE:	26.92	(0.28)	S&P 500:	1940.46	12.58
MADISON SQUARE GARDEN:	56.45	0.25			
SCRIPPS INT:	77.26	1.06			
STARZ:	31.08	0.34			
TIME WARNER:	70.88	0.37			
VALUEVISION:	4.68	0.06			
VIACOM:	87.67	0.73			
WWE:	11.18	0.06			
TECHNOLOGY					
ADVANTAGE:	2.97	0.01			
ALCATEL LUCENT:	3.98	0.14			
AMDOCS:	48.38	(0.29)			
AMPHENOL:	96.87	0.77			
AOL:	35.92	(0.58)			
APPLE:	647.35	2.53			
ARRIS GROUP:	33.35	0.44			
AVID TECH:	7.30	(0.06)			
BLNDER TONGUE:	0.92	(0.03)			
BROADCOM:	37.61	0.54			
CISCO:	24.70	0.20			

Cablefax Webinar

June 17, 2014 • 1:30 - 3:00 ET

How to Leverage Facebook to Maximize Your Cable Brand

As one of the most dominant platforms on social media, Facebook's recent push to add new features and enhancements can mean new benefits for cable's PR, advertising and marketing efforts.

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PROGRAMMER'S PAGE

Emphasis on Life

Heard of the drama about the young person battling cancer while pursuing love and life? No, not that one. We're talking about **ABC Family's** "Chasing Life," which debuts June 24 at 9pm. Of course, we had to ask executive producer and writer *Patrick Sean Smith* about that other cancer drama hitting theaters this week, "The Fault in Our Stars," based on the best-selling young adult novel. Is the movie good for the series? "I think it helped everybody entertain the notion of having a one-sheet promote a show about cancer by using the word cancer in it," he said. "There's an interest in death right now. You look at 'Walking Dead,' **Showtime's** 'Time of Death.' There's post-apocalyptic, apocalyptic shows. I think there's a level of comfort right now with dealing with conversations about death. So, I think it was helpful in that way— it's OK to go to that place in television and that younger audience wants to hear these discussions." ABC Family's Chasing Life follows April (*Italia Ricci*), a 20-something trying to carve out her name in journalism, while living at home with her grandmother, widowed mom and little sister and pursuing a romance. Just when things are looking up for her, she's blindsided with the news she has cancer. The series is actually based on the Mexican telenovela "Terminales." "There were a lot of elements really special in Terminales, like the way it handled the subject matter," Smith said. "It could be balanced out and still have an exuberance to it. It's not the sad cancer show, which is not what anybody would be excited to either work on or watch for that matter." While Terminales only had 13 eps, ABC Fam already has given Chasing Life the greenlight for 20 eps. How does a live-or-die storyline play out over potentially multiple seasons? Smith, who produced "Greek" for the net, admits he initially had the same question. "But I think what we've found is that it's so much more about her journey and confronting issues of her mortality as a young person," he said. "It's very much a coming-of-age, but doing so with a life-threatening illness." - *Amy Maclean*

Reviews: "Payne," Mon, 10p, **Golf.** Culled from home movies and apposite interviews, this is a beautiful, intimate tribute to *Payne Stewart*, and, oh, those knickers. -- "Wicked Tuna," season 3 finale, Sun, 9p, **Nat Geo.** Watching fishermen wrestle a 600-lb bluefin tuna makes for compelling TV. After watching it repeatedly, though, it loses something, and you find yourself wondering how many times someone will say, "This could be the last fish of the season." Still, "Tuna" has a loyal following who likely will devour the premiere of live post-game show "Reel Talk" (10p). -- "Murder in the First," premiere, Mon, 9p, **TNT.** When your exec prod is the legendary *Steven Bochco*, the bar, fairly or not, is high. "Murder" is a solid crime drama, solving a single case in 10 eps, of which we were given 3. Its telegenic stars, *Taye Diggs* and *Kathleen Robertson* as not-entirely-likable detectives, will drive ratings; its case, about murders whose main suspect is a super-rich tech brat, is gripping. Yet "Murder" feels like so many other police procedurals. Bochco fans will expect more. Let's hope they're fulfilled by Murder's later eps. -- "Graceland," season 2 premiere, Wed, 10p, **USA.** Young feds live together... sometimes they even fight crime. Honest. Season 2 should hold freshman year's 4.3m avg rating. - *Seth Arenstein*

Basic Cable Rankings			
(5/26/14-6/01/14)			
	Mon-Sun Prime		
ESPN	1	1.3	3259
TNT	2	1.2	2969
HIST	3	0.9	2321
NBCS	3	0.9	1785
USA	5	0.7	1747
DSNY	5	0.7	1642
TBSC	7	0.6	1574
FOXN	7	0.6	1389
HGTV	9	0.5	1325
A&E	9	0.5	1221
LIFE	9	0.5	1208
NAN	9	0.5	1151
DISC	9	0.5	1146
TLC	9	0.5	1121
ADSM	15	0.4	1034
FOOD	15	0.4	975
SYFY	15	0.4	898
ID	15	0.4	811
DSE	15	0.4	90
SPK	20	0.3	850
FAM	20	0.3	842
AMC	20	0.3	842
BRAV	20	0.3	812
FX	20	0.3	801
TRU	20	0.3	719
VH1	20	0.3	707
APL	20	0.3	662
MTV	20	0.3	645
OWN	20	0.3	620
NGC	20	0.3	581
HALL	20	0.3	564
DSJR	20	0.3	551
HMC	20	0.3	451
BET	34	0.2	573
TVLD	34	0.2	567
CMDY	34	0.2	521
LMN	34	0.2	490
NKJR	34	0.2	485
MSNB	34	0.2	482
TRAV	34	0.2	447
ESP2	34	0.2	432
CNN	34	0.2	429
WETV	34	0.2	426
EN	34	0.2	412
CMT	34	0.2	392
OXYG	34	0.2	376

*Nielsen data supplied by ABC/Disney

The FAXIES

June 10 ♦ 8:30 – 10:30 a.m. ♦ Grand Hyatt, NYC



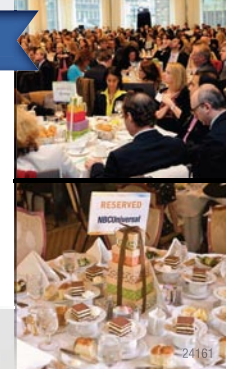
Sales Executive
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Awards Breakfast

Congratulations to the finalists of The FAXIES and Sales Exec. of the Year awards!

Bring your entire team to the breakfast for team photos, celebratory toasts and networking opportunities. Parties with tables of ten* will have priority seating and will have ensured seats together.

*Table positioning is based on a first come basis, so register early.



For more information on this exciting industry event, visit www.cablefax.com