

CableFAX Daily™

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What the Industry Reads First

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Pop the Popcorn: AT&T, DirecTV Get Their Day on Hill

Comcast and Time Warner Cable had their turn. Now AT&T and DirecTV get the chance to persuade lawmakers that a merger is in everyone's best interest. Both House and Senate Judiciary plan hearings for Tues, beginning with the 10:30am hearing by the Antitrust subcmte on the House side. If Tues' long Hill day is like the past Comcast-TWC hearings, the Twittersphere will be watching closely. AT&T chmn/pres/CEO *Randall Stephenson* will make the case that the transaction is about meeting consumer demand. Recall that Comcast evp *David Cohen* faced tough questions during the Comcast-TWC hearings about his statement that the deal wouldn't necessarily reduce consumers' bills. Look for that issue to come up again. In his prepared testimony, Stephenson declares that the "substantial cost savings and other synergies associated with the transaction will allow us to price all of our services more competitively, which will drive cable and other competitors to lower their prices and improve their own offerings." DirecTV and AT&T have argued since the merger announcement that the combined company would let them do more and reach more consumers. In his testimony, DirecTV CEO *Mike White* will argue that attempts to address the company's lack of broadband have been unsuccessful, citing synthetic bundles through commercial relationships with CenturyLink, AT&T, Verizon and others. Involving 2 companies has meant more expensive bundles, difficult installations and cumbersome sales pitches, he'll testify. ACA svp, govt affairs *Ross Lieberman* will use the floor to ask Congress to look beyond the transactions and at existing rules for the market overall. "Congress and the [FCC] need to ensure that consumers who reside in markets served by smaller MVPDs will not lose any competitive options or see their prices increase as the consolidation wave continues," he says in testimony. In terms of AT&T-DirecTV, ACA wants conditions to ensure DirecTV-affiliated programmers don't charge higher prices to rivals. Lieberman argues that existing program access rules prevent only cable operators and cable-affiliated programmers—not DBS and or non-cable MVPDs like AT&T—from engaging in unfair acts, such as imposing on other MVPDs discriminatory prices. Public Knowledge staff attorney *John Bergmayer* will make the case that the merger is a bad idea, urging policymakers not to let "merger fatigue" prevent them from closely scrutinizing the specifics of each deal. He'll argue that the deal results in a loss of pay TV competition and that AT&T hasn't provided enough info to distinguish between its previously announced investment upgrade plans and



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new investments resulting from the transaction. "Past experience with AT&T shows that it has a habit of 'promising' its existing business plans as merger commitments," Bergmayer claims. **Bernstein Research** analysts said that while it's tempting to lump this in the same category as Comcast-TWC, it is an entirely separate merger with different issues: "There are no primary regulatory issues that are common across deals, so there shouldn't be any substantive crosstalk between the mergers. We do not subscribe to the theory that one deal has to get turned down for political reasons." They see Comcast-TWC as the least difficult to get approved and **Sprint-T-Mobile** as the most difficult, with AT&T-DirectTV falling somewhere in between. Bernstein staff expects a key issue to be definition of the geographical market in which AT&T and DirectTV compete, arguing that U-verse disciplines price over a much larger area than just U-verse territory; thus competitive harms could occur in more than the 15-20% of HHs in the U-verse footprint.

Gooodoal: Killer numbers for Sun's USA-Portugal match, which goes down as the most-viewed soccer match in the US ever. It averaged 18.2mln viewers on **ESPN**, besting the previous high (18mln for the '99 Women's World Cup final USA-China on **ABC**). It's ESPN's most-viewed program outside of NFL and college football. It also ranked as the most-viewed USA match in **Univision Deportes** World Cup history, with an average of 6.5mln total viewers. Sunday's match also set product records on WatchESPN with a 490K average minute audience, and nearly 1.4mln viewers. The match was the most-watched live stream on Univision Digital Sun, with 1.5mln views. Not everyone was able to watch the game. **Time Warner Cable** subs in KY (Louisville and Lexington areas) reported a black screen for ESPN from about 7 to 7:45pm (halftime and part of the 2nd half). The MSO blamed a technical issue with a receiver. "Our engineers resolved the problem as quickly as we could and apologize to customers for the inconvenience," a spokesperson said.

Viggle Pushes Live Viewing: **Viggle** has launched on its **Wetpaint** site a daily web series called "Ditch the DVR," the company's latest push to encourage live viewing. **Viggle** also offers an app promising rewards for live viewing. In addition to network TV, **Viggle** is talking to web-based content creators about using the program to drive engagement.

Research: The latest **Beta Research** survey offers some helpful info on which nets have a high interest among adults who are heavy **Facebook/Twitter** users. Among emerging nets, **Revolt** ranked highest (170 index), followed by **MTV Jam** (162) and **MTV Hits** (157). **NBCU** siblings **Sprout** and **Esquire** ranked highest among digital basic/mid-sized nets, each indexing 175. **WE tv** (168) and **OWN** (167) also ranked high. The top-ranked VOD nets were from **AMC**, **History**, **Discovery**, **A&E**, **TNT** and **USA**. Beta found **FX Movie/Fox Movie Channel** as the top-ranked digital basic/mid-sized network in terms of interest in viewing. Some 67% of respondents ranked it 4 or 5 in terms of interest on a 5-point scale. Also receiving high marks: **Investigation Discovery** (58%), **Cooking Channel** (52%) and **Science** (52%). **CI, Crime & Investigation Net** was the top-ranked emerging net (52%), followed by **Chiller** (45%), **Cloo** (43%) and **BBC World News** (42%).

Carriage for Tennis, Back9: **Armstrong** reached a multi-year carriage deal with **Tennis Channel**, with rollout beginning in several markets on the first day of Wimbledon. Cleveland, Pittsburg and Youngstown, OH, have started launching the net, with the op's entire footprint expected to get access later this year. It's being carried on Armstrong's widely distributed Variety Pack and HD Advantage package (TVE access should be fully available to all Armstrong subs later in July). -- Golf lifestyle net **Back9Network** launches on **DirectTV** nationwide on Sept 29. The multi-year deal marks the net's 1st carriage agreement as it airs some 1,100 hours of original programming in the 1st year, including 10 original primetime series.

Ratings: The premiere of "The Last Ship" launched with 5.4mln viewers at 9pm Sun on **TNT**. For Live+SD, including the 11pm encore, the series garnered a total of 7.4mln viewers.

Programming: **AMC** renewed Revolutionary War spy dram "Turn" for a 2nd season. -- **NBC Sports Group's** coverage of the 101st Tour de France kicks off with a preview show Tues at 9pm ET on **NBCSN**. NBC Sports is exclusive rights holder of Tour coverage in the US. Daily live coverage begins July 5, 6am ET. -- **Showtime** greenlit pilot "Crazy Ex-Girlfriend," while **Starz** gave the go-ahead to 13-part series "The Girlfriend Experience." Despite the name similarities, the programs couldn't be more different. Starz's project (*Steven Soderbergh* and *Philip Fleishman* are exec producers) explores the relationships of "the most exclusive courtesans," who provide the Girlfriend experience. Showtime's Girlfriend pilot is a half-hour comedy with musical elements by feature writer *Aline Brosh McKenna* ("The Devil Wears Prada") and writer/actress/comedian *Rachel Bloom* ("Robot Chicken").

Comcast Adds Chrome: **Comcast** made its TVE service Xfinity TV Go compatible with **Google Chrome**, allowing users

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to view content through the Google browser. The move would mean Google's Chromecast users can now view live and VOD TV content on the biggest screen upon authentication.

ValueVision Media Restructures: Multichannel electronic retailer **ValueVision Media**, operating as **ShopHQ** across platforms, tapped former **HSN** CEO *Mark Bozek* as CEO and *Bob Rosenbaltt* as non-executive chmn, effective immediately. The move was part of an effort to reconstitute the board. Bozek succeeded *Keith Stewart*, who resigned earlier. Bozek also previously served as svp of **QVC** and producer of **Fox Television**.

People: *Vishnu Athreya* was named vp, program scheduling at **Cartoon** and **Boomerang**. He joins Cartoon Network US after a stint as exec dir, programming and acquisitions and development for Turner's kids channels in Asia Pacific. -- **Suddenlink** elevated *Amy Atkins* to vp, talent and organizational development, directing the Leadership Training Department at company headquarters in St. Louis.

Business/Finance: **Mediacom** raised \$900mln of term loan commitments from various lenders for its wholly-owned subsidiaries, **Mediacom Broadband LLC** and **Mediacom LLC**. It's the latest in a series of transactions arranged this year by Mediacom, totaling nearly \$1.6bln, to extend debt maturities, redeem high coupon senior notes and establish a new revolving credit facility.

CableFAX Daily Stockwatch

Company	06/23 Close	1-Day Ch	Company	06/23 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	84.61	(0.16)	CONVERGYS:	20.86	(0.08)
DISH:	62.49	1.20	CSG SYSTEMS:	25.55	0.04
ENTRAVISION:	5.36	(0.04)	ECHOSTAR:	52.38	(0.43)
GRAY TELEVISION:	11.17	(0.11)	GOOGLE:	564.95	8.59
MEDIA GENERAL:	17.73	(0.22)	HARMONIC:	7.46	(0.03)
NEXSTAR:	43.18	(0.3)	INTEL:	30.23	0.03
SINCLAIR:	29.24	(0.02)	INTERACTIVE CORP:	69.39	(0.18)
MSOS					
CABLEVISION:	17.44	0.06	JDSU:	11.90	(0.08)
CHARTER:	151.63	1.12	LEVEL 3:	44.61	(0.1)
COMCAST:	52.43	(0.31)	MICROSOFT:	41.99	0.31
COMCAST SPCL:	52.12	(0.15)	NIELSEN:	48.30	0.10
GCI:	11.16	0.33	RENTRAK:	51.70	(1.49)
GRAHAM HOLDING:	712.62	1.02	SEACHANGE:	7.71	(0.22)
LIBERTY GLOBAL:	42.72	(0.09)	SONY:	16.78	(0.19)
LIBERTY INT:	28.98	0.19	SPRINT NEXTEL:	8.36	(0.05)
SHAW COMM:	24.63	(0.28)	TIVO:	12.59	0.07
TIME WARNER CABLE:	142.47	(0.78)	UNIVERSAL ELEC:	47.55	(0.22)
PROGRAMMING					
21ST CENTURY FOX:	34.34	(0.2)	VONAGE:	3.62	0.04
AMC NETWORKS:	60.66	(0.59)	YAHOO:	33.64	(0.41)
CBS:	59.00	(0.04)	TELCOS		
CROWN:	3.50	(0.02)	AT&T:	35.39	UNCH
DISCOVERY:	74.45	0.66	CENTURYLINK:	36.73	0.03
DISNEY:	82.76	(0.06)	TDS:	25.49	(0.27)
GRUPO TELEVISIA:	34.51	0.36	VERIZON:	49.73	0.34
HSN:	58.63	1.53	MARKET INDICES		
LIONSGATE:	28.02	0.67	DOW:	16937.26	(9.82)
MADISON SQUARE GARDEN:	60.40	0.71	NASDAQ:	4368.68	0.64
SCRIPPS INT:	81.66	(0.38)	S&P 500:	1962.61	(0.26)
STARZ:	29.39	(0.11)			
TIME WARNER:	68.19	(0.11)			
VALUEVISION:	5.14	0.16			
VIACOM:	85.49	(0.35)			
WWE:	11.86	0.20			
TECHNOLOGY					
ADVANTAGE:	2.88	(0.05)			
ALCATEL LUCENT:	3.66	0.09			
AMDOCS:	47.23	(0.35)			
AMPHENOL:	97.10	(0.38)			
AOL:	37.99	0.17			
APPLE:	90.83	(0.08)			
ARRIS GROUP:	33.03	(0.47)			
AVID TECH:	7.50	0.05			
BROADCOM:	37.89	(0.39)			
CISCO:	24.70	(0.13)			
CONCURRENT:	7.88	(0.03)			



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CableFAX TECH

by Joyce Wang

Streaming Box Battle Royale...

Less than a year after its PS4 launch in Nov, **Sony** is once again putting itself in an already crowded streaming device race with the likes of **Amazon, Roku, Apple** and **Google**. Scheduled to launch this fall in the US, the \$99 Sony PlayStation TV is an upgraded version of Vita TV and allows users to stream video, access older PS titles and games and use it as a remote hub for PS4. Meanwhile, it has been nearly 3 months since Amazon launched its streaming device Fire TV, also priced at \$99. No usage stats are yet available, but a spokeswoman noted popular features of the device include voice search and ASAP (advanced streaming and prediction), based on initial customer feedback. ASAP predicts content users want to watch and buffers them for playback before they hit "play." Though both devices attempt to capture the more casual gaming market, Sony might have the upper hand, at least in the gaming area, as it allows access to a deep library of older PS games from past-generation consoles through PlayStation Now, Sony's cloud-based game streaming service. The device can connect to a nearby PlayStation 4 and stream content to another TV via remote play, allowing gamers to use the console in more than one room. Amazon, on the other hand, is upgrading Fire TV's content navigation and discovery features. It's adding new voice search partners, in addition to existing integration of **Hulu Plus, Crackle**, and **Showtime**. **Netflix** promised to add support for voice search on Fire TV later this year. A new Prime browse feature is coming to Fire TV within the next week, which would make discovery of Prime Instant Video content easier with new categories such as Top Prime TV, Prime TV for kids and Prime movies by genre, we're told. The company is also integrating parental control services FreeTime and FreeTime Unlimited into the next Fire TV update rolling out this week. The verdict: while playing popular PS games on a less expensive Sony console may seem appealing to gamers, Amazon's rich content and integration with media apps may continue to draw average consumers wanting a user-friendly streaming option.

DISH Ships Joey: As part of DISH's Hopper Whole-Home HD DVR platform, DISH launched Wireless Joey Mon. The system is the 1st in the pay-TV industry to integrate 802.11ac WiFi technology, offering data transfer speeds up to 3 times faster than speeds offered by 802.11n and older technologies. Connecting directly to the Hopper, the access point creates a dedicated Wi-Fi network that serves up to 3 Wireless Joey clients. DISH emphasized that the Wireless Joey provides the same experience to a wired Joey, with full Hopper features including the PrimeTime Anytime and AutoHop services, as well as the ability to view, record, pause, rewind and fast forward TV content.

Comcast Aids CA Farm Bureau: Comcast Business scored a deal with the **Sonoma County Farm Bureau**, a nonprofit representing farm and ranch families in Sonoma County, CA. Under the deal, Comcast provides Internet and cloud-based voice services. The MSO deployed a 50 Mbps service to provide online access for the bureau's 5 employees to conduct research, create materials, collaborate with other organizations and communicate with members. Prior to the deal, the bureau used a legacy T1 line with 1.5 Mbps for Internet access.

Vadio Partners with Vevo: Vadio, a Portland-based video streaming service provider, is partnering with **Vevo** to bring the music video and entertainment platform's catalogue of more than 100K music videos, live concerts and original programming to Vadio's streaming media partners. The partnership also enables users to access high-quality videos in real time, with all rights managed within a streamlined workflow.

People: Media transport tech provider **Artel Video Systems** appointed *Kevin Ancelin* to the newly created position of vp of sales and business development, responsible for growing sales of **Artel's** flagship DigiLink media transport platform, among other things.

Got tech news? Reach out to Cablefax Tech editor Joyce Wang at jwang@accessintel.com

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