

# CableFAX Daily™

Friday — July 11, 2014

What the Industry Reads First

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## Closed Captioning: Cable, Broadcasters Largely on Same Page

They might butt heads on things like retrans, but **NAB** and **NCTA** seemed to be in agreement when it comes to closed captioning, at least for the most part. The **FCC** approved in Feb new rules for TV closed captioning and meant to ensure better access for deaf or hard-of-hearing viewers. As programmers gear up for the Jan 2015 implementation deadline and as the agency works to further improve accessibility of close captioning, NAB and NCTA want the agency to stay away from mandating new technologies like 3D and 4K, they said in filings with the agency this week. "Stakeholders have worked hard to ensure that captioning is taken into account as new technologies develop and are embraced by consumers," NCTA said. While the group doesn't expect any problem with captioning for Ultra HD, or 4K, industry can be relied on to ensure that's the case through reliance on routine standard-setting bodies. Similarly, the FCC shouldn't adopt new rules for 3D TV programming, it said. In addition, both technologies are still in early stages with standards being developed, NAB said. It noted **CEA** did consider the issue of 3D closed captioning as part of a revision to CEA-708, standard for closed captioning for ATSC digital television (DTV) streams, but that revision hasn't been approved. As for 4K, the Television Systems Committee is developing a new standard that includes 4K video and its work on encoding and transmission of closed captions of 4K is scheduled to start in 4Q, NAB said. In addition, either group is a fan of the FCC's proposed technical solutions for live captioning delivery, which include requiring advance delivery of audio, notifying the captioner that the audio feed will be ending. The solutions "will not improve the viewer experience," NAB said. NCTA noted most of the potential solutions were already explored by industry and nothing has transpired. "The solutions require improvements in technology. These are precisely the types of issues that should be addressed cooperatively by stakeholders, rather than through government mandate," NCTA said. The trade groups also shared the same sentiment regarding proposed regulations for captioning formatting, including importing definitions for live and near-live captioning. Calling the definitions "overly restrictive," NAB asked the FCC to allow the best practices to take effect before further regulating the quality of captioning. The Commission's order includes some best practices for programmers and vendors based on recommendations from NCTA, NAB and captioning agencies. The FCC's caption order adopted "enhanced" electronic newsroom technique (ENT) requirements for certain broadcasters and NCTA wants to make sure that the Commission won't apply the ENT

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obligations to cable while continuing to provide cable ops with the option of using ENT captioning. Unlike NAB and NCTA, which counts both MVPDs and programmers as members, **Verizon** wants the FCC to put the responsibility of captioning on programmers and content providers. "Improvements in captioning quality will follow when the Commission makes the parties who produce captions for television programming responsible for compliance with the regulations mandating quality standards for those captions," the telco said. That said, like NCTA and NAB, the telco opposed the proposed outage reporting requirements. Parties can file reply comments with the agency till Aug 8.

**FCC Clock Ticking:** The FCC's informal 180-day merger clock has started ticking on the proposed **Comcast-Time Warner Cable** transaction and associated **Charter** deals. The agency's under no obligation to complete its review in 180 days, using the clock as more of a goal. It also can stop and restart the clock to seek more info from the MSOs. The Commission set the pleading cycle Thurs, with comments or petitions to deny the transactions due by Aug 25; replies are due Sept 23 and replies to responses are due Oct 8. The docket number is 14-57.

**2014 Emmy Nominations:** Big day for **FX**, whose 45 Primetime Emmy nominations mark the most ever for a basic cable network. **HBO** once again led all networks in nominations with 99 nods. HBO's "Game of Thrones" was the most-nominated series with 19 nominations, but FX's "Fargo" and "American Horror Story: Cover" were nipping at its heels with 18 and 17 nominations, respectively. Several networks had a personal best for Emmy noms, including **Lifetime**, which received 17 and tied FX for the title of basic cable net with the most individual project nominations this year (8). "Project Runway" received 5 nominations, while miniseries "Bonnie & Clyde" nabbed 4. **Comedy Central's** 21 nominations, which included a 1st Emmy nomination for "Inside Amy Schumer," was a record for the network. **Showtime** scored 24 nominations, receiving the most lead actor/actress series nominations of any network (11). "Shameless" scored its 1st-ever comedy nomination, and freshman series "Masters of Sex" received 5 nods. Fellow premium net Starz garnered a personal record of 11 nominations, with "The White Queen" in the running for Outstanding Miniseries—a category that was previously shared with movies; the Television Academy split them back into separate categories this year. Critic darling **AMC** walked away Thurs with 26 nominations, with "Breaking Bad" earning 16 noms, the most in series history. "Mad Men" continues to be the most Emmy-nominated drama series on TV with a total of 105 nominations. It received 8 this year, including Outstanding Drama Series. Other cable nets in the running for statuettes include: **Fox/Nat Geo** (12 nominations), **Discovery** (10), **CNN** (9) and **IFC** (8). Check out the complete list at Emmys.com. **Netflix** received 31 nominations, up from 14 last year. "Orange is the New Black" is in the running for Outstanding Comedy, while "House of Cards" is up for Outstanding Drama.

**On the Hill:** The **House Judiciary Committee** OKed the Satellite Television Extension and Localism Act (STELA) reauthorization Thurs without any retrans overhaul provisions sought by pay-TV operators. **CEA** also wants legislators to add retrans reform language to the bill, such as allowing pay-TV providers to temporarily replace a broadcast signal with a distant network signal during blackouts and making the obligation of good faith negotiations more concrete and consumer-focused. The trade group also supports Congress banning independent broadcast stations in the same market from jointly negotiating retrans agreements. **NAB**, on the other hand, was happy to see a clean STELA reauthorization. "NAB strongly supports this practical approach to STELA," CEO *Gordon Smith* said in a statement. Senate Judiciary previously approved a clean STELA reauthorization. The Commerce committees in both chambers still have to weigh in. "With the House and Senate Judiciary committees both passing bills leaving cable's distant signal license untouched, ACA's attention turns to the Senate Commerce Committee and the need for updating rules and regulations governing retransmission consent," said ACA's *Matt Polka*. "These rules are clearly broken and urgently need to be reformed as part of the STELA reauthorization." -- The **House subcmte on Commerce, Manufacturing and Trade** on Thurs advanced the so-called patent troll bill that would crack down on abusive, misleading demand letters.

**E-Rate Battle:** The numbers don't add up, more lawmakers told **FCC** head *Tom Wheeler* as the agency prepares to vote Fri on his proposal to expand WiFi at schools and libraries through the E-Rate funding program. House Commerce chmn *Fred Upton* (R-MI) and tech subcmte head *Greg Walden* (R-OR) were "troubled by press reports that you have promised to increase the E-Rate budget in the 'near term' and recent allegations by Commissioner [*Ajit*] *Pai* that you are planning to grow the size of the existing \$9 billion Universal Service Fund through commission action in a subsequent item," they wrote in a letter to Wheeler. "This would be an unacceptable course of action. We urge you to modernize the fund to bring our nation's students the 21st century tools they need to succeed without increasing the ever-growing burden of USF

on rate-payers,” they said. Michigan Democratic senators *Carl Levin* and *Debbie Stabenow* said they oppose to “any proposal that would change the E-Rate distribution mechanism to one that provides funding based on a per-student or per-square foot calculation for Wi-Fi.” All eyes on Wheeler now.

**Aereo’s Path Forward:** Following the Supreme Court’s ruling against it last month, **Aereo** is trying to stay alive with a new legal argument that it’s a cable company. In a letter to the 2nd Circuit, where Aereo had initially triumphed over the preliminary injunction requested by the broadcasters, it wrote that “under the Second Circuit’s precedents, Aereo was a provider of technology and equipment with respect to the near-live transmissions at issue in the preliminary injunction appeal. After the Supreme Court’s decision, Aereo is a cable system with respect to those transmissions.” And if Aereo is a cable system, it’s eligible for a statutory license, and its transmissions may not be enjoined, the company said. Aereo said it has started to file paperwork. Even if the court agreed with the company’s filing, it would still need **FCC** and the **US Copyright Office’s** approvals to become a cable operator.

**Google Fiber Road Trip:** Interesting musings from **Wells Fargo Securities** analysts after a road trip to **Google Fiber Space** in Kansas City this week. The Fiber Space is open to the public, nothing in the analyst note came from Google mgmt. “We came away believing that Google Fiber is NOT just a ‘gimmick’ to force the incumbents to increase speeds (which ultimately helps GOOG’s core search business) and is more profitable than we initially thought. That said, the roll-out is complex and time-consuming; and the current target markets are not of concern,” the analysts said. Google is contemplating expanding the service to 34 cities in 9 metro areas. It’s expected to announce a new launch site by year-end. Cable should keep an eye on other areas that Google Fiber is testing, with Wells Fargo analysts identifying the small business segment as an area to watch. “There are also internal discussions [regarding] WiFi, but there are no formal plans yet. The one area Google Fiber is not likely to target is home security given a fragmented market coupled with Google’s lack of a phone product,” they said. On Mon, Google Fiber began signing up Johnson County, KS, for the service. It also is giving residents in its original fiberhoods of Kansas City, MO, and Kansas City, KS, another chance to sign up for the service through Aug 7.

**Turner at TCA:** Critics remain fascinated with the morbidity rate of actor *Sean Bean*, whose characters have met grisly deaths in countless movies and TV shows—including his particularly shocking demise in the 1st season of **HBO’s** “Game of Thrones.” He shrugged it off. “I’ve died quite a few times,” he acknowledged. “I’ve died quite a few different deaths.” As for the public’s fascination, “maybe it’s the quality of the deaths.” We presume **TNT** won’t kill off Bean’s character on “Legends” (premieres Aug 13), in which he plays a chameleon-like undercover agent whose past comes into question. “His identity is kind of a driving question,” noted exec producer *David Wilcox*. “Who is he?” As for keeping the audience guessing about whether the show’s main character will suddenly croak, Wilcox said that might be “fun” but “that’s not the reason Sean Bean was cast.” Of course, TNT is getting as much marketing mileage out of it as possible, handing out to critics t-shirts printed with the **Twitter** hashtag #DontKillSeanBean. -- **truTV’s** transformation seems in full effect, with the net presenting a couple of intriguing shows, one a sketch comedy series called “Friends of the People (premieres fall) in the vein of **Fox’s** 1990s hit “In Living Color.” It brings together a diverse cast of comedy pals who approached truTV pres, programming *Chris Linn* with a busted pilot. “I didn’t love the pilot, but I loved the cast,” he said, noting that the net wants to take “big swings” on new talent and concepts. That comes into play with “Fake Off” (premieres fall), a bizarre competition show in which teams of performance artists create their own stage interpretations. “We see it as a new form of storytelling,” said Linn. -- And speaking of transformations, **CNN’s** continues as well, with famously fickle job hopper *Mike Rowe* hosting “Somebody’s Got to Do It” (premieres Oct) in which he—wait for it—highlights jobs that most of us would shun. When asked whether he could do a TV critics job, his answer was a crowd pleaser. “Some jobs are just too hideous to contemplate,” he said.

**BBC America at TCA:** One of the highlights of the TCA Tour thus far came during **BBC America’s** panel when *Tom Hollander* via satellite from London said he’d just been given a previously lost *Dylan Thomas* poem, never heard in the U.S. Reprising his role as Thomas (“A Poet in NY,” fall 2014), Hollander beautifully recited the short piece about a fictional pub. There couldn’t have been a better way to tout the upcoming short film about Thomas’s last days. -- BBC America’s “Intruders” (premieres Aug 23), about a society that chases mortality by living in the bodies of others, has a “novelistic” and perhaps “European way of storytelling,” said executive producer *Jane Tranter*, which is something cable’s “increasingly beginning to do.” It’s full of questions, many of which remain unanswered. “And eventually there are answers, but the answers aren’t given immediately the question is asked. You have to be intrigued and wait,” she said. On the series’ location, director *Eduardo Sanchez* said the Vancouver-based shoot is meant to mimic the Pacific Northwest—something that wasn’t too difficult given the similarity in climate. “The Vancouver kind of crew and production team is kind of used to mimicking other locations,” he said. And their philosophy was, “If it’s raining the day that we’re shooting, it’s raining in the show.”

**GSN at TCA:** **GSN** treated critics to lunch Thurs plus a trio of comely models in their birthday suits painted head-to-toe to

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tout "Skin Wars" (Aug 6 premiere). Always hungry for news, one CFX contributor extensively interviewed the ladies, learning the paint job took 7 hours. "I've been here since 5am," one of the painted beauties said. From GSN execs we learned most of the contestants who'll be painted during the 8-ep, hour-long shows will be female. *Rebecca Romijn*, the first "Sports Illustrated" swimsuit model to be body painted, will host.

**El Rey at TCA:** The hour-long interview series "El Rey Network Presents: The Director's Chair" is "scalable and completely on brand," which is the kind of show the network needs to secure carriage, said vice chairman *Scott Sassa*. "It's all about retrans," he said, so in that regard, the net plans to leverage Univision's TV stations. "That's been valuable for us," he said. But "it only works if you put shows like "Matador" and "Dusk" on the network. -- **El Rey's** "Matador" (premieres July 15), featuring a pro soccer player who's secretly a spy, is perfect for the new network, whose mission is to appeal to Hispanic viewers who don't often see themselves represented on television. "It just fit the mold of what I wanted to do, right away," founder *Robert Rodriguez* said. "The whole reason I created the network was to do something like this." El Rey greenlit a 2nd season before it has even premiered, which executive producer *Roberto Orci* said will allow them "to really plan the entire season" and make it a better show.

## CableFAX Daily Stockwatch

Company	07/10 Close	1-Day Ch	Company	07/10 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
DIRECTV:	86.41	0.41	CONVERGYS:	20.93	(0.11)
DISH:	65.15	(0.81)	CSG SYSTEMS:	26.42	(0.23)
ENTRAVISION:	6.06	(0.03)	ECHOSTAR:	51.35	0.06
GRAY TELEVISION:	12.71	(0.26)	GOOGLE:	571.10	(4.98)
MEDIA GENERAL:	22.30	0.11	HARMONIC:	7.08	(0.25)
NEXSTAR:	49.89	(0.74)	INTEL:	31.26	0.37
SINCLAIR:	33.72	(1.26)	INTERACTIVE CORP:	65.56	(0.31)
<b>MSOS</b>					
CABLEVISION:	18.12	0.26	JDSU:	12.06	(0.09)
CHARTER:	162.87	0.72	LEVEL 3:	44.71	0.14
COMCAST:	54.35	(0.38)	MICROSOFT:	41.69	0.01
COMCAST SPCL:	54.04	(0.23)	NIELSEN:	48.46	(0.41)
GCI:	10.99	(0.08)	RENTRAK:	52.49	(0.55)
GRAHAM HOLDING:	724.50	(11.9)	SEACHANGE:	8.03	(0.08)
LIBERTY GLOBAL:	43.69	(0.4)	SONY:	16.65	(0.14)
LIBERTY INT:	28.59	(0.35)	SPRINT NEXTEL:	8.25	(0.16)
SHAW COMM:	26.26	0.07	TIVO:	13.19	0.42
TIME WARNER CABLE:	148.55	(1.22)	UNIVERSAL ELEC:	49.32	(0.2)
<b>PROGRAMMING</b>					
21ST CENTURY FOX:	35.71	(0.2)	VONAGE:	3.65	0.03
AMC NETWORKS:	60.65	(0.08)	YAHOO:	34.93	0.08
CBS:	61.80	(2.13)	<b>TELCOS</b>		
CROWN:	3.57	(0.05)	AT&T:	35.70	0.05
DISCOVERY:	77.94	(0.77)	CENTURYLINK:	36.78	0.19
DISNEY:	86.86	(0.36)	TDS:	25.28	0.10
GRUPO TELEVISA:	34.26	(0.1)	VERIZON:	49.64	0.74
HSN:	56.62	(1)	<b>MARKET INDICES</b>		
LIONSGATE:	28.43	0.15	DOW:	16915.07	(70.54)
MADISON SQUARE GARDEN:	61.45	(0.79)	NASDAQ:	4396.20	(22.83)
SCRIPPS INT:	80.76	(0.09)	S&P 500:	1964.68	(8.15)
STARZ:	28.98	(0.07)			
TIME WARNER:	72.22	(0.19)			
VALUEVISION:	4.57	(0.13)			
VIACOM:	86.20	(0.38)			
WWE:	11.52	(0.06)			
<b>TECHNOLOGY</b>					
ADVANTAGE:	2.62	0.01			
ALCATEL LUCENT:	3.53	(0.09)			
AMDOCS:	47.12	(0.09)			
AMPHENOL:	96.66	(0.62)			
AOL:	40.28	(0.24)			
APPLE:	95.03	(0.35)			
ARRIS GROUP:	31.38	(0.23)			
AVID TECH:	7.80	0.03			
BROADCOM:	37.85	(0.31)			
CISCO:	25.44	UNCH			
CONCURRENT:	7.37	0.05			



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# PROGRAMMER'S PAGE

## Your Next Appointment...

Sex always sells, but the central question surrounding **Showtime's** "Masters of Sex" before its premiere last year was whether the *study* of sex would sell. With season 2 about to debut on July 13 amid big buzz and 5 Emmy nominations announced on Thurs, few are asking that question now. This show about the genesis of *William Masters* and *Virginia Johnson's* groundbreaking human sexuality studies that began in the Puritanical 1950s and eventually helped usher in the sexual revolution of the late '60s and '70s kind of writes itself. "We're pretty good about trying to stick to the facts," show creator *Michelle Ashford* told me at a recent Paleyfest event in L.A. "And we use the two stories as sort of the scaffolding. That isn't to say that we don't bring characters into their lives that we don't know whether or not they actually existed. But we only portray the work that they did. We don't fudge that." To that point, it's a testament to how ahead of its time their work was. "Luckily, the story is so interesting that we don't have to go too far," she said. Another asset: The acting, with *Michael Sheen* as Masters and newly Emmy nominated *Lizzy Caplan* as Johnson. Caplan, known more for comedy than drama (R.I.P. "Party Down"), said the show's sexual content isn't even the biggest acting challenge. "You would think it would be the nude scenes and the love scenes, but really it's trying to create this character that the audience can support even when she's doing things that are morally questionable," she said. As for Sheen, more the veteran when it comes to playing real historical figures, he said "it's different to play *David Frost* or *Tony Blair* where everyone is familiar with them. No one is really familiar with William Masters and Virginia Johnson. They may have heard about them, but they didn't know anything about what they were like or anything. So it's a different kind of pressure. But you still have a responsibility toward them and their families." — *Michael Grebb*

**Reviews:** "Rush," premiere, 9pm, Thurs, **USA**. This summer cable adds to the list of series centering on medical professionals with drug habits, with "Rush" and **Cinemax's** "The Knick" (Aug 8). A cash-only practitioner, Dr. Rush (*Tom Ellis*) is a fixer a la **Showtime's** *Ray Donovan*, catering to L.A.'s high rollers despite his affinity for nose candy. We're curious where Rush goes after the pilot, which was the sole episode provided. Ditto for another USA series "Satisfaction" (premiere, Thurs, 10pm), whose pilot about a husband's mid-life blues, starring likeable *Matt Passmore*, also was intriguing. -- "Married," premiere, Thurs, 10p, **FX**. Thank goodness some nets provide critics with multiple eps with which to form an opinion. FX gave us 4 eps of this fun, at times funny, comedy which, like "Satisfaction," is about mid-life marriage, financial and career blues. The series begins with wife and mother (*Judy Greer*) being too tired for sex, much to the dismay of husband (*Nat Faxon*). While "Married" seems like many other comedies, it's truthful, consistently funny and includes good supporting work from *Jenny Slate*. -- "Matador," premiere, Tues, 9p, **El Rey**. While El Rey gets credit for telling Latino stories and landing *Alfred Molina*, the "Matador" pilot was so contrived even a bull would have trouble believing it. — *Seth Arenstein*

### Basic Cable Rankings

(6/30/14-7/06/14)

Mon-Sun Prime

1	TNT	0.8	1994
1	USA	0.8	1879
3	DSNY	0.7	1737
3	HIST	0.7	1629
5	FOXN	0.6	1540
5	TBSC	0.6	1427
5	HGTV	0.6	1379
8	A&E	0.5	1170
8	DSE	0.5	122
10	AMC	0.4	1072
10	DISC	0.4	1048
10	FOOD	0.4	1003
10	FX	0.4	999
10	NAN	0.4	955
10	BRAV	0.4	907
10	ADSM	0.4	902
10	TLC	0.4	886
10	ESPN	0.4	868
10	SYFY	0.4	865
10	BET	0.4	839
21	SPK	0.3	817
21	FAM	0.3	782
21	VH1	0.3	755
21	LIFE	0.3	729
21	ID	0.3	684
21	HALL	0.3	653
21	EN	0.3	635
21	APL	0.3	606
21	NGC	0.3	595
21	DSJR	0.3	555
31	TVLD	0.2	581
31	MTV	0.2	552
31	TRU	0.2	550
31	CMDY	0.2	511
31	OWN	0.2	499
31	MSNB	0.2	473
31	LMN	0.2	472
31	ESP2	0.2	462
31	CNN	0.2	435
31	WETV	0.2	429
31	TRAV	0.2	392
31	NKJR	0.2	382
31	HLN	0.2	376
31	CMT	0.2	343
31	GSN	0.2	338
31	DXD	0.2	328

\*Nielsen data supplied by ABC/Disney

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