

Cablefax Daily™

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What the Industry Reads First

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Carriage Wars: Suddenlink to Drop Viacom Nets on Oct 1

Suddenlink seems to be done negotiating, telling customers on its website that it will no longer carry **Viacom** channels as of Wed and will launch new nets in their place. “We made this decision on the basis of what our customers have told us about channels they value the most,” a Suddenlink spokesman said. The new channels will vary somewhat by region and package. Suddenlink is adding **FXX, Hallmark, OWN, Pivot, Sprout, TheBlaze, UP** and **WEtv** to expanded basic in some markets. New digital tier channels include **Aspire, BabyFirst, Comedy.tv, ESPN Goal Line, Fusion, GSN, MGM Channel, RLTV** and **Revolt**. The MSO has complained that **Viacom** wants a nearly 50% increase in payments, even as viewership has decreased in the last several years for their main channels. For its part, Viacom has called **Suddenlink’s** statements “part of their negotiation playbook.” “The increase we are asking for is fair. Viacom’s networks are the best performing cable network group and account for nearly 20% of all cable viewing,” Viacom said. “Additionally, we drive nearly a third of all video on demand viewing by Suddenlink customers. Suddenlink paid more for **ESPN Networks** in the deal it just completed than we’re asking for all 24 of our networks combined, even though we deliver far greater value. We are continuing to make every effort to reach an agreement with Suddenlink.” Viacom and Suddenlink each have their own websites championing their positions. At KeepViacom.com, the programmer said the deal is on the table is “a better deal than hundreds of other television providers in the country recently agreed to.” In addition to SuddenlinkOnYourSide.com, the MSO has launched bypopulardemand.com, which highlights new channel offerings. This isn’t Viacom’s first time on the chopping block. Its nets were dark 10 days on **DirecTV** in 2012, which seemed to set the stage for a 2014 showdown between **Cable One** and some **NCTC** members. When the dust settled, Cable One and approx 60 small operators unhappy with the NCTC deal terms dropped Viacom channels. Viacom CEO *Philippe Dauman* has said the drops have not hurt the company, and instead pointed to Cable One’s sub losses (it lost about 35K customers in 3Q, more than double 1Q’s 14K loss). Suddenlink has about twice as many subs as Cable One, however. **SNL Kagan** estimates put Suddenlink at 1.2mln basic subs at the end of June vs 490K for Cable One. Piling on is **Cablevision**, which struck a deal with Viacom in Dec 2012, but turned around a few months later and filed a lawsuit claiming the programmer wrongly ties its most popular channels to a suite of less desirable networks. That suit is still pending in US District Court of NY’s Southern District, with a status conference slated for Jan. The judge in the case has set Sept 9, 2015 as the date to begin settlement discussions before the court.

OVDs to be MVPDs? As **Sony** and others look to launch their own virtual MSO service, there’s an interesting bit of news brewing at the **FCC**. *Multi* reports the agency is working on an item that would define an online video provider as an MVPD—meaning they’d have access to the Commission’s program access rules but also would have to nego-

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tiate retrans (hat tip to *John Eggerton*). It's also interesting to see if such a determination could open the doors for an **Aereo** return—though it seems it would still have to negotiate retrans.

Mergers & Contracts: The FCC Media Bureau gave folks a little extra time to file comments on where the existing protective orders in the **Comcast-Time Warner Cable** and **AT&T-DirectTV** proceedings provide adequate protection for programming agreements and retrans agreements that programmers feel are highly confidential. Those comments were due Fri, but the FCC extended the deadline until Mon (9/29). Companies including **Disney, CBS, Univision** and **Sinclair** have argued that the protective orders don't go far enough.

Carriage: Revolt joins **Verizon FIOS'** Ultimate HD lineup next month. The music-focused channel will launch on the FIOS Mobile app shortly. The Verizon deal puts Revolt in 46 of the top 50 markets in the US.

NCTA vs PK: NCTA is fighting back against **Public Knowledge's** quest to stop the House and Senate from eliminating the **FCC** set-top integration ban in their versions of the Satellite Television Access and Viewer Rights Act. PK has launched a campaign warning consumers that this could make it harder to use **TiVo** DVRs. NCTA is taking to the web to counter the claims, stating that cable will still support retail devices, and that the bill would only mean operators would no longer have to include CableCARDS in set tops they lease to customers. "[PK] should be particularly supportive because the proposed reforms merely delete the tech mandate on cable operator leased set-top boxes and do nothing to disturb the underlying authority of the FCC under section 629 to support a retail market for set-top boxes. But sadly, PK appears oblivious to this injustice, perhaps blinded by their seemingly endless desire to criticize the cable industry, even when the true injustice of the rule falls on consumers," declares an NCTA blog post.

Programmatic Advertising: **NBCU** launched **NBCUx**, a programmatic digital ad sales offering aimed at increasing clients' opportunities using programmatic technology. **NBCUx** offers a data-enabled targeting alongside premium digital display, mobile and video content across its portfolio. **Target** is one of the 1st major brands to use the offering. Previously, **NBCU** had just offered its digital display advertising inventory programmatically. Now the company is adding its entire portfolio of digital video and mobile content year-round.

Mediacom's Unbundling Petition: **NAB** filed its official "NO!" response to **Mediacom's** request that the **FCC** institute a rulemaking to consider rules addressing forced wholesale bundling, interference with consumers' access to programming otherwise freely available on the Internet (ie, **Viacom** blocking Internet customers' access to online content after their MVPD dropped the channels) and unjustified volume discounting (**CFX**, 7/22). The broadcast trade group told the FCC that the proposals are well beyond the scope of Commission authority and contrary to law. As for the issue of Internet blocking, which also came up when **Time Warner Cable** lost **CBS** O&Os, **NAB** said the rules are clear: "No provider is under any legal or regulatory obligation to offer online content—and the Commission lacks statutory authority to compel any video provider, including broadcasters, to do so. Significant First Amendment considerations also would be raised by any government regulation compelling online video offerings."

Programming: **TBS** kicks off its exclusive coverage of the 2014 **MLB** Wild Card on Tues (8pm ET). Every TBS **MLB** Postseason game telecast will utilize four 6X Cameras and the **ALCS** will feature replays from Super Slo Mo cameras for the first time. Also for the first time, **Turner Sports** will work in partnership with **Facebook** to produce

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social media content in real-time. All TBS MLB Postseason games will be available to subscribers for live stream viewing via the Watch TBS app. -- **ABC Family** has also picked up its first procedural drama "Stitchers" and ordered a second season of "Young & Hungry." -- **Outdoor Channel's** fall programming lineup begins tonight and includes two new shows, "Fight to Survive" and "The Gunfather," and new eps for 5 returning series. -- **Nat Geo** is changing up its daytime schedule to regularly air programming from sister networks, **Nat Geo Wild** and **National Geographic Channels International** (NGCI), 9-11am and 11-1pm, respectively, M-F, beginning Sept 29. The Wild block includes series such as "Animals Gone Wild," while the Intl block features "Ultimate Airport Dubai" and "Car S.O.S."

WWE Goes Pink: **WWE** and **Susan G. Komen** are expanding their partnership for their 3rd annual breast cancer awareness campaign. **WWE Superstars** and **Divas** wearing co-branded apparel and ring platforms will go pink on "Monday Night Raw." The campaign, called "Courage Conquer Cure," will continue throughout National Breast Cancer Awareness month with **WWE** donating a percentage of retail merchandise revenue to **Susan G. Komen**. The campaign will also be featured in an ep of "Total Divas" that will air Sun, Oct 19 at 9 pm on **E!**.

CableFAX Daily Stockwatch

Company	09/29 Close	1-Day Ch	Company	09/29 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	86.66	(0.43)	CONVERGYS:	18.02	0.09
DISH:	65.01	0.09	CSG SYSTEMS:	26.41	(0.26)
ENTRAVISION:	3.96	0.01	ECHOSTAR:	48.93	(0.31)
GRAY TELEVISION:	8.17	(0.01)	GOOGLE:	576.36	(0.74)
MEDIA GENERAL:	13.32	0.19	HARMONIC:	6.45	0.06
NEXSTAR:	41.46	0.60	INTEL:	34.90	0.64
SINCLAIR:	26.54	0.22	INTERACTIVE CORP:	65.89	(0.09)
MSOS					
CABLEVISION:	17.65	(0.14)	JDSU:	12.96	0.06
CHARTER:	155.58	(1.26)	LEVEL 3:	45.97	1.39
COMCAST:	54.16	(0.08)	MICROSOFT:	46.44	0.03
COMCAST SPCL:	53.92	(0.08)	NIELSEN:	44.70	0.06
GCI:	10.97	(0.15)	RENTRAK:	61.06	0.19
GRAHAM HOLDING:	699.59	(0.41)	SEACHANGE:	6.88	(0.17)
LIBERTY GLOBAL:	43.24	(0.32)	SONY:	17.78	0.36
LIBERTY INT:	28.29	(0.06)	SPRINT NEXTEL:	6.35	(0.07)
SHAW COMM:	24.57	0.02	TIVO:	12.95	(0.06)
TIME WARNER CABLE:	144.97	(0.12)	UNIVERSAL ELEC:	50.45	(0.83)
PROGRAMMING					
21ST CENTURY FOX:	34.15	(0.29)	VONAGE:	3.36	0.08
AMC NETWORKS:	58.78	(0.27)	YAHOO:	40.52	(0.14)
CBS:	54.32	(0.24)	TELCOS		
CROWN:	3.12	0.02	AT&T:	35.23	(0.05)
DISCOVERY:	37.70	(1.29)	CENTURYLINK:	40.40	0.09
DISNEY:	88.83	0.09	TDS:	23.97	(0.52)
GRUPO TELEVISIA:	33.64	(0.26)	VERIZON:	49.75	(0.02)
HSN:	61.20	0.02	MARKET INDICES		
LIONSGATE:	32.99	1.79	DOW:	17071.22	(41.93)
MSG:	66.46	(0.14)	NASDAQ:	4505.85	(6.34)
SCRIPPS INT:	78.04	(0.06)	S&P 500:	1977.80	(5.05)
STARZ:	32.30	0.12			
TIME WARNER:	75.64	(0.02)			
VALUEVISION:	5.24	0.05			
VIACOM:	76.81	(0.53)			
WWE:	13.80	(0.38)			
TECHNOLOGY					
ADDVANTAGE:	2.30	(0.02)			
AMDOCS:	46.35	0.08			
AMPHENOL:	101.84	0.02			
AOL:	44.40	(0.15)			
APPLE:	100.11	(0.64)			
ARRIS GROUP:	29.05	(0.14)			
AVID TECH:	10.12	(0.22)			
BLNDER TONGUE:	1.31	(0.02)			
BROADCOM:	40.65	0.04			
CISCO:	25.12	0.12			
CONCURRENT:	7.38	(0.09)			

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Cablefax TECH by Joyce Wang

Five Things We Learned from SCTE Cable-Tec Expo 2014...

1. The show has changed a lot. It used to be very chapter-driven and one-dimensional, *Maggie Bellville*, vp at **Hitachi Consulting** and longtime vet at **Charter** and **Cox**, told us. "Today, it's multi-dimensional. You walk the floor, and you talk to people supporting voice, video, data, WiFi and cloud. Nobody talked about cloud 10 years ago. It's monstrously different... They have done a great job re-inventing the Expo." This year's Expo also broke new ground in learning and education, featuring a record 100+ hours of workshop and symposium content.
2. Energy and sustainability will be an even bigger initiative going forward. A standing-room only crowd heard **Comcast** evp and chief network officer *John Schanz* keynote the Energy 2020 session that unveiled cable's plan to reduce energy consumption and assure energy availability by the end of the decade. "It's a huge opportunity for cable operators to affect their bottom line," Bellville said. Schanz set ambitious goals for the industry to reduce energy footprint by up to 20%.
3. The rollout of cable tech initiatives such as DOCSIS 3.1 and Energy 2020 are becoming faster and faster. The standardization of DOCSIS 3.1 is expected to be much shorter than its predecessors, enabling quicker deployment of the latest broadband technology, according to several **CableLabs** execs. "There is a sense of urgency among the organizations and the attendees to get ahead of opportunities," Bellville said.
4. More and better cable WiFi is coming. Like last year, a big focus of Expo is cable WiFi, which will continue to be the way cable subs experience high-speed data in and outside of home, according to *Justin Colwell*, vp of access network technologies at CableLabs. And with DOCSIS 3.1 to be deployed across cable's footprint in the next several years enabling multi-gigabit speeds, consumer expectations of cable's WiFi services will be higher, he said. That

means more needs to be done to beef up the speeds, reliability, performance and security of WiFi.

5. The industry is examining other ways to use RDK, a pre-integrated software bundle that provides a common framework for powering customer-premise equipment. **Arris** and Comcast announced their collaboration at Expo on a new open source software bundle for modems and gateways. The MSO is planning field trials in 4Q this year. As execs said at Expo, devices like set tops historically lacked a framework of standardization and commonality that could be enhanced by the RDK.

Cable Advertising: The **Interactive Advertising Bureau** launched the IAB Technical Laboratories, a research and development consortium aimed at cutting costs related to the digital advertising and marketing supply chain. The Lab will develop technical standards, create a code library to assist in rapid, cost-effective implementation of IAB standards and establish a test platform for companies to evaluate the compatibility of their technology with IAB standards. The group also seeks to provide industry certification for tech vendors, streamline processes through the reduction of compatibility issues and drive industry standards in video, mobile, "The Internet of Things" and other emerging areas. The Lab will be managed by an independent Board of Directors and executive committee. Companies that are already IAB general members will automatically become members of the Lab.

People: More exec changes at authentication tech firm **Synacor**. COO *Scott Bailey* is leaving effective Tues to "pursue other interests," it said. The move came after Synacor named ex-**Comcast** exec *Himesh Bhise* CEO, succeeding *Ron Frankel*, who had been CEO since 2001.

Editor's Note: Go to www.cablefax.com for all the latest news around technology innovations driving 2nd-screen adoption and fueling the multiplatform future.

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

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