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What the Industry Reads First

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Senate Commerce: Wheeler Gets Grilled, Dems Open to Deal

With a recently approved Title II net neutrality order and all 5 FCC regulators testifying, Senate Commerce's hearing on FCC oversight was almost pre-ordained to be anything but a smooth ride. Indeed, Committee chmn **John Thune** (R-SD) didn't waste any time firing shots at the 3 Democrat commissioners. "Simply put, your actions jeopardize the open Internet that we are all seeking to protect... Rather than exercising regulatory humility, the three majority commissioners chose to take the most radical, polarizing and partisan path possible." The new rules will "only increase political, regulatory and legal uncertainty, which will ultimately hurt average Internet users... The Internet is not the telephone network, and you cannot apply the old rules of telecom to the new world of the Internet..." Thune said. Thune and other House GOP members have proposed legislation to limit the FCC's broadband authority. The committee's top Democrat **Bill Nelson** signaled that a potential agreement with Republicans on a legislative solution is possible. "I remain open to a truly bipartisan congressional action provided that such action fully protects consumers, does not undercut the FCC's role, and leaves the agency with flexible, forward-looking authority to respond to the changes in this dynamic broadband marketplace," he said. The key is to take what the FCC has done and provide certainty that only legislation signed into law can provide, he said. Fellow Democrat **Brian Schatz** (HI) seemed open to negotiation as well: "I'm a little concerned about the litigation risk, so I think it's worth exploring [legislation]." That said, we ought to be direct with each other about what's realistic in terms of a legislative strategy or a litigation strategy... There is some openness among some of us to enshrine those net neutrality principles in statute, but if we're unable to reach the common grounds in terms of beginnings of a negotiation, then I'm not necessarily hopeful," he said. Not all Dems like the idea. "I think it would be ill-advised for Congress to move in and try to be the agency of expertise," **Ed Markey** (MA) said. As expected, Thune and several other GOP members blasted the order's potential to regulate rates. "I'd have a hard time explaining how that adjudicatory process would not be rate regulation," Thune said. Chmn **Tom Wheeler** assured the Republicans that they have nothing to worry about. "The rules under which the wireless voice industry invested \$300 billion

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View the Agenda www.CFXLive.com

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to build a vibrant and growing business are the model for the rules the Commission adopted. That means no rate regulation, no tariffing, and no forced unbundling. The new rules ensure ISPs continue to have the economic incentives to build fast and competitive broadband networks,” he said. Calling the rules’ general conduct provision vague, several Republican members questioned how the FCC can ensure regulatory certainty. The general conduct rule allows the FCC to review disputes and complaints on a case-by-case basis because “we don’t want to be in a situation where we have prescriptive rules,” Wheeler said.

Sony Launches Vue: The long-awaited **Sony** PlayStation Vue TV streaming service is now available in NY, Philly and Chicago for PS3 and PS4 users, according to Sony’s website. The company is offering a 7-day free trial for the service. Three tiers are available, including the basic “Access” plan at \$50 a month for around 50 channels, the “Core” plan for \$59.99 a month that offers additional local sports channels, and the “Elite” plan for \$69.99 a month and including all channels from “Access” and “Core” plus lifestyle, music and family channels. Much like **DISH**’s Sling TV, the service allows subs access to live and on-demand TV programming. While the channel lineup is impressive, nets like **HBO** and **ESPN** are missing. The company said **AMC** will be available in April.

CuriosityStream Goes Live: **Discovery Channel** founder *John Hendricks*’ multiscreen SVOD service CuriosityStream launched Wed. The commercial-free streaming service includes more than 800 video titles as well as 4K programming. Following one month of free access, 3 plans are available: the \$2.99 a month “Basic” plan that includes unlimited streaming, the “Standard” \$5.99 a month plan that features “Basic” plus HD, and a “Premium” \$9.99 a month plan that features 4K content. Hendricks retired from Discovery last year and started his own company **The Curiosity Project**. Hendricks’ daughter *Elizabeth Hendricks North*, pres of The Curiosity Project, will speak at CFX Live on March 25 in NYC. More info at www.cfxlive.com.

Cybersecurity: The **Senate Intelligence Committee** approved the Cybersecurity Information Sharing Act on a 14-1 vote Wed. The bill seeks to create additional incentives to increase sharing of cybersecurity threat information while protecting privacy. In order to attract bipartisan support, the bill includes several significant revisions. Under the latest version, all cyber-information would be completely voluntary. The government wouldn’t be able to require or pressure companies to share information with it. The legislation also would require companies to take proactive steps to remove any irrelevant privacy information before sharing with other companies or the government, and it would restrict the authorization for a company to monitoring to cybersecurity purposes only. In addition, it would require a company to obtain authorization and consent from its customers before it could be authorized to monitor their networks. NCTA is pleased with the updated bill. “The legislation seeks to balance cybersecurity, privacy and civil liberties concerns and will improve our ability to protect our Internet infrastructure, consumers and America’s economy. We look forward to working with Chairman *Burr*, Ranking Member *Feinstein*, and other members of the Senate as this legislation moves to the Senate floor.”

CableCard Group to Meet: The 2nd meeting of the **FCC**’s Downloadable Security Technology Advisory Committee (DSTAC), created to find successor to CableCARD, is set to meet on March 24. At the meeting, the Current Commercial Requirements Working Group and the Technology and Preferred Architectures Working Group will present findings. DSTAC is comprised of 18 individuals from companies such as **DISH**, **Amazon**, **Comcast**, **Charter**, **TiVo** and **Google**.

Ooyala Inks deal with TubeMogul: Multiscreen video tech firm **Ooyala**’s unit **Videoplaza** inked a deal with ad software provider **TubeMogul** to enable brands and ad agencies using TubeMogul video advertising software to access Videoplaza’s inventory, which includes video publishers, broadcasters and operators. Under the deal, TubeMogul will link its ad platform to Videoplaza’s sell-side programmatic platform Konnect.

Programming: Hotels—the ones where guests check in but don’t always check out—are featured in **ID**’s new true-crime series “Do Not Disturb: Hotel Horrors.” Exploring real hotel murders, the series is slated to debut 4Q. -- “Sharknado 3: Oh Hell No!” is the official title of the latest installment of the franchise, **Syfy** announced. The 2-hour original film will debut on July 22 in the US and on all Syfy channels around the world within 24 hours of

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the US premiere. -- TLC renewed its freshman series "Love, Lust or Run" for another 26 eps slated to debut in June.

National Broadband Plan: Wednesday marks the 5th anniversary of the completion of the National Broadband Plan, which laid out steps to revamp existing **FCC** programs including the ongoing modernization of the Universal Service Fund. It also proposed new guidelines regarding spectrum action, which were used in the recently completed AWS-3 auction. "Congratulations to *Chairman Genachowski* and *Blair Levin* [he oversaw the development of the plan] for their leadership of the terrific FCC staff in developing this comprehensive strategy to unleash the opportunities of fast, fair and open broadband networks for all Americans," chmn *Tom Wheeler* said in a statement.

People: A+E Nets upped 2 programming execs: *Elaine Bryant* was promoted to evp and head of programming at **A&E**, while *Paul Cabana* was elevated to evp and head of programming for **History** and **H2**. Bryant will report to *Robert Sharenow*, evp/gm, A&E and **Lifetime**. Cabana will report to *Dirk Hoogstra*, evp/gm, History and H2.

Editor's Note: If you're still on the fence about **CFX Live** on March 25 in NYC, don't wait! Act now to secure your spot and join other senior-level cable strategists as we deep dive into the changing TV business. Go to www.cfxlive.com for more info!

Cablefax Daily Stockwatch

Company	03/18 Close	1-Day Ch	Company	03/18 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	86.36	1.14	CONCURRENT:	6.70	(0.03)
DISH:	74.80	1.44	CONVERGYS:	22.80	0.17
ENTRAVISION:	6.74	0.03	CSG SYSTEMS:	29.67	0.20
GRAY TELEVISION:	14.38	(0.02)	ECHOSTAR:	51.02	0.03
MEDIA GENERAL:	16.62	0.06	GOOGLE:	559.50	8.66
NEXSTAR:	57.64	(0.26)	HARMONIC:	7.55	(0.04)
SINCLAIR:	29.11	0.62	INTEL:	30.89	0.30
MSOS					
CABLEVISION:	18.22	0.33	INTERACTIVE CORP:	69.14	0.38
CHARTER:	189.32	0.70	JDSU:	13.88	(0.02)
COMCAST:	58.99	(0.14)	LEVEL 3:	55.31	0.89
COMCAST SPCL:	58.70	(0.06)	MICROSOFT:	42.50	0.81
GCI:	15.09	0.58	NETFLIX:	423.12	4.60
GRAHAM HOLDING:	1082.59	0.83	NIELSEN:	43.64	0.54
LIBERTY BROADBAND:	54.56	(0.11)	RENTRAK:	57.36	0.59
LIBERTY GLOBAL:	53.03	0.52	SEACHANGE:	7.85	0.09
SHAW COMM:	22.86	0.25	SONY:	28.11	1.36
SHENTEL:	31.64	0.76	SPRINT NEXTEL:	5.08	(0.01)
SHENTEL:	31.64	0.76	TIVO:	10.75	0.23
TIME WARNER CABLE:	156.92	0.47	UNIVERSAL ELEC:	55.47	(0.19)
PROGRAMMING					
21ST CENTURY FOX:	34.92	1.05	VONAGE:	4.79	0.28
AMC NETWORKS:	74.66	1.88	YAHOO:	44.67	0.88
CBS:	63.11	1.34	TELCOS		
CROWN:	3.90	(0.04)	AT&T:	33.59	0.69
DISCOVERY:	31.65	(0.46)	CENTURYLINK:	35.12	(0.01)
DISNEY:	107.97	1.01	TDS:	26.13	0.18
GRUPO TELEVISA:	33.84	(0.39)	VERIZON:	49.54	0.59
HSN:	67.85	(0.22)	MARKET INDICES		
LIONSGATE:	34.17	0.13	DOW:	18076.19	227.11
MSG:	79.52	1.01	NASDAQ:	4982.83	45.39
SCRIPPS INT:	70.82	(0.92)	S&P 500:	2099.50	25.22
STARZ:	34.15	0.60			
TIME WARNER:	87.20	1.44			
VIACOM:	69.12	UNCH			
WWE:	15.85	(0.22)			
TECHNOLOGY					
AMDOCS:	53.21	0.54			
AMPHENOL:	60.20	1.20			
AOL:	41.13	0.71			
APPLE:	128.47	1.43			
ARRIS GROUP:	31.02	0.46			
AVID TECH:	14.46	1.80			
BLNDER TONGUE:	1.64	(0.05)			
BROADCOM:	45.12	0.65			
CISCO:	28.15	UNCH			
COMMScope:	26.48	0.10			

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Think about that for a minute...

Alexa

Commentary by Steve Effros

I've fallen in love with Alexa. Not that she's perfect, mind you, and she certainly doesn't do all the things I'd like her to, but that's how it is: don't ignore excellence in the search for perfection!



Alexa is the trigger-word, the "name" you say when you want the new Amazon Echo speaker/I-don't-know-what-to-call-it device to respond to your commands. In a way it's much like Apple's Siri or Microsoft's Cortana, but not really. There are differences, and the reason I like Alexa and the Echo so much is that it's the first iteration of something that can make a major difference for our customers.

Both Cortana and Siri are part of computers. They're excellent "personal assistants," and they're getting better all the time, but they have to connect to something "smart" before they do anything. Alexa is different. The Echo is a cylindrical speaker about the size of a Pringles can. It has very reasonable sound, like many Bluetooth enabled speakers, but instead of using Bluetooth it connects directly to your broadband WiFi. It also has a concentric ring of microphones around the top and a neat little circle of light that tells you which microphone picked up your "trigger" command. You can then ask for stuff and Echo uses a cloud connection to Amazon to analyze the request and attempt to satisfy it.

"Alexa; play Billy Taylor." If you have an Amazon Prime account, the next thing that happens is Alexa starts playing music from the Prime Music library by Billy Taylor. Ask for most artists, most songs, a host of "playlists," and that's all you have to do. Bingo, the music starts playing. You can make it louder or softer just by asking.

But that's not all. You can ask for just about any radio station you can think of; "Alexa, play WQXR" or "play sports radio" and, through TuneIn, the next thing you know, the station is playing. Alexa will also take reminder notes for you. They appear in an app. Or set a timer or an alarm, or give you a news briefing (from NPR) or the weather forecast. And all you have to do is ask. You don't have to take out your phone, you don't have to "pair" anything and get them to connect (although you can do that to listen to Spotify, Pandora or the like... iHeart radio is already integrated.)

Yes, I know, none of this is "new." But it's never been easier or worked quite as well. You can even ask simple questions with answers from Wikipedia. Remember, Alexa doesn't have "memory" or major processing power, so she has yet to be able to handle the more complex questions, but I have no doubt that's coming. What I want is an RF or IR output port so that an app can be created for my cable company. Then we can just walk into the room and say "Turn on / (fill in the blank)," and the set and all associated electronics turn on and show the program. Can some "smart sets" do that today? Sort of, but not nearly as well as Alexa, and ease of use is the key to all of these devices. As I have long said, top notch navigation is going to be a critical competitive battlefield in the near future. Simplicity is going to be the name of the game.

Check it out. I'm sure there will be more like Echo and Alexa, but for now, Amazon is demonstrating how to attract, and keep consumers happy.

Steve

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(Steve Effros was President of CATA for 23 years and is now an advisor and consultant to the cable industry)

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