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What the Industry Reads First

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Sling TV: Streaming Issues Reported, CEO Slams Merger

Users of DISH's recently launched streaming service Sling TV experienced some technical difficulties during the streaming of the NCAA's Final Four over the weekend. During the coverage of the tournament's semi-finals on TBS—one of the 20 channels in Sling TV's basic \$20-per-month package—some users took to Twitter to complain about issues including video loading and login problems. Sling's Twitter customer service account @SlingAnswers posted several messages. "We're sorry some basketball fans saw errors tonight due to extreme sign-ups and streaming. Engineers rebalanced load across network partners," a message said on April 4. It isn't the 1st time Sling TV has suffered from technical problems. On March 23, @SlingAnswers posted this message: "We saw some issues during peak hours Sun. We're continuing to work to prevent future frustration. Thanks for your feedback and patience." And there was this message a week earlier: "We know some of you saw errors today, and trust us, we are working hard to address them. Thanks for your support and patience." A small fraction of the customer base was affected for a few minutes during the 1st game on Sat night, and the company was able to make improvements by balancing the load across multiple network providers, a DISH spokesman said. The company plans to update Sling apps to improve stability and manage the demand as it prepares for the launch of HBO, he said. In a statement, Sling TV CEO and evp of advanced technologies for DISH Roger Lynch said "despite our best planning, we experienced an unprecedented combination of new customer signups and high levels of viewership. These factors stressed our systems. While the viewing experience was spot on for the vast majority our customers, we were able to rebalance traffic loads for those who were affected and improve the experience for the remainder of the evening. As always, we continue to improve how our system performs, including its stability during peak loads." DISH launched the service in late Jan. While Sling TV is set to add Time Warner's HBO to its \$20/month live streaming package for an additional \$15 a month, Lynch voiced his opposition to the pending Comcast-Time Warner Cable merger. "We actually do oppose that merger. We don't think it's good for consumers. We don't think it's good for the industry," he told Bloomberg TV Mon. The merger is "too much scale. It's unprecedented. If that merger were completed, they would have over half of the truly high-speed broadband connections in the country, and past something 65% of the homes... It's too much scale for one company," he said. DISH is among those behind the bluntly named "Stop Mega-Comcast



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Coalition,” which launched in Dec with 16 members. Lynch noted that the **FCC** voted to redefine broadband at 25Mbps, the minimal speed consumers need to stream video. With the expansion of OTT video and things like 4K, consumers will need more than 25 Mbps to experience the latest video offerings, he said. With the new benchmark, a bigger Comcast is “dominant.” “That’s the thing that concerns many of us in the industry.” Comcast has insisted that a higher-speed benchmark won’t have material impact on competition, while trade group **NCTA** blasted the new threshold. Imposing a new speed definition and Title II regulation won’t do anything to improve broadband access, the group said in a filing with the FCC following the Commission vote. On the HBO launch, Lynch said typical Sling TV users love sports, movies and original productions from HBO, so **ESPN** and HBO are complimentary to each other. The sweet spot for Sling TV includes 3 segments: The cord-nevers, the cord-cutters and pay-TV HHs subscribing to Sling TV on top of their traditional service, he said. As the video industry shifts from traditional TV to streaming video, cable MSOs are “very well positioned” because “they have the best broadband networks and they are going to benefit from it,” the exec said.

Viacom Realigns: Viacom will take a pre-tax charge of around \$785mln in 1Q as part of its restructuring plan, which aims to save some \$350mln annually. The charge includes write-downs of underperforming programming and costs related to workforce reductions. The plan calls for reorganizing 3 of the company’s domestic network groups into 2 new organizations. The new structure, which is largely completed, is expected to realign sales, marketing, creative and support functions, increase efficiencies in program and product development and promote greater cross-marketing and cross channel programming activity. The Company is also reallocating resources to expand its capabilities in areas including data analysis, technology development and consumer insights. In light of the actions, Viacom will temporarily pause share purchases under its current \$20 billion stock repurchase program. Stock repurchases will resume no later than Oct.

911 Outage Fine: As part of a settlement with the FCC, **CenturyLink** and **Intrado Communications** agreed to pay \$16mln and \$1.4mln, respectively, in fines over an April 2014 multi-state 911 outage that prevented some 11mln people in 7 states from being able to reach emergency call centers for more than 6 hours. “Delivering 911 calls is one of the most important public safety responsibilities a phone company has... We will aggressively enforce the Commission’s 911 rules whenever the public’s trust in 911 is undermined,” said *Travis LeBlanc*, chief of the FCC’s **Enforcement Bureau**. CenturyLink served affected emergency call centers throughout WA, and in MI, and NC. Intrado served emergency call centers in FL, SC, and PA. The varying settlement amounts reflect the different numbers of emergency call centers served by each provider. Both providers agreed to adopt compliance plans requiring them to implement risk management processes in the continued rollout of Next Generation 911 services. In addition, the companies are required to exercise improved oversight over their Next Generation 911 subcontractors and affiliates, maintain up-to-date contact information for emergency call centers, and coordinate with emergency call centers to periodically review their outage notification procedures. Last month, the FCC settled with **Verizon** for \$3.4mln in connection with the April 2014 outage.

Final Four/MLB Ratings: Sat’s **NCAA** Men’s Basketball Tournament semifinal game that aired across **TBS**, **TNT** and **truTV** saw the **Wisconsin Badgers** beat the **Kentucky Wildcats** and set a new cable TV record for college basketball, averaging 22.6mln viewers. That was up 39% from last year’s Final Four and was the most viewed Final Four game in 19 years. Digitally, the streaming app, **NCAA March Madness Live**, scored more than 77mln live video streams through Sat’s national semifinals, an all-time record. -- **MLB**’s “Opening Night” telecast, which saw the St. Louis Cardinals defeat the Chicago Cubs 3-0, delivered a 2.1 overnight rating on **ESPN2**, according to **Nielsen**. It marks MLB’s highest-rated Opening Night in five years (since 2010) and is up 40% compared to Opening Night in 2014 and 2013 (1.5).

Outside TV Joins DISH: **Outside Television** is joining **DISH**’s multi-sports pack of premium sports entertainment under a new multi-year agreement. The net is running a promotion, which allows DISH subs free access now through May 6. The free preview was timed with events such as the annual 38,739-nautical mile Volvo Ocean Race in “Life at the Extreme” and new season premieres of Outside Television’s “Locals” and “Outlook: Icons Revealed” to feature Amazonian and Arctic explorer *Mike Horn*, half-pipe snowboarder *Gretchen Bleiler* and freestyle ski champion *Julian Carr*, among others.

Comcast Business: **Comcast** is looking to share a piece of the gigabit Ethernet market, an important business for enterprise service providers. The company expanded its multi-gigabit Ethernet service to 3 business parks in the Northern CA towns of Pleasanton, Hayward and Fremont. The MSO is offering business service including Ethernet

BUSINESS & FINANCE

Dedicated Internet, Ethernet Private Line, Ethernet Virtual Private Line and Ethernet Network Services that provide Internet access, point-to-point, and point-to-multipoint connectivity at bandwidth that scales up to 10 Gbps. The company is also providing Comcast Business VoiceEdge, a cloud-based voice and unified communications product designed to help customers run a faster, more efficient business.

Programming: Syfy booked pilot "Incorporated," a futuristic espionage thriller from *Matt Damon* and *Ben Affleck's Pearl Street Productions*, CBS Television Studios and Universal Cable Productions.

-- As **Fuse** extends its programming beyond music, the net booked 6 half-hour eps of "Transcendent," a docu-series on what it's like to be transgender in America today. The series is set to premiere in the fall.

People: *Lindsay Gardner*, former pres of distribution at **Fox Networks**, joined **Layer3 TV** as chief content officer. Gardner will report to CEO *Jeff Binder* and continue to chair the Content Advisory Board, a position he has held since August 2014. The Content Advisory Board is composed of execs who advise Layer3 TV on content acquisition and partnership strategies.

Editor's Note: Don't miss your chance to be recognized as one of the industry's Top Ops! More info at www.cablefax.com

Cablefax Daily Stockwatch

Company	04/06 Close	1-Day Ch	Company	04/06 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	86.65	0.28	COMMSCOPE:	26.27	(0.02)
DISH:	71.15	0.19	CONCURRENT:	6.20	(0.09)
ENTRAVISION:	6.45	0.05	CONVERGYS:	23.13	0.24
GRAY TELEVISION:	13.93	(0.17)	CSG SYSTEMS:	30.66	UNCH
MEDIA GENERAL:	17.19	(0.21)	ECHOSTAR:	51.29	(0.01)
NEXSTAR:	58.50	0.73	GOOGLE:	536.76	1.24
SINCLAIR:	31.80	0.24	HARMONIC:	7.37	(0.01)
MSOS					
CABLEVISION:	18.35	0.19	INTEL:	31.04	0.23
CHARTER:	193.19	3.62	INTERACTIVE CORP:	67.88	0.38
COMCAST:	58.21	0.27	JDSU:	13.05	0.07
COMCAST SPCL:	57.84	0.24	LEVEL 3:	54.06	(0.17)
GCI:	16.80	(0.16)	MICROSOFT:	41.55	1.25
GRAHAM HOLDING:	1055.34	5.75	NETFLIX:	422.31	8.23
LIBERTY BROADBAND:	55.85	0.01	NIELSEN:	45.91	0.38
LIBERTY GLOBAL:	52.18	0.10	RENTRAK:	52.41	(1.21)
SHAW COMM:	23.02	0.20	SEACHANGE:	6.53	(0.42)
SHENTEL:	33.19	(1.28)	SONY:	29.35	1.50
SHENTEL:	33.19	(1.28)	SPRINT NEXTEL:	4.97	0.12
TIME WARNER CABLE:	154.89	0.08	TIVO:	10.90	0.01
PROGRAMMING					
21ST CENTURY FOX:	34.44	0.40	UNIVERSAL ELEC:	56.74	(0.04)
AMC NETWORKS:	76.31	0.98	VONAGE:	5.09	(0.08)
CBS:	60.89	(0.27)	YAHOO:	43.67	(0.48)
CROWN:	3.98	(0.02)	TELCOS		
DISCOVERY:	32.71	0.56	AT&T:	33.33	0.20
DISNEY:	105.63	(0.37)	CENTURYLINK:	35.38	(0.05)
GRUPO TELEVISA:	35.10	0.56	TDS:	26.76	0.38
HSN:	67.11	(0.26)	VERIZON:	49.63	0.16
LIONSGATE:	33.93	0.23	MARKET INDICES		
MSG:	83.94	0.02	DOW:	17880.85	117.61
SCRIPPS INT:	69.24	(0.18)	NASDAQ:	4917.32	30.38
STARZ:	35.17	0.03	S&P 500:	2080.62	13.66
TIME WARNER:	85.28	0.28			
VIACOM:	68.92	0.98			
WWE:	13.38	(0.35)			
TECHNOLOGY					
ADVANTAGE:	2.38	0.02			
AMDOCS:	53.70	(0.01)			
AMPHENOL:	58.97	0.17			
AOL:	38.72	(0.04)			
APPLE:	127.35	2.03			
ARRIS GROUP:	29.53	0.23			
AVID TECH:	15.47	(0.08)			
BLNDER TONGUE:	0.85	(0.08)			
BROADCOM:	43.10	0.88			
CISCO:	27.22	0.09			



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