

Cablefax Daily™

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What the Industry Reads First

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Wild Ride: Merger Roadmap Murky with Comcast-TWC in Doubt

If you're **AT&T** and **DirectTV**, it might be time to buckle up. With groups and some lawmakers putting so much emphasis on opposing the proposed **Comcast-Time Warner Cable** merger over the past year, that other big merger on the table has flown under the radar. Case in point, there's a **Stop Mega Comcast** group, but no Stop Mega AT&T. That all could soon change if reports that Comcast is pulling out of its bid for TWC prove true. *Bloomberg*, which broke the news Thurs followed by others, including Comcast-owned **CNBC**, said Comcast could drop its bid for TWC as soon as Fri. Comcast had no comment. One of the reasons Comcast-TWC drew more ire is that the deal involves broadband (something DirectTV doesn't have), not to mention Comcast's status as the largest MVPD. That doesn't mean AT&T-DirectTV is off the hook. **Public Knowledge** and **Free Press** filed petitions at the FCC to deny that merger, just like they did with Comcast-TWC. It looks like they may have more openings on their to-do lists soon. Still, there just doesn't seem to be the same amount of vitriol over AT&T-DirectTV as Comcast-TWC. Speaking at **ACA's** Summit earlier this year, PK sr staff attorney *John Bergmayer* predicted that it is likely the Comcast-TWC deal will be blocked, while the AT&T-DirectTV merger won't go through as originally proposed but will require conditions. As for Comcast's expected abandonment of TWC, recall there is no breakup fee on the table. It also will set into a motion a slew of what-if scenarios, with **Charter** center stage. How much TWC might be worth now, and even whether it will accept is unknown. "TWC showed no appetite for being acquired by Charter [in 2013], and our suspicion is that that hasn't changed," **MoffettNathanson's** *Craig Moffett* wrote Thurs. "It may be harder to fend off a hostile bid now that so much of TWC's stock is in the hands of merger arbs, but TWC is certain to argue that they are worth more now than they were then." Back then, Charter offered \$82.54/share and 0.372 shares of common stock, which Moffett said would be valued at \$151 today. Then there's the whole matter of Charter's acquisition of Bright House, which hinged on Comcast-TWC. One possible scenario: TWC acquires **Bright House** (it has right of 1st refusal after all). There's speculation Comcast could decide to take its money overseas (Moffett throws out the possibility of **Liberty Global**). What's most clear? The industry's big trade show **INTX** just got a lot more interesting...

Cablevision's Cord-Cutter Packages: Cablevision is launching Internet-focused offers targeted at cord-cutters and cord-nevers, with none of the packages featuring video. "Our new 'cord cutter' packages take a modern approach to tra-



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ditional triple-product bundles and provide real alternatives that fit new consumer lifestyles,” COO *Kristin Dolan* said in a statement. For \$45/month for the 1st year, Cablevision is offering its 50 Mbps Internet service and a **Mohu Leaf 50** digital antenna for OTA broadcast (it’s of course, highlighting its 1.1mln hotspots, too). As the 1st and so far only cable provider to cut a deal with **HBO** for its standalone OTT offering, Cablevision also tells customers they can add HBO Now for another \$14.99/month. It’s also promoting an “Everyday Low Price” package. For \$35/month (standard rate, not a promo), customers can get Cablevision’s 5 Mbps HSD service, its Freewheel all-WiFi phone service and digital antenna.

Fox Sports Restructures: Fox Sports restructured its senior management team, appointing *Jamie Horowitz* to the newly created position of pres of Fox Sports National Networks to oversee nets including **Fox Sports 1** and **Fox Sports 2**. The former **ESPN** and **NBC News** exec will assume his new position in mid-May and report to *Eric Shanks*, pres/COO. In addition, *John Entz*, evp of production and executive producer, was upped to pres of production and will continue to report to Shanks. *David Nathanson*, formerly gm/COO of FOX Sports 1 and FOX Sports 2, was promoted to head of business operations, another newly created position. Meanwhile, *Jeff Krolik* continues as president, FOX Sports Regional Networks, including oversight of **FOX Deportes**, while *Pete Vlastelica* remains evp of digital. Both will continue reporting to Shanks.

Turner/Hulu Agreement: Make way for **Turner** and **Hulu**’s first-ever licensing agreement. Under an extensive multi-year deal, Hulu gained the exclusive SVOD rights to previous seasons of Turner content from **Cartoon Network**, **Adult Swim** and select current and upcoming series from **TNT** and **TBS**. The deal will allow Hulu subs access to new Turner content after their full seasons debut on linear. And eps from past seasons will be available to stream on Hulu immediately. All Cartoon series will be available to stream ad-free. To be clear, the deal doesn’t change rights to all of the eps in the current season of a TV show. MVPDs still have VOD windows, and eps will be available via TV Everywhere.

Musicians Act: Despite broadcasters’ strong opposition, Reps *Marsha Blackburn* (R-TN) and *Anna Eshoo* (D-CA) introduced the Protecting the Rights of Musicians Act Thurs, which will block a broadcast TV station from receiving retransmission consent payments if its parent company also owns a radio station that does not pay a performance royalty. The bill “devalues the indispensable role that hometown broadcasters play in communities across America. We thank the 166 Representatives and 13 Senators who have co-sponsored the Local Radio Freedom Act and look forward to gaining more support for a resolution that recognizes the enormous promotional value radio airplay provides record labels and musicians,” **NAB** rep *Dennis Wharton* said in a statement. The bill also proposes barring FM chips in cellphones. While **NAB** does not support a FM chip mandate, it believes wireless carriers should voluntarily activate FM chips that are already in these phones. “For public safety reasons alone, FM chips already in cellphones should be turned on,” said Wharton.

Talking Weather: A few days after **DISH** renewed a multiyear deal with **Weather Channel**, the satellite op launched **WeatherNation**, developed as a Weather Channel alternative. WeatherNation’s interactive app will appear on DISH’s whole-home DVR the Hopper and select set-tops and offer local weather in up to 10 different locations. WeatherNation launched The Weather Cast in May, 2010, when DISH threatened to drop Weather in favor of Weather Cast after failed contract negotiations. WeatherNation also played a part in Weather and **DirectTV**’s dispute. DirecTV dropped TWC in Jan 2014 for a few months, restoring the channel in April of that year, but also extended its deal with WeatherNation. -- **Weather Channel** inked a multi-year renewal with **Suddenlink**. It follows recent deals with **NCTC**, **DISH** and **Cox**.

Ovation Upfront: With **Ovation** seeing a 43% increase in prime cable adults 25-54, the goal for 2015 is to build on that ratings growth, execs said at the net’s upfront presentation in NYC Thurs. Ovation is producing original scripted content internally and has acquired content from Europe, but since it doesn’t have the “deep pockets of some of our larger competitors... that just takes time for us... It’s an evolution, not a revolution for us,” said programming and production evp *Scott Woodward*. Ovation’s recently-launched multichannel network is driving towards a million **YouTube** members, Woodward added. “It’s still very much in its infancy, but it’s an area we feel is really important to plant a flag... We have to have these different platforms... It’s important for us to bring talent to the network,” which could lead to channeling them into the linear space, he said. On hand at Thurs’ event was legendary rock ’n’ roll photog *Mick Rock*, who spoke of his series “On the Record With Mick Rock” (premieres Aug 2) in which he tours the music scene in music legends’ hometowns. Cinema icon *Isabella Rossellini* talked about “Green Porno Live!”, the documentation of her comedic one-woman show about the mating and sexual habits of animals and insects. And *Ted Lee* of “Southern Uncovered with the Lee Bros” (premieres June 14) discussed the 2 brothers’ exploration of Southern cuisine and culture across several Southern cities.

BUSINESS & FINANCE

Cybersecurity: The House approved the Protecting Cyber Networks Act on Wed in a 307-116 vote. The bill seeks to enable private companies to share cyber threat indicators with each other and, on a voluntary basis, with the federal govt but not through the NSA or the Defense Dept. Defense contractors would also be allowed to keep sharing cyber threat info with Defense. The bill will also require companies to remove personal info before sharing with the govt. **NCTA** pres/CEO *Michael Powell* praised the move while urging the House to pass 2 complementary cybersecurity bills (H.R. 1560 and H.R. 1731) that “remove barriers to real-time sharing of cyber threat indicators to improve our cyber defenses.” There was plenty of cybersecurity talk this week in light of the annual RSA Conference, which focuses on cybersecurity.

People: Former **Xbox Entertainment Studios** exec *Ben McLean* was named svp, digital enterprises for **NBCU**. He reports to Digital Enterprises evp *Evan Shapiro*, whom he worked with at **Pivot TV**. -- *Julie Veach*, the **FCC**'s Wireline Competition Bureau chief, leaves on May 22. Chmn *Tom Wheeler* plans to name deputy bureau chief *Matt DelNero* as her replacement. In addition, Wheeler will name *Alison Kutler* as acting chief of the Consumer and Governmental Affairs Bureau, and *Kris Monteith*, acting chief of CGB, as deputy chief of the Wireline Competition Bureau.

Cablefax Daily Stockwatch

Company	04/23 Close	1-Day Ch	Company	04/23 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	90.12	2.88	COMMSCOPE:	26.70	0.10
DISH:	69.61	(0.24)	CONCURRENT:	5.99	(0.04)
ENTRAVISION:	6.79	0.06	CONVERGYS:	23.12	0.08
GRAY TELEVISION:	13.92	0.19	CSG SYSTEMS:	29.87	(0.11)
MEDIA GENERAL:	16.88	0.31	ECHOSTAR:	51.36	0.39
NEXSTAR:	58.63	0.64	GOOGLE:	547.00	7.64
SINCLAIR:	31.30	(0.09)	HARMONIC:	7.48	0.04
MSOS					
CABLEVISION:	19.41	1.00	INTEL:	32.35	(0.35)
CHARTER:	183.58	(1.3)	INTERACTIVE CORP:	72.38	(0.71)
COMCAST:	59.23	0.47	JDSU:	13.34	(0.03)
COMCAST SPCL:	58.69	0.34	LEVEL 3:	54.62	0.38
GCI:	16.39	0.05	MICROSOFT:	43.34	0.35
GRAHAM HOLDING:	1066.44	(2.49)	NETFLIX:	559.06	1.38
LIBERTY BROADBAND:	53.02	(0.62)	NIELSEN:	46.31	0.21
LIBERTY GLOBAL:	52.38	1.61	RENTRAK:	50.30	0.24
SHAW COMM:	22.63	0.29	SEACHANGE:	7.08	(0.15)
SHENTEL:	35.90	0.28	SONY:	30.72	(1.63)
SHENTEL:	35.90	0.28	SPRINT NEXTEL:	5.24	0.16
TIME WARNER CABLE:	148.76	(0.88)	TIVO:	11.22	0.14
PROGRAMMING					
21ST CENTURY FOX:	34.34	0.30	UNIVERSAL ELEC:	58.00	0.29
AMC NETWORKS:	76.62	1.20	VONAGE:	4.94	0.03
CBS:	61.63	0.06	YAHOO:	43.70	(0.28)
CROWN:	3.96	(0.09)	TELCOS		
DISCOVERY:	33.64	0.11	AT&T:	34.23	1.37
DISNEY:	109.00	1.06	CENTURYLINK:	36.66	0.39
GRUPO TELEVISA:	35.60	0.36	TDS:	26.79	(0.25)
HSN:	65.44	0.24	VERIZON:	50.05	0.48
LIONSGATE:	31.94	0.70	MARKET INDICES		
MSG:	81.66	(0.57)	DOW:	18058.69	20.42
SCRIPPS INT:	70.20	0.32	NASDAQ:	5056.06	20.89
STARZ:	37.51	0.03	S&P 500:	2112.93	4.97
TIME WARNER:	84.88	0.42	TECHNOLOGY		
VIACOM:	70.85	0.25	ADDVANTAGE:	2.42	UNCH
WWE:	14.66	0.47	AMDOCS:	54.98	(0.06)
TECHNOLOGY					
AMPHENOL:	56.70	(0.11)	AOL:	40.84	0.07
AOL:	40.84	0.07	APPLE:	129.67	1.05
APPLE:	129.67	1.05	ARRIS GROUP:	37.30	6.76
ARRIS GROUP:	37.30	6.76	AVID TECH:	16.35	UNCH
AVID TECH:	16.35	UNCH	BLNDER TONGUE:	0.77	(0.03)
BLNDER TONGUE:	0.77	(0.03)	BROADCOM:	45.44	(0.74)
BROADCOM:	45.44	(0.74)	CISCO:	28.68	0.06
CISCO:	28.68	0.06			



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PROGRAMMER'S PAGE

Getting Sudsy

Anyone who watched the drawn-out demise of **SOAPnet** knows that soap operas have a very loyal fan base. **Pop** is hoping to grab their attention with its latest series, "Queens of Drama," that it's cleverly debuting Sun at 10pm after its live broadcast of the Daytime Emmy Awards. The 10-ep series features big soap names, including *Vanessa Marcil* and *Donna Mills*, working in front of and behind the cameras to develop and pitch a new drama series. If all goes well, the hope is Pop will air the scripted series. "If this season works, of course we'll do another season of the unscripted series, but at the same time we'd like to work with Pop to produce the actual soap opera that the ladies come together to try and create," said *Adam Reed*, evp of **Thinkfactory Media** and exec producer of *Queens of Drama*. "That's always been the goal. We're one of the only companies in town that really has that tremendous success in both genres." While **Bravo's** decision to add soap stars *Eileen Davidson* and *Lisa Rinna* to its "Real Housewives" franchise has been well received, Reed thinks "Queens of Drama" takes it a step further by showing not only the actresses' personal lives, but their professional passions. Given that a real scripted series is on the line, how much did Thinkfactory have to guide the development of the project? "At the beginning, we thought we would have to be much more hands on in directing them on what will work. But truth be told, these women came in with a plan, a vision, they had scripts written, they had concepts... And they used their own contacts to get pitch meetings," Reed said. "What ended up happening is they took control, they wanted to be in charge. They feel they know what works and doesn't work because they've been doing it in the genre for so long. We respected that and let them run." - *Amy Maclean*

Reviews: "Tales of the Grim Sleeper," Mon, 9pm, **HBO**. What begins as a doc about *Lonnie Franklin*, suspected of murdering nearly 200 poor, black women, becomes an absolutely riveting sociological study of South Central LA. One of the 'stars' of this sad tale is *Pam Brooks*, a recovered addict, prostitute and Franklin survivor who feistily guides director *Nick Broomfield* through South Central's minefields, finding fellow survivors, Franklin cronies and Lonnie's son *Chris*, whom she coaxes on camera. This is important viewing, simple yet masterful, which will open eyes and prompt questions about justice in America. -- "Boomtowners," premiere, Sun, 9pm, **Smithsonian**. We winced learning Smithsonian, a bastion of seriously interesting TV, was making a reality series. Based on ep 1, our concern was needless. "Boomtowners" is an engaging docu-series chronicling an unexamined subculture. It chronicles issues surrounding Hydraulic Fracturing, aka Fracking, and people involved in the controversial oil extraction process. Filmed before the oil-price drop, ep 1 is loaded with interesting stories of newly arrived workers and quirky long-time ND and MT residents dealing with the Fracking-induced gold rush. -- "Happyish," premiere, Sun, 9:30p, **Showtime**. You've seen this before: a successful 40-something (Brit *Steve Coogan*) struggles with mid-life angst. On the plus side are Coogan, *Kathryn Hahn* and a strong pilot. Eps 2, 3 aren't quite as engaging. - *Seth Arenstein*

Basic Cable Rankings (4/13/15-4/19/15)			
Mon-Sun Prime			
1	FOXN	0.7	1692
2	USA	0.6	1569
2	DSNY	0.6	1568
2	TBSC	0.6	1537
2	DISC	0.6	1450
2	TNT	0.6	1394
7	HGTV	0.5	1320
7	HIST	0.5	1210
7	ESPN	0.5	1168
7	DSE	0.5	104
11	ADSM	0.4	1041
11	FX	0.4	958
11	FOOD	0.4	950
11	A&E	0.4	894
11	ID	0.4	891
16	LIFE	0.3	828
16	SYFY	0.3	797
16	NAN	0.3	794
16	BRAV	0.3	779
16	TLC	0.3	755
16	AMC	0.3	752
16	SPK	0.3	738
16	FAM	0.3	716
16	HALL	0.3	687
16	DSJR	0.3	616
16	APL	0.3	615
16	FS1	0.3	599
16	HMM	0.3	382
16	DFAM	0.3	69
30	MTV	0.2	543
30	BET	0.2	539
30	CNN	0.2	523
30	TVLD	0.2	520
30	MSNB	0.2	516
30	EN	0.2	516
30	OWN	0.2	511
30	VH1	0.2	507
30	NGC	0.2	504
30	CMDY	0.2	493
30	TRU	0.2	475
30	LMN	0.2	450
30	WETV	0.2	449
30	NBCS	0.2	405
30	TRAV	0.2	404
30	GSN	0.2	401
30	DXD	0.2	388

*Nielsen data supplied by ABC/Disney



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