

Cablefax Daily™

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What the Industry Reads First

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Effective Competition: Item on Circulation, IAC Advises Against Change

When the **FCC** proposed changing its assumption to there being effective video competition in all markets unless proven otherwise, you might have thought it was no big deal. After all, most times when a cable operator files a petition for effective competition in a community, the agency overwhelmingly agrees. Cable's been calling for the change for years, arguing that it costs operators time and resources to file these requests which have been backlogged over the years at the FCC. But **NAB** has been digging in its claws on the issue, particularly as we near June 2—the deadline for action under the satellite reauthorization bill. On Fri, the FCC circulated an item to commissioners that reportedly reverses the presumption. It seems broadcasters are concerned the shift to rebuttable effective competition (a local franchise authority can show in a particular case that effective competition doesn't exist) will decrease their leverage in negotiations since a declaration of effective competition eliminates the legal need for a basic tier. However, cable operators are still required to provide all must-carry broadcast signals. And with **NCTA** figuring that 99.5% of effective competition petitions have been granted since 2013, there haven't been any reports of cable operators eliminating the basic tier. And we all know retrans commission consent still exists. Cable operators often seek to have effective competition declared in a community because it does away with the LFAs ability to enact rate regulation—something that NCTA argues that many LFAs have either voluntarily stopped doing or have been prevented from doing by statewide franchise laws. "According to the Commission, active local basic tier rate regulation impacts only 13 percent of the subscribers in the 20,000-plus communities where operators have been deterred from seeking effective competition determinations. In all other instances, rates already are being determined by marketplace forces, not regulation," NCTA told the FCC this week as it argued that NAB is falsely claiming that a bunch of LFAs will suddenly be unregulated. Several lawmakers, including Sens *Amy Klobuchar* (D-MN) and *Ed Markey* (D-MA), have urged the commission not to change course, claiming it's contrary to Congress' direction and may increase cable rates. At the same time, other lawmakers, including Rep *Anna Eshoo* (D-CA), have said it's time to make the change. The **Intergovernmental Advisory Committee** to the FCC, which was created to provide

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guidance to the FCC on issues of importance to state and local govts, recommended Fri that the agency not move forward with a presumption that the entire US is subject to effective competition. "There can be no doubt that cable services as a practical matter are not subject to effective competition, despite the language of the statute and tests established pursuant to federal law," said the IAC, which is made up of mayor, state legislators and other local lawmakers. "Cable rates have risen at rates substantially higher than inflation and consumer satisfaction with cable services has consistently been a significant issue, even in areas found by the Commission to be subject to effective competition."

DISH Drops MAVTV: DISH dropped MAVTV from its lineup on Tues, claiming the motorsports net made "unreasonable demands for continued carriage despite their historically low viewership." MAV was carried in DISH's \$4/month Outdoor Sports Package, and at this point, no channel has been added in its place. MAV says it charges a "modest monthly fee" that is "less than the cost of a gumball." MAVTV, whose programming includes live coverage of Pro Motorcross and the World Rally Championship, is encouraging DISH subs to switch providers. It has carriage with **DirectTV, Verizon, Time Warner Cable, Bright House, Comcast** and others.

AT&T-DirectTV Merger: No shocker here. AT&T and DirectTV have extended the termination date of their merger agreement for a "short period of time" to facilitate obtaining final regulatory approval required to close the deal. The original termination date in the agreement was Mon (May 18). DirectTV's SEC filing describing the extension did not give a new date. Meanwhile, the merger review clock at the FCC is still stopped. The agency stopped its informal 180-day clock in March to give a federal court time to rule on its decision to make programming contract information involving the companies available to 3rd parties. Programmers challenged that move and won on May 8, but the clock is still paused. Tick, tock..

Satellite Launch: The FCC International Bureau gave DirectTV until July 31 to meet its "launch and begin operations" milestone for its DirectTV 15 satellite. The satellite, which will deliver DirectTV customers with 4K content and more HD, is currently scheduled for a May 27 launch. DirectTV requested last year it be given an extension past a July 27, 2014 deadline for launching the bird, citing various difficulties, including that launch provider **Arianespace** didn't have an available launch date until 2015. **SES Americom** and **Ciel Satellite** filed a petition to deny the extension, but the Bureau rejected it saying DirectTV had completed physical construction of the payload and has delivered it for imminent launch.

BabyFirst Carriage: AT&T U-verse added **BabyFirst** to its Paquete Espanol package. It already is carried in English on U-verse channel 310.

More Apps for Chromecast: Google's Chromecast has added CBS All Access, the net's monthly subscription service. It's also supporting Fox's TVE apps Fox Now and FXNOW. Other adds include **Pluto TV**, which curates channels of news, music, web and TV shows and news app **Haystack**.

Programming: Fans of Fox's just-canceled "The Mindy Project," can rejoice. **Hulu** announced Fri that it will be to the home to Season 4 (26 eps). All past eps were previously acquired in a library deal with NBCU announced in Apr '14. No premiere date yet for Season 4. -- **SundanceTV** announced that Season 3 of "Rectify" will debut July 9. To help viewers catch up, it will hold a binge marathon of the first 2 seasons beginning July 4 at 2pm.

Golden Beacon Nominees: Comcast's Internet Essentials Ambassadors program, **Nat Geo Channels'** comprehensive education campaign and **Univision's Contigo Samana de la Salud** are in the running for the **Assn of Cable Communicators'** annual Golden Beacon Award. The Golden Beacon recognizes a communications or public affairs initiative that has made an impact on the industry while enhancing cable's image nationwide. The winner will be announced during the Beacon Awards dinner June 4 in Silver Spring, MD, as part of ACC's annual Forum.

Editor's Note: Cablefax is now accepting entries for the Cablefax Program Awards, honoring the best cable has to offer. Categories include everything from Best New Cable Program to Best Online/Mobile Extras. Nominations are due June 22, with an awards ceremony scheduled for Oct 1 at The Yale Club in NYC. Enter today at Cablefax.com.

Cablefax Week in Review

Company	Ticker	5/15 Close	1-Week % Chg	YTD %Chg
BROADCASTERS/DBS/MMDS				
DIRECTV:	DTV	91.46	2.33%	5.49%
DISH:	DISH	68.00	1.71%	(6.71%)
ENTRAVISION:	EVC	6.60	1.69%	1.85%
GRAY TELEVISION:	GTN	13.72	(0.94%)	22.50%
MEDIA GENERAL:	MEG	15.44	(0.77%)	(7.71%)
NEXSTAR:	NXST	54.72	(2.63%)	5.66%
SINCLAIR:	SBGI	29.11	(0.99%)	6.40%

Company	Ticker	5/15 Close	1-Week % Chg	YTD %Chg
MSOS				
CABLEVISION:	CVC	20.43	(0.58%)	(1.02%)
CHARTER:	CHTR	181.20	0.29%	8.75%
COMCAST:	CMCSA	56.64	(3.03%)	(2.36%)
COMCAST SPCL:	CMCSK	56.38	(3.16%)	(2.07%)
GCI:	GNCMA	16.37	6.02%	19.05%
GRAHAM HOLDING:	GHC	991.82	2.78%	14.83%
LIBERTY BROADBAND:	LBRDA	51.69	(1.37%)	3.19%
LIBERTY GLOBAL:	LBTYA	51.61	2.37%	2.78%
SHAW COMM:	SJR	22.38	(1.45%)	(17.08%)
SHENTEL:	SHEN	31.55	0.10%	0.96%
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TIME WARNER CABLE:	TWC	156.44	1.14%	2.88%

Company	Ticker	5/15 Close	1-Week % Chg	YTD %Chg
PROGRAMMING				
21ST CENTURY FOX:	FOXA	33.99	3.66%	(11.51%)
AMC NETWORKS:	AMCX	76.57	0.42%	20.07%
CBS:	CBS	59.95	(1.43%)	8.33%
CROWN:	CRWN	3.91	0.26%	10.45%
DISCOVERY:	DISCA	31.76	1.36%	(7.82%)
DISNEY:	DIS	110.30	0.17%	17.10%
GRUPO TELEVISIVA:	TV	36.83	0.85%	8.13%
HSN:	HSNI	67.69	0.37%	(10.93%)
LIONSGATE:	LGF	31.48	2.47%	(1.69%)
MSG:	MSG	84.08	0.75%	11.72%
SCRIPPS INT:	SNL	67.13	(1.28%)	(10.81%)
STARZ:	STRZA	40.11	4.73%	35.05%
TIME WARNER:	TWX	85.29	1.26%	(0.15%)
VIACOM:	VIA	66.01	(1.2%)	(12.57%)
WWE:	WWE	13.67	2.17%	10.78%

Company	Ticker	5/15 Close	1-Week % Chg	YTD %Chg
TECHNOLOGY				
ADVANTAGE:	AEY	2.35	(2.49%)	(3.69%)
AMDOCS:	DOX	54.57	1.32%	16.95%
AMPHENOL:	APH	57.78	1.71%	7.38%
AOL:	AOL	50.64	16.63%	9.68%
APPLE:	AAPL	128.77	0.90%	16.66%
ARRIS GROUP:	ARRS	33.95	0.38%	12.45%
AVID TECH:	AVID	16.31	8.23%	14.78%
BLNDER TONGUE:	BDR	0.71	(7.79%)	(73.61%)
BROADCOM:	BRCM	47.38	2.33%	9.35%
CISCO:	CSCO	29.55	1.09%	6.22%
COMMSCOPE:	CTV	26.43	0.76%	3.08%
CONCURRENT:	CCUR	6.32	3.27%	(10.86%)
CONVERGYS:	CVG	24.41	2.65%	19.83%
CSG SYSTEMS:	CSGS	30.14	(1.41%)	20.22%
ECHOSTAR:	SATS	49.13	0.80%	(6.42%)
GOOGLE:	GOOG	533.85	(0.81%)	1.42%
HARMONIC:	HLIT	6.93	(0.36%)	(1.21%)

Company	Ticker	5/15 Close	1-Week % Chg	YTD %Chg
INTEL:	INTC	32.99	0.58%	(9.09%)
INTERACTIVE CORP:	IACI	74.17	0.84%	22.01%
JDSU:	JDSU	12.75	1.76%	(7.07%)
LEVEL 3:	LVT	55.48	(1.67%)	12.35%
MICROSOFT:	MSFT	48.30	(0.75%)	3.97%
NETFLIX:	NFLX	613.25	6.73%	79.52%
NIELSEN:	NLSN	45.57	0.73%	1.88%
RENTRAK:	RENT	66.33	30.73%	(8.91%)
SEACHANGE:	SEAC	6.95	0.72%	8.93%
SONY:	SNE	32.74	6.85%	59.94%
SPRINT NEXTEL:	S	4.82	1.05%	16.14%
TIVO:	TIVO	10.84	(0.28%)	(8.45%)
UNIVERSAL ELEC:	UEIC	51.42	(1.83%)	(20.93%)
VONAGE:	VG	4.64	1.53%	21.78%
YAHOO:	YHOO	44.75	1.50%	(11.4%)

Company	Ticker	5/15 Close	1-Week % Chg	YTD %Chg
TELCOS				
AT&T:	T	34.33	(0.29%)	2.20%
CENTURYLINK:	CTL	34.50	(1.29%)	(12.83%)
TDS:	TDS	29.99	2.42%	18.77%
VERIZON:	VZ	49.79	(0.7%)	6.43%

Company	Ticker	5/15 Close	1-Week % Chg	YTD %Chg
MARKET INDICES				
DOW:	DJI	18272.56	0.45%	2.52%
NASDAQ:	IXIC	5048.29	0.89%	6.59%
S&P 500:	GSPC	2122.73	0.31%	3.10%

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. RENTRAK:	66.33	30.73%
2. AOL:	50.64	16.63%
3. AVID TECH:	16.31	8.23%
4. SONY:	32.74	6.85%
5. NETFLIX:	613.25	6.73%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. BLNDER TONGUE:	0.71	(7.79%)
2. COMCAST SPCL:	56.38	(3.16%)
3. COMCAST:	56.64	(3.03%)
4. NEXSTAR:	54.72	(2.63%)
5. ADVANTAGE:	2.35	(2.49%)



Who are cable's most powerful women and influential minorities?

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