

Cablefax Daily™

Friday — September 4, 2015

What the Industry Reads First

Volume 26 / No. 171

INSP COO: Maintain Credibility, Audience Loyalty Amid Industry Changes

Independent networks like **INSP** live in a world where distributors are experimenting with skinny TV packages and major networks are launching direct-to-consumer services. Yet despite all the changes happening in the industry, staying relatively unchanged—or in INSP COO *Dale Ardizzone's* words, maintaining credibility—is key for indie networks like INSP. “In large part, our audiences look to be entertained when they sit down and they know they can depend on us based on how programs are scheduled. It’s all about credibility with viewers,” the exec told us. The net’s programming schedule has been relatively consistent even though it has added new content and new programming blocks over the years. Despite the increase in time-shifted viewing, the majority of INSP viewers still watch the programs live, according to Ardizzone. For the week of Aug 10, INSP ranked 10th for all Nielsen-rated broadcast and cable networks in HH averages for Weekday Prime length of tuning, 6th for adults 35+, and 5th for women 35+. The ranking was even higher in 7-Day Prime. INSP ranked 7th among all networks in HH length of tuning, and 2nd for both adults 35+ and women 35+. With major consolidations on both the operator and the programmer side, indie nets like INSP are feeling the squeeze. Once again, its focus is on level of engagement and audience loyalty. “The engagement level is what we can show to distributors,” Ardizzone said. Currently, the net “resonates well” with the 50+ demo and predominantly women. The next sweet spot it’s after is the 45-55 demo, and it’s looking to draw younger viewers as it continues to expand its reach. In terms of multiplatform viewing, INSP doesn’t have the distribution or licensing rights to offer streaming options because most of INSP’s content is acquired. But it’s still exploring platforms like Roku, particularly after starting production of original series this year. INSP has created a new original production division among other steps to beef up its original lineup, which, like its acquired content, features positive entertainment and celebrates American spirits and values. The net also wants to focus on original movies and has acquired exclusive TV rights to several films that will debut later this year and early next week. It’s been more than 4 years since the major rebranding in Oct 2010 to push into wholesome entertainment content and away from religious programming. A lesson learned from that rebrand rings true today: “you keep your focus and don’t go all over the place,” he said.

Amazon Buys Elemental: Amazon Web Services, an Amazon subsidiary, agreed to acquire video compression



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firm **Elemental Technologies**, which helps service providers deliver 4K content. “The acquisition brings together Elemental’s leading video solutions with the AWS Cloud platform to provide media and entertainment companies with a range of integrated solutions to efficiently and economically scale video infrastructures as the media industry increasingly moves to internet-based delivery,” Amazon said in a release. The deal is expected to close in 4Q.

Scripps Completes TVN Deal: Scripps Networks has completed its tender offer for all outstanding shares of TVN, Poland’s multiplatform media company. The company acquired 46% of TVN shares for around \$833.1mln. The company already acquired 52.7% of TVN from ITI and **Canal+ Group** in Mar and announced its intention to acquire all remaining shares through a public tender offer. The company now owns 98.8% of TVN and will acquire all remaining TVN shares.

Comcast Upgrades Football App: Comcast is gearing up for football season with upgrades to its X1 Sports app. The MSO is providing more data, real-time stats and visualizations to the app, featuring pre-game player and team comparisons, injury reports, fantasy stats and leaders, and win/loss probabilities to full post-game analysis including drive chart summary.

Ratings: Wed night’s Dodgers-Giants telecast was the highest-rated (1.85 HH Rating) and most-watched telecast ever (144k Total Viewers) on **Time Warner Cable SportsNet LA**. The previous high for HH ratings was on Sept 2 (1.70 HH Rating). Additionally, the series against the Giants averaged a 1.64 HH rating, becoming the highest rated-series ever for the net, and a +26% increase versus the previous high. The net scored a carriage deal with **Charter** earlier this year, ending a 14-month TV blackout. The deal came after Charter announced its \$57bln acquisition of TWC. Since adding Charter as a distributor, the net is averaging a 1.14 HH rating, an +82% increase. The network is averaging 85,353 Total Viewers, which is an +87% increase.

Pay-TV Research: About 83% of all HHs nationwide subscribe to some form of pay-TV service, according to a report by the **Leichtman Research Group**. The percentage of households that subscribe to a pay-TV service is down from 87% in 2010, but up from 81% in 2005. The total number of subscribers for the top pay-TV providers at the end of 2Q 2015 is similar to the total at the end of 2Q 2010, but the **US Census Bureau** reports that occupied housing in the US increased by more than 4.5mln units over the last 5 years (with all the growth coming in renter-occupied housing). As a result, penetration of pay-TV in residential households has decreased from 5 years ago, the report said. Among TV households that do not currently subscribe to a pay-TV service, 17% paid for a service in the past year, while 70% of non-subscribers last subscribed over 3 years ago, or never subscribed to a pay-TV service. Overall, about 2.5% of TV households paid to subscribe to a service in the past year, but currently do not—compared to 1.5% in 2010, and 2.3% in 2005. The findings are based on a telephone survey of 1,222 households across the country. “Historically, consumers have gone in and out of the pay-TV category, primarily for economic reasons. While the rate of those leaving is actually similar to a decade ago, those who are entering or reentering the market has decreased over time, and the industry is not keeping pace with rental housing growth,” pres/principal analyst Bruce Leichtman said in a statement.

CableLabs on IoT: The challenge in the Internet of Things market is that many early entrants have developed their own proprietary, vertically-integrated platform from their competitors, **Clarke Stevens**, principal architect, applications and security technologies at **CableLabs** wrote in a blog post Wed. “The Internet of Things is quite literally the collection of connected things. At its core, it is not about vertical solutions, specific markets or proprietary things. Like smart phones, it’s a platform for innovation. And, like the Internet itself, it benefits from the mass connectivity and egalitarian nature of speaking the same language,” he wrote. The industry needs to stop arguing about what platform is best and start looking for common standards, according to Stevens. To get there, “there is a need for somebody to stand in the middle of the various ecosystems and sort them out for customers.” And eventually, standards will ensure a common playing field where developers can concentrate on their innovations.

Programming: **Discovery Networks International** booked a new docu-special on the **Ashley Madison** hacking

BUSINESS & FINANCE

scandal. Dubbed "Sex, Lies and Online Affairs," the special is slated to debut in late Sept. The hour-long program is being produced by **Mentorn Productions** and will spotlight the issue of internet fidelity and how the Internet is changing relationships.

Obituary: The Weather Company's chief global revenue officer **Curt Hecht** died Sun of lung cancer at the age of 47. In an email to employees, chmn/CEO **David Kenny** said "Curt's life mattered to The Weather Company. He recruited and developed an extraordinary team. He strengthened our relationships with key partners, including Google, Twitter, Facebook, and Hearst. He had the vision for WeatherFX, which has totally changed the value of our audience to advertisers. He championed the best programmatic operation in the industry." Hecht has held his position since 2012. He's survived by his wife, *Dorothy Rotatori*, and daughters *Peggy* and *Kaki*. The company plans to commemorate his life internally later this year.

People: Nick upped 2 creative execs: **John Paul Geurts** was named svp, experience design; **Russ Spina** was named svp, character art, illustration and media product design. They will both report to **David Chus-tz**, svp, creative strategy, consumer product and experience design.

Cablefax Daily Stockwatch

Company	09/03 Close	1-Day Ch	Company	09/03 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DISH:	59.78	0.58	CONVERGYS:	22.79	0.24
ENTRAVISION:	7.51	(0.08)	CSG SYSTEMS:	30.59	0.12
GRAY TELEVISION:	11.34	0.25	ECHOSTAR:	44.32	0.26
MEDIA GENERAL:	11.36	0.05	GOOGLE:	606.25	(8.09)
NEXSTAR:	44.10	0.01	HARMONIC:	5.69	(0.01)
SINCLAIR:	25.97	UNCH	INTEL:	29.08	0.48
TEGNA:	23.41	0.30	INTERACTIVE CORP:	70.20	0.07
MSOS					
CABLE ONE:	408.91	2.98	LEVEL 3:	45.63	0.51
CABLEVISION:	27.17	0.81	MICROSOFT:	43.50	0.14
CHARTER:	182.88	3.20	NETFLIX:	101.06	(4.38)
COMCAST:	56.21	0.33	NIELSEN:	45.51	0.14
COMCAST SPCL:	57.37	0.29	RENTRAK:	43.56	(1.2)
GCI:	16.69	(0.17)	SEACHANGE:	6.41	0.57
LIBERTY BROADBAND:	55.36	0.78	SEACHANGE:	6.41	0.57
LIBERTY GLOBAL:	47.50	0.68	SONY:	25.32	(0.15)
SHAW COMM:	19.82	0.30	SPRINT NEXTEL:	5.05	0.05
SHENTEL:	39.65	(0.55)	TIVO:	9.00	0.06
TIME WARNER CABLE:	188.08	2.82	UNIVERSAL ELEC:	45.32	0.40
PROGRAMMING					
21ST CENTURY FOX:	26.87	(0.08)	VONAGE:	5.56	UNCH
AMC NETWORKS:	71.59	1.80	YAHOO:	32.54	0.77
CBS:	43.81	(0.48)	TELCOS		
CROWN:	5.19	0.28	AT&T:	33.04	0.22
DISCOVERY:	27.12	0.37	CENTURYLINK:	26.77	0.31
DISNEY:	101.99	0.10	FRONTIER COMMUNICATIONS:	5.52	0.31
GRUPO TELEVISIA:	29.64	0.05	TDS:	27.60	0.32
HSN:	59.93	(0.05)	VERIZON:	45.72	0.37
LIONSGATE:	37.83	0.78	MARKET INDICES		
MSG:	71.11	0.24	DOW:	16374.76	23.38
SCRIPPS INT:	53.78	0.95	NASDAQ:	4733.50	(16.48)
STARZ:	37.64	0.60	S&P 500:	1951.13	2.27
TIME WARNER:	70.70	0.21	TECHNOLOGY		
VIACOM:	44.50	1.04	ADDVANTAGE:	2.39	0.01
WWE:	19.44	0.58	AMDOCS:	56.86	0.25
TECHNOLOGY					
ADDVANTAGE:	2.39	0.01	AMPHENOL:	51.98	0.04
AMDOCS:	56.86	0.25	APPLE:	110.37	(1.97)
AMPHENOL:	51.98	0.04	ARRIS GROUP:	26.10	0.13
APPLE:	110.37	(1.97)	AVID TECH:	8.50	0.21
ARRIS GROUP:	26.10	0.13	BLNDER TONGUE:	0.63	0.02
AVID TECH:	8.50	0.21	BROADCOM:	51.19	0.33
BLNDER TONGUE:	0.63	0.02	CISCO:	25.90	0.25
BROADCOM:	51.19	0.33	COMMSCOPE:	25.88	(0.02)
CISCO:	25.90	0.25	CONCURRENT:	5.41	0.04
COMMSCOPE:	25.88	(0.02)			
CONCURRENT:	5.41	0.04			

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PROGRAMMER'S PAGE

Honoring 9/11

For nearly 14 years, the tragic events of 9/11 have been retold with new perspectives and stories. To honor the courage displayed and the lives lost, cable nets will be airing documentaries that highlight the aftermath of the terrorist attacks. **Destination America's** "9/11: The Lost Hero," premiering Tues 10pm, shares the story of a US Marine who conducted a rescue mission for two police officers but chose to remain anonymous for years. "It was such an important and challenging day in American History that there will always be stories of heroism and unique insight," said Destination America gm *Marc Etkind*. "A lot of people think about the tragedy of the day...but what it really did was bring out incredible heroism by so many people." As many fled for safety, some ran toward the towers trying to help people. The network has honored September 11 since its 2012 launch, with another evening dedicated to tribute programming this year on Tues. "The Towers and the Pentagon," (7pm) will look at the engineering of the affected buildings, while "After the Towers Fell" (8pm) focuses on the rescue efforts for those trapped within the rubble. "Chaos in the Sky" (9pm) explores how air traffic controllers were able to clear the airspace following the attacks. Etkind added that all **Discovery Communications** networks honor 9/11 in their own way, with programming sparingly replayed due to the day's importance. Uncovering more extraordinary stories like The Lost Hero remains a possibility, but airing tribute shows is in the DNA of Destination America. "We're about the people, places, and stories of America and there are no more important stories than what happened on 9/11," Etkind said. — *Kristin Beaudoin*

Reviews: "Miracles on the Plains" Tuesday, 9pm ET, **SEC Network**. You needn't believe in miracles to enjoy this short doc about the 2013 Auburn football season. That's because you'll witness two of them. As narrator *Dennis Quaid* says correctly, one was the best play in Auburn history, the other was the most memorable ending in college football history. While the team was riding its winning wave, other stories were playing out in Auburn. Director *Rory Karpf's* weaves these strands so well, albeit with too much sentimentality sometimes, even non-college football fans will enjoy this marvelous film. — "Suspicion," Wednesday, 10pm, **Investigation Discovery**. There's little need to re-tell ID's ratings success story, which largely is based on well-done stories of crime and investigation. "Suspicion" includes many ID hallmarks, including first-person interviews, which generally add much. It centers on people who insist, against odds, there's something amiss. Is it true or paranoia? Next week's installment is about a woman in Carbondale, CO, who believes someone's stalking her home. The suspense mounts, yet the ending falls short. — "Regular Show: The Movie," on demand, **Cartoon Network**. Rigby the raccoon and Mordecai the penguin lead their whacky but Emmy winning cohorts in this excellent spoof of time-travel films. Available for download now and DVD next month, Cartoon's fall premiere date is TBD. — *Seth Arenstein*

Basic Cable Rankings (8/24/15-8/30/15) Mon-Sun Prime			
1	FOXN	0.8	1987
1	ESPN	0.8	1864
3	DSNY	0.7	1750
3	TNT	0.7	1573
5	USA	0.6	1587
5	HGTV	0.6	1546
5	HIST	0.6	1479
5	TBSC	0.6	1344
5	DSE	0.6	132
10	AMC	0.5	1326
10	MTV	0.5	1061
12	FOOD	0.4	1085
12	ADSM	0.4	1076
12	FX	0.4	1075
12	LIFE	0.4	1035
12	DISC	0.4	936
12	ID	0.4	907
12	SYFY	0.4	875
12	A&E	0.4	875
12	TLC	0.4	872
12	VH1	0.4	832
22	NAN	0.3	775
22	SPK	0.3	743
22	MSNB	0.3	670
22	APL	0.3	652
22	HALL	0.3	640
22	WETV	0.3	601
22	FAM	0.3	600
22	BRAV	0.3	599
22	BET	0.3	583
22	TVLD	0.3	583
22	DSJR	0.3	576
22	OWN	0.3	537
22	NFLN	0.3	458
22	HMM	0.3	415
22	DFAM	0.3	59
37	CNN	0.2	595
37	CMDY	0.2	514
37	NGC	0.2	492
37	LMN	0.2	488
37	GSN	0.2	458
37	INSP	0.2	448
37	TRU	0.2	424
37	EN	0.2	398

*Nielsen data, supplied by ABC/Disney, is based on coverage area of individual networks

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