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What the Industry Reads First

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Talking Retrans: AT&T-Tribune and the Exclusivity Rule Fight

A potentially promising sign... **AT&T U-verse** and **Tribune** have extended talks for renewing their retrans deal again. The deadline is 5pm ET Tues, Oct 13. A previous extension had been set to expire at 5pm Wed. Meanwhile, **ATVA** members **ACA**, **Mediacom** and **Time Warner Cable** appeared at the **FCC** last week to make their case in support of FCC chmn *Tom Wheeler's* plan to do repeal the network non-duplication and syndicated exclusivity rules. (Nice to see TWC in the retrans docket... It had been quiet on the issue while **Comcast** was pursuing it). Claiming that broadcasters could still seek to retain exclusivity through their retrans deals with operators, the trio had some suggestions for negotiations. Current rules require cable ops to enforce local broadcast stations' exclusivity protections by blacking out duplicative programming on other broadcast stations they carry. "It would be more equitable and consistent with free market principles for broadcasters to negotiate for this right from cable operators through retransmission consent negotiations," the 3 orgs said during the meeting, according to an FCC filing. They also suggested that negotiations should include which programming should be blacked out on another station. Under current rules, operators must determine whether and when other stations' broadcast programming should be blacked out, with the station request protection under no obligation to provide that info. ACA, Mediacom and TWC also would like to see changes to current rules that provide a broadcaster with the right to file a complaint against a cable operator that it believes is not complying with its obligation to protect a broadcaster's exclusivity. They claim it's a costly burden for cable ops. "A more equitable regime would require broadcasters to negotiate over how any disputes over cable operators' protection of the local broadcasters' exclusivity are resolved. In a negotiation, the parties may decide a dispute resolution mechanism that is most efficient for both parties, which may include mediation, arbitration, or any other processes other than a traditional complaint action at the FCC," the 3 told the FCC. Broadcasters, of course, continue to fight mightily against any changes to the rules. **Disney** had reps, including govt relations vp *Susan Fox*, at the Commission's office last week. Disney said a repeal of the non-dupe and syndex rules wouldn't help viewers because a network's most direct contractual remedy to enforce contractual exclusivity would be to terminate the entire affiliation agreement with the station being imported into a distant market. That termination would also impact

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stations commonly owned with that station. “The viewer disruption in the distribution of network programming in this scenario would be significant (including over-the-air transmissions) and far greater than a retransmission consent impasse,” Disney said, according to an ex parte. The programmer rejected the notion that the rules are similar to the recently repealed sports blackout rule (a comparison TWC, Mediacom and ACA have made). “The sports blackout rules involve situations where in-market viewers cannot view events in their market even on an over-the-air basis. In contrast, under the exclusivity rules, access to network and syndicated programming remains available and the rules address duplication,” Disney told the Commission.

Deals: TV One reached its first-ever deal with **NCTC**, with the co-op signing a long-term distribution agreement that gives member operators the opportunity to offer the African American net. “Establishing this inaugural partnership with NCTC and its approximately 850 member-operators will enable us to continue to provide the critically acclaimed and entertaining content for black adults in even more communities across the country,” said TV One content distribution and marketing evp *Michelle Rice*.

Wild Card Ratings: The Houston Astros 3-0 defeat of the NY Yankees Tues night was **ESPN's** most-watched **MLB** game since 2003. It drew 7.6mln total viewers, according to **Nielsen** Fast Nationals, making it the largest MLB Wild Card game ever. It was up 46% over last year's AL Wild Card (Kansas City vs Oakland).

Commerce-dot-com: Senate Commerce launched a new website at commerce.senate.gov, meant to increase usability and transparency to the public. One handy new feature includes a “nominations matrix” that helps visitors understand where the Committee is in the process of confirming 100+ senior official posts, including FCC commissioners (all the commissioners have been confirmed except Dem *Jessica Rosenworcel* who has been reappointed for another term).

YouTube Kids App: Sen *Bill Nelson* (D-FL) took the floor Wed to voice his concern regarding the new **Google YouTube Kids** app. He has criticized the app previously for containing content inappropriate for kids. YouTube updated the Kids app earlier this month to include improved parental control features. Commenting on new features on the app, Nelson said “I want to share with the Senate what I think is steps in the right direction, but it's not enough.” Nelson wrote to Google in June, questioning the content in YouTube Kids and how advertising is handled from the app. He noted Google didn't address his questions on how long inappropriate content remains online after being flagged.

A+E Beefs up Ad Sales Team: A+E Nets announced a series of exec announcements to beef up its ad sales team. *Lance Still* joined the company effective Oct 1 as svp, branded content, a newly created role. Still, most recently evp of promotions & integrated marketing at the **Weinstein Company**, will report to *Peter Olsen*, evp of ad sales. Previously, she was evp of national promotions at **New Line Cinema**. In addition, *Santosh Mathai* was upped to vp of data, analytics & strategic sales partnerships. The company also upped both *Ethan Heftman* and *Mary Kang* to vp of ad sales, reporting to svp of adult brands *Brian Joyce*, and evp of female brands *Amy Baker*. Heftman joined in 2013, after a lengthy stint at **Initiative Media**. Kang also joined in 2013, and had worked on the agency side for 14 years. Meanwhile, *Kevin McGaw* will join A+E Nets in the newly created role of vp of ad sales marketing, reporting to *David DeSocio*, svp, ASM and partnerships.

Pluto's Universe: Pluto TV, a free service that provides curated OTT content, unveiled 20 new content partners at **MIPCOM**. Pluto is offering over 100 channels of live TV entertainment now. New partners include **AwesomenessTV**, **Cracked**, **GarageMonkey**, **TheOnion** and **World Poker Tour**. OTT video news service **Newsy**, aimed at millennials (who else?), has joined Pluto's lineup as a dedicated channel.

AT&T's Hotel Deal: AT&T is teaming with **Host Hotels & Resorts** and **GuestTek** in a multi-year deal to bring **DirecTV** service to **Marriott** hotels owned by Host. The pact extends the hotel chain's existing relationship with DirecTV. In-room entertainment service will be added to more rooms through 2Q16.

Programming: The Weather Channel is going mobile with the launch of “The Lift,” the 1st mobile-only morning show hosted by *Al Roker*, meteorologists *Domenica Davis* and *Ari Sarsalari*. The show will consist of 6-to-8 snackable clips focused on breaking weather news, nature stories, science, and viral videos. -- **Poker Central**, which launched last week on **Roku**, **Xbox**, **Amazon Fire** and **FilmOnTV**, is giving viewers an early look at 2016 original series “Pokerogra-

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phy.” Sneak peek ep “Pokerography: The Story of Phil Hellmuth,” a look at his evolution from awkward youth to “Poker Brat,” is slated to premiere Oct 18. Poker Central doesn’t have any carriage deal with traditional MVPDs, but network execs say talks are ongoing. -- **truTV** booked 12 eps of new series “Super Into,” which features celebrities showcasing their private passions. It will air Oct 26. -- **BBC America** will celebrate the 40th anniversary global tour of “The Rocky Horror Show” with a new 2-hour gala performance in London on Oct 18. An encore Halloween midnight airing follows a full day of “Doctor Who-loween” on Oct 31. -- **WE tv** ordered new docu-series “Selling It: In The ATL,” adding to its original programming lineup. The real estate series will debut Nov 5. -- **Nat Geo**, in partnership with **Mental Floss**, will air a live 2-hour special documenting an awake deep brain stimulation surgery. “Brain Surgery Live with Mental Floss” will air Oct 25 on Nat Geo and **Nat Geo Mundo**, featuring live coverage from the operating room at **University Hospitals Case Medical Center** in Cleveland.

Tech Awards: **Cablefax** is accepting entries for its annual Tech Awards, honoring tech innovation. Categories include Best Commercial Product/Service, Public Relations Campaign and Wireless/WiFi Solution. Enter online at Cablefax.com by the Nov 6 deadline.

Cablefax Daily Stockwatch

Company	10/07 Close	1-Day Ch	Company	10/07 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DISH:	61.04	1.49	CONVERGYS:	24.43	0.46
ENTRAVISION:	6.95	0.13	CSG SYSTEMS:	31.79	0.01
GRAY TELEVISION:	14.37	0.94	ECHOSTAR:	44.96	0.44
MEDIA GENERAL:	14.72	0.80	GOOGLE:	642.36	(3.08)
NEXSTAR:	52.44	3.88	HARMONIC:	6.31	0.18
SINCLAIR:	29.38	1.98	INTEL:	32.31	0.57
TEGNA:	25.59	1.69	INTERACTIVE CORP:	71.36	1.29
MSOS					
CABLE ONE:	427.86	11.27	LEVEL 3:	44.33	0.25
CABLEVISION:	33.11	0.16	MICROSOFT:	46.78	0.03
CHARTER:	185.00	(0.52)	NETFLIX:	108.08	(0.25)
COMCAST:	59.70	0.73	NIELSEN:	46.66	0.36
COMCAST SPCL:	60.21	0.68	RENTRAK:	60.80	2.35
GCI:	17.23	0.32	SEACHANGE:	6.99	0.32
LIBERTY BROADBAND:	54.80	(0.12)	SEACHANGE:	6.99	0.32
LIBERTY GLOBAL:	45.32	0.18	SONY:	26.76	0.43
SHAW COMM:	20.13	0.12	SPRINT NEXTEL:	4.59	0.16
SHENTEL:	43.26	0.96	TIVO:	9.32	0.05
TIME WARNER CABLE:	186.01	(1.16)	UNIVERSAL ELEC:	45.96	2.00
PROGRAMMING					
21ST CENTURY FOX:	28.20	0.04	VONAGE:	6.14	UNCH
AMC NETWORKS:	77.23	2.58	YAHOO:	31.87	0.92
CBS:	42.41	1.07	TELCOS		
CROWN:	5.52	0.17	AT&T:	33.12	0.28
DISCOVERY:	28.01	0.80	CENTURYLINK:	26.06	0.44
DISNEY:	103.39	(0.38)	FRONTIER :	5.38	0.26
GRUPO TELEVISIA:	26.95	0.44	TDS:	26.23	0.21
HSN:	57.82	(0.19)	VERIZON:	43.85	0.35
LIONSGATE:	39.83	0.63	MARKET INDICES		
MSG NETWORKS:	19.96	(0.12)	DOW:	16912.29	122.10
SCRIPPS INT:	54.62	2.96	NASDAQ:	4791.15	42.79
STARZ:	39.28	0.30	S&P 500:	1995.83	15.91
TIME WARNER:	71.80	0.39			
VIACOM:	48.96	1.11			
WWE:	18.77	0.80			
TECHNOLOGY					
ADDVANTAGE:	2.20	(0.06)			
AMDOCS:	58.71	0.47			
AMPHENOL:	51.66	0.42			
APPLE:	110.67	(0.64)			
ARRIS GROUP:	27.63	0.13			
AVID TECH:	8.35	0.16			
BLNDER TONGUE:	0.64	0.01			
BROADCOM:	50.47	0.22			
CISCO:	27.55	0.32			
COMMSCOPE:	25.35	(0.09)			
CONCURRENT:	5.17	0.08			



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Think about that for a minute...

Thinking Inside the Box

Commentary by Steve Effros

For those of us who spend our time trying to work through the implications of all the new technologies, business plans and devices that continually flood the video market it's been an extraordinarily busy time.

Amazon, Google, Apple and Roku all trumpeted new television viewing devices in the last month. It's become clear that all four companies have very different ideas of what's important and what the consumer wants. It's also clear that the competition in the "box" marketplace has become fierce, sometimes because of the features offered themselves, and sometimes because the "box" is considered as almost an afterthought to the real objective of offering services or reinforcing a "walled garden" business plan.

I'll be working my way through all the new devices as they become available, and it'll be some time before any "winners" can be declared, if at all. The reason is that the market, however we want to describe it, is going in so many different directions at once.

A few initial reactions; Google's Chromecast isn't really a box at all. It's a transport device that links to a far more expensive smart phone or tablet which does the heavy lifting. This has two advantages, both for Google. First, the device itself is about 1/3 the cost of its competitors, or at least that's how it appears to the consumer. That's not true, of course, because that device relies on another multi-hundred dollar device, your phone in many cases, in order to make it work. But it's clever obfuscation, and it works well and is almost totally focused on web interaction. The fight here, as I've been mentioning, is the ability to aggregate data and become the "gateway" for the consumer. That's what they're really interested in, not program delivery.



The Amazon Fire TV box has beefed itself up so that it can process at the speeds Roku has been doing for some time now. Unlike Chromecast, Fire TV and the new Roku 4 are designed for the alleged "future" of 4K. The Apple TV box is not. But since I question the whole 4K push until it's linked with HDR, high dynamic range video, which is a true eye-popper for the consumer market, I don't know if that makes much difference. Both Amazon and Roku are making major strides in voice control, which is neat, but still limited.

Amazon is linking its voice recognition "Alexa" system with the TV box. I really enjoy and use my Amazon Echo speaker (with Alexa) a lot, but not everything flows over to the new TV box, so we will have to wait and see whether that "added value" is significant. Apple's box is not available yet, but claims to have a great idea baked in; flip the remote and the film backs up 30 seconds and replays with closed captioning turned on for those of us who just couldn't catch the dialog! Now that would be great, if it works. We'll see.

Competition on what the video "boxes" should do is exploding. It's just part of a much bigger picture, and the notion that the government (read FCC) should continue to get involved and define what an MVPD box must be, and how it must operate is pure foolishness. What's happening now is the competition has moved into entirely new realms. Consumers may wind up confused, and paying more for multiple new devices, just like yearly releases of cell phones, but there's a lot of thinking going on inside the box!

Steve

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