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What the Industry Reads First

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Sapan Q&A: Talking Dead and Consolidation with the AMCN Chief

With the highly anticipated Season 6 premiere of AMC's "The Walking Dead" having just debuted, it seems like a good time to check in with AMC Networks chief Josh Sapan. We tried unsuccessfully to pry some early ratings out of him, though he gave us some insight on why he thinks the show draws such strong live numbers. Even if Sun ends up with less live viewers than the Season 5 premiere, it's a good bet the network is still drawing big numbers of live viewers to watch the dead. **The premiere of "The Walking Dead" was up against a pretty close Giants-49ers game Sun night. Are you saying anything about early numbers?** I can't really. We only have preliminary stuff. **It's interesting that the show continues to do well live in a world of increasing nonlinear viewing. What do you attribute that to?** The *NY Times* when it reviewed the new season had a great line. They said: "Game of Thrones," "Empire" and "The Walking Dead" were the epics of our times. What's curious about that is they all 3 have very strong, obviously, live numbers. I would refer to that quote because, while not a surgical diagnosis, I think those words put in simple terms what a lot of people feel. They are the stories people are traveling and living with and talking about. On Fri night at Madison Square Gardens, there were about 14K fans watching the premiere of Season 6 of The Walking Dead, some in costume. It has all the characteristics of what we commonly say when we say 'phenomenon,' which is it touches on several elements of interest that people have: story, characters, delight, intrigue, surprise—if I could be broad, I'd say social analogy and timeless themes. **How is it balancing new distribution methods, such as Sling TV, with the old?** MVPDs are moving [that way] ... This is true for DISH, for Cablevision and others who utilize the web to extend their reach. At the same time, what they're doing, which is incredibly encouraging, is they're improving their interfaces. It allows them to capture all of what digital means and provide the ingenuity and facility that people have come to want and to some degree to expect. What's curious about this... in moving into the Internet for delivery and having these enhanced interfaces, they end up being much more competitive. They end up being better products. It's sort of an interesting counterpoint to the common wisdom about consolidation, which is from a programmer's point of view, consolidation what does it mean? Is it bad? There's an awful lot of good in it if your programming is good because you're in an interface that allows people to find the material they like instead of being hostage to something that's anachronistic and cumbersome. When Charter launches Spectrum,



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their new interface, I look at it with incredible zeal and think it represents an opportunity for AMC Networks to rise to the top because it's an interface that has facility and it more closely and immediately meets the consumers' desires. **So, it sounds like you think distribution consolidation could be a positive because of what it could bring about?** Very much so. I really do think what these interfaces do for companies who have grown larger and can support better engineering and design is they frankly meet consumers' needs and desires more.... When we're greeted with the prospect of a Charter acquiring a Time Warner, we look at it with enthusiasm because we think it's well run. And we think it will be better and more competitive for cable TV at large and better for AMC Networks... **Speaking of consolidation, AMC Nets and Starz are often linked. Can you offer any insight there?** I can't. I can say what we've done in the past. We're now about a year into our acquisition of controlling interest in BBC America. We did that because we felt it was a great channel and that BBC was an extraordinary producer of great television content... We acquired Chellomedia overseas. We think we are pretty strongly positioned as we are, and we'll take life from here.

NAB's Petition: NAB wants the FCC to pause its review of the proposed **Charter-Time Warner Cable-Bright House** transactions until the agency completes its review of broadcast ownership rules. If the Commission fails to revamp broadcast ownership rules to better reflect current competitive realities, then it should deny the proposed merger, NAB said in a petition filed the agency Mon. "While failing to meet its statutory requirements with regard to ownership of broadcast outlets, the Commission at the same time has approved a series of mergers resulting in a multichannel video programming distribution industry highly consolidated at the local, regional and national levels," said the petition, adding the proposed merger will create a larger, regionally consolidated MVPD participating in interconnects with multiple other MVPDs. A bigger Charter also will be able to compete better for advertising than a broadcast TV station prohibited from entering into a joint agreement for the sale of advertising. "Approval of the merger will therefore further undermine economic support for the public's free TV option," NAB said.

TEGNA-DISH: DISH briefly lost TEGNA (formerly Gannett) broadcast stations over the weekend. The channels went dark Fri evening, with the 2 announcing a new deal Sun around 1:30pm ET. According to the **American Television Alliance**, there have been 184 blackouts so far in 2015. **AT&T U-verse** and **Tribune** are currently negotiating. The 2 have extended talks until 5pm today (Oct 13).

DOCSIS 3.1: DOCSIS 3.1 is getting real. During a DOCSIS 3.1 demo day held last month in CO, where **CableLabs** is based, 22 vendors demonstrated the capabilities and readiness of the 3.1 technology on various products including cable modems, converged cable access platforms (CCAP) and test and measurement equipment, *Belal Hamzeh*, dir of network technologies at CableLabs wrote in a blog post Mon. Multiple vendors showcased downstream speeds of up to 4.6 Gbps and 800 Mbps on the upstream. Among the vendors, **Arris** demonstrated the ability of 3.1 CCAPs to support both 3.1 and 3.0 cable modems using its E6000 platform. **Cisco** showcased the ability of a 3.1 CCAP to support multiple modulation profiles, which highlights the ability of 3.1 technology to maximize spectral efficiency based on network characteristics. Meanwhile, CableLabs is now open for 3.1 device certification testing. As soon as products demonstrate readiness through the dry run process, certification testing can begin. In order to advance 3.1 device readiness as rapidly as possible, CableLabs will work with device manufacturers in the 3.1 device certification testing process until they can demonstrate this compliance. On Mon, Arris announced its first DOCSIS 3.1 modems for ops and retailers. The Touchstone CM8200 modem offers data rates of more than 5 Mbps down and 2 Gbps up. It features switchable filters with 204MHz upstream and 1218MHz downstream supporting gigabit performance, while reducing interference in the home network. The SURFboard SB8200 Cable Modem offers the same DOCSIS 3.1 performance and features as the CM8200, but is intended for retail customers, who can take advantage of its 32x8 QAM channel bonding capabilities on DOCSIS 3.0 cable systems.

Charter Doings: Charter upgraded its Spectrum Business TV package and inked a deal with **Samsung Electronics America** to provide dynamic digital signage services to bars and restaurants. Spectrum Business now includes 30 sports channels (including RSNs), in addition to family, entertainment, international and commercial free music packages. The partnership with Samsung means hospitality customers who switch to Spectrum Business can get a 48-inch Samsung Smart Signage TV for \$150 for a limited time. The signage TV offers HDTV, embedded media players and other features. -- Charter launched the Spectrum TV App on **Roku**, allowing Charter

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TV subs to stream content included in their Spectrum TV service to any TV in their home connected to a Roku device.

Ratings: The 2015 Postseason is the most-watched over on **TBS** through day 3 of the Division Series with an average of 5.4mln viewers. **MLB Net** recorded its 2nd-best rated game telecast ever with the Rangers' 14-inning ALDS Game Two win over the Blue Jays. The game also led the net to its best-ever overnight viewership for total day, up +25% from its prior record on Oct 4, 2014.

Programming: **TBS's Conan O'Brien** will be the 1st American late-night host ever to do a show from Armenia. His longtime assistant *Sona Movsesian*, who is of Armenian descent, will join him. The ep is set to air Nov 10 and will be available across the TBS and Team Coco digital and mobile platforms the following day. -- **DIY** booked fresh eps of 3 series, including "Bath Crashers," "Rescue My Renovation" and "Renovation Realities."

People: **SCTE** tapped *Deighton Liverpool* as vp, information technology. Liverpool, who most recently had been CIO of the **Association of Village Council Presidents** in Alaska, previously had been CTO and dir of information technology for the **American Association for Cancer Research** in Philly.

Cablefax Daily Stockwatch

Company	10/12 Close	1-Day Ch	Company	10/12 Close	1-Day Ch
BROADCASTERS/DBS/MMDS			CONVERGYS:25.26 0.26		
DISH:.....	62.40	(0.16)	CSG SYSTEMS:.....	32.58	0.33
ENTRAVISION:.....	7.80	1.09	ECHOSTAR:.....	45.13	(0.36)
GRAY TELEVISION:.....	14.11	(0.07)	GOOGLE:.....	646.67	3.06
MEDIA GENERAL:.....	14.77	(0.2)	HARMONIC:.....	5.97	0.03
NEXSTAR:.....	51.37	(1.2)	INTEL:.....	32.21	0.07
SINCLAIR:.....	28.51	(0.03)	INTERACTIVE CORP:.....	71.44	0.24
TEGNA:.....	25.53	(0.67)	LEVEL 3:.....	45.21	0.23
MSOS			MICROSOFT:.....	47.00	(0.11)
CABLE ONE:.....	438.28	9.12	NETFLIX:.....	113.45	0.12
CABLEVISION:.....	33.05	0.03	NIELSEN:.....	46.99	0.49
CHARTER:.....	185.92	(0.71)	RENTRAK:.....	60.04	(0.81)
COMCAST:.....	60.27	(0.22)	SEACHANGE:.....	6.98	(0.01)
COMCAST SPCL:.....	60.96	(0.18)	SONY:.....	26.71	0.11
GCI:.....	17.68	(0.08)	SPRINT NEXTEL:.....	4.50	0.03
LIBERTY BROADBAND:.....	55.29	(0.17)	TIVO:.....	9.31	(0.08)
LIBERTY GLOBAL:.....	44.33	(0.82)	UNIVERSAL ELEC:.....	45.61	0.15
SHAW COMM:.....	20.38	0.09	VONAGE:.....	6.11	0.07
SHENTEL:.....	43.63	0.56	YAHOO:.....	32.86	0.34
TIME WARNER CABLE:.....	186.67	(0.71)	TELCOS		
PROGRAMMING			AT&T:.....	33.30	0.16
21ST CENTURY FOX:.....	28.67	(0.01)	CENTURYLINK:.....	25.86	0.14
AMC NETWORKS:.....	78.33	0.19	FRONTIER :.....	5.11	(0.07)
CBS:.....	42.62	(0.51)	TDS:.....	26.66	0.57
CROWN:.....	5.66	0.04	VERIZON:.....	44.30	0.14
DISCOVERY:.....	28.84	(0.06)	MARKET INDICES		
DISNEY:.....	106.35	0.79	DOW:.....	17131.86	47.37
GRUPO TELEVISA:.....	26.79	(0.37)	NASDAQ:.....	4838.64	8.17
HSN:.....	59.61	0.27	S&P 500:.....	2017.46	2.57
LIONSGATE:.....	40.14	0.04			
MSG NETWORKS:.....	19.97	(0.2)			
SCRIPPS INT:.....	55.14	(0.92)			
STARZ:.....	39.16	(0.21)			
TIME WARNER:.....	73.18	0.09			
VIACOM:.....	48.71	(0.7)			
WWE:.....	19.94	0.25			
TECHNOLOGY					
ADVANTAGE:.....	2.23	0.01			
AMDOCS:.....	58.96	0.51			
AMPHENOL:.....	52.03	0.10			
APPLE:.....	111.60	(0.52)			
ARRIS GROUP:.....	28.49	0.11			
AVID TECH:.....	8.48	(0.08)			
BLNDER TONGUE:.....	0.70	0.05			
BROADCOM:.....	50.93	0.44			
CISCO:.....	27.96	0.05			
COMMSCOPE:.....	31.07	0.36			
CONCURRENT:.....	5.07	(0.07)			

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