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What the Industry Reads First

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Hill Friday: Blackburn's Plan on Net Neutrality, Comm Act and More

While activities around communications policy issues will be relatively slow for the rest of the year, **House Commerce** still wants to tackle net neutrality, as well as update the Communications Act and shore up cybersecurity, *Marsha Blackburn* (R-TN), vice-chmn of the House Commerce Committee, said in an interview for **C-SPAN's** "The Communicators" series scheduled to air Sat at 6:30pm EST. "When you look at the big picture you are going to see the House settle down" as it focuses on selecting its next speaker following *John Boehner* (R-OH)'s decision to resign the Speakership and retire from Congress effective Oct 30, Blackburn said. "The problem we [House GOP] have right now is what I call the 'growing pains' problem," Blackburn said. Getting everyone agree on a unifying figure is an important 1st step, she said. That said, the Committee clearly has its eyes on net neutrality. Blackburn's "Internet Freedom Act," which aims to wipe out the **FCC's** order to reclassify broadband as a common carrier service under Title II regulation, has been in the Congress for a few years and still hasn't gone far. Blackburn suggested there could some actions this fall. "The more aggressive the FCC becomes on some of the issues, the more people are saying 'hey we need to do something to rein them in on this,'" Blackburn said. She noted the agency's latest effort moving forward on the rulemaking process to clarify its expanded privacy authority under the net neutrality rules. "Privacy isn't the FCC's jurisdiction... It's **FTC's**," she said. Republican lawmakers have expressed their concerns over such an effort. In addition, "we are also working on an amicus brief that we will file," Blackburn said. In an advisory released in May, the FCC said it plans to judge ISPs initially on whether they are "taking reasonable, good-faith steps" to comply with the general privacy provision until specific rules are developed. That said, chmn *Tom Wheeler* repeatedly said he will refrain from using the new open Internet rules to micromanage things. Appropriation is another potential venue to address net neutrality rules. Congress is facing the Dec 11 deadline to agree on a long-term budget deal, following the passing of a bill in Sept that keeps the government running until then. "As we do appropriations and work through that process, there are riders that are placed on how money can be used to limit actions agencies can take," Blackburn said. They are tools of the House to retrain the use of FCC funding for the implementation of the net neutrality order, she said. "This is the kind of action you will see to pull them [FCC] back... so that they are not jumping out and taking this authority that's not there for them to take," the lawmaker said. Republicans on the **House and**



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Senate Appropriations committees proposed language in their budget bills earlier this year to prevent the FCC from regulating rates. A House GOP bill also included provisions that would block net neutrality regulations until legal challenges are settled. **DC Circuit** is reviewing the challenges filed by ISPs and trade groups. An oral argument is scheduled for Dec 4. What would it take for the Congress to write the Communications Act? Blackburn said “it will be a laborious process.” Reforms around the Act and the FCC won’t be a simple 2-page bill, she said. “It takes time.” The 1st consideration of an overhaul should be the removal of the net neutrality regulation, she said. The rules create confusion among OTT innovators, according to Blackburn. “They would appreciate seeing a simplification of how we move forward with this because they are looking for a format and a platform to push content forward and into the marketplace.” Speaking of OTT, Blackburn said she expects more content to be released directly to the consumers as well as theaters. The trend is people will carry their entertainment with them, she said.

More from Blackburn: Calling 2014 “the year of data breach,” *Blackburn* said things have been worse in 2015 with increased cyberattacks and data breaches. Cybersecurity will be a focus for Congress throughout the rest of the year and beyond, Blackburn said, advocating a federal standard that will set penalties for enforcement. It’s also important to have companies sharing cyberattack information, she said, urging ISPs to play a role to block bad actors. The Senate is reviewing the Cybersecurity Information Sharing Act and is expected to vote on several amendments that include a proposal to clarify cyberthreat definitions and another one to allow private entities to share information directly with federal agencies. The bill, in general, makes it easier for companies to share cyber threat information with the government.

So Long Universal Sports: **NBCU’s Universal Sports Net**, which focused on Olympic programming, is shutting down. The net is majority owned by **InterMedia Partners**, with NBCU owning a small stake. In a statement, NBCU said “We are thrilled to be finalizing an agreement with Universal Sports that will provide NBCUniversal and NBC Sports with an impressive collection of media rights to some of the world’s most prestigious sporting events,” said NBCU in an email statement. “We will have more information regarding our plans when the transaction closes in November.” The net was launched in 2006 with over-the-air affils. While it scored a carriage deal with DirecTV in 2011, it was transitioned into a pay-TV service,

Comcast’s DOCSIS 3.1 Plan: **Comcast** has been getting ready for DOCSIS 3.1 and is going to start deploying it throughout its network starting in 2016, access technology vp *Jorge Salinger* wrote in a blog post Fri. Recaping on the SCTE Cable-Tec Expo last week where 3.1 demo was everywhere, the exec said development of 3.1 is moving “very fast.” In fact, it has moved faster than any previous version of DOCSIS, and is now being implemented by every major equipment vendor in the Internet space. Another observation from Salinger: DOCSIS 3.1-enabled products and devices are already becoming more readily available.

ESPN/YouTube: **YouTube’s** move to launch an ad-free subscription service already stired up some controversy. Due to rights issues, **ESPN** can’t participate in YouTube Red, and the sports net has already pulled much of its content on YouTube. As of Fri, the most recent video on the net’s YouTube channel is from 3 years ago. In a statement, the net said “ESPN is not currently part of the Red service. Content previously available on the free YouTube service will be available across ESPN digital properties.”

Keeping Pace: As the industry looks to the next generation of execs to figure out how to make money as the TV ecosystem evolves, **CBS Corp** COO *Joseph Ianniello* stopped by the One Day Immersion conference at Pace U in NYC on Fri to dispel any myths about traditional TV going away. “I think everybody is going to be fine,” he told students looking to break in to the biz. “This isn’t something where I think anybody goes bankrupt.” But he did say changing consumer behavior will alter expectations as viewers gravitate toward control, convenience and choice. “There’s going to be less choice, and consumers are going to end up paying a little bit more,” he said, predicting that while skinnier bundles might lower the price of overall channel packages, consumers may end up getting fewer channels for their money. Interestingly, Ianniello also pinged distributors for declining to buy up old library TV content the way Netflix did. “To me, that revenue should have been going to the distributors,” he said, “but they didn’t innovate. They didn’t see this coming.”

People: Ten years after joining **RLTV** as employee #2, *Patrick Baldwin* is hanging up his hat as svp of affil sales & corporate development. No retirement living for him as he ponders his next venture. Best of luck!

Cablefax Week in Review

Company	Ticker	10/23 Close	1-Week % Chg	YTD %Chg
BROADCASTERS/DBS/MMDS				
DISH:	DISH	62.43	N/A	(14.35%)
ENTRAVISION:	EVC	8.60	N/A	32.72%
GRAY TELEVISION:	GTN	14.94	N/A	33.39%
MEDIA GENERAL:	MEG	14.73	N/A	(11.95%)
NEXSTAR:	NXST	52.95	N/A	2.24%
SINCLAIR:	SBGI	29.67	N/A	8.44%
TEGNA:	TGNA	26.17	N/A	0.00%

Company	Ticker	10/23 Close	1-Week % Chg	YTD %Chg
MSOS				
CABLE ONE:	CABO	424.28	N/A	0.00%
CABLEVISION:	CVC	32.71	N/A	58.48%
CHARTER:	CHTR	183.00	N/A	9.83%
COMCAST:	CMCSA	61.98	N/A	6.84%
COMCAST SPCL:	CMCSK	62.35	N/A	8.30%
GCI:	GNCMA	20.83	N/A	51.49%
LIBERTY BROADBAND:	LBRDA	53.44	N/A	6.69%
LIBERTY GLOBAL:	LBTYA	44.26	N/A	(11.85%)
SHAW COMM:	SJR	19.82	N/A	(26.57%)
SHENTEL:	SHEN	47.32	N/A	51.42%
TIME WARNER CABLE:	TWC	185.19	N/A	21.79%

Company	Ticker	10/23 Close	1-Week % Chg	YTD %Chg
PROGRAMMING				
21ST CENTURY FOX:	FOXA	30.11	N/A	(21.61%)
AMC NETWORKS:	AMCX	70.38	N/A	10.37%
CBS:	CBS	44.49	N/A	(19.61%)
CROWN:	CRWN	5.87	N/A	65.82%
DISCOVERY:	DISCA	29.77	N/A	(13.58%)
DISNEY:	DIS	113.09	N/A	20.07%
GRUPO TELEVISIA:	TV	28.37	N/A	(16.71%)
HSN:	HSNI	60.09	N/A	(20.93%)
LIONSGATE:	LGF	38.66	N/A	20.74%
MSG NETWORKS:	MSGN	20.16	N/A	0.00%
SCRIPPS INT:	SNI	56.99	N/A	(24.29%)
STARZ:	STRZA	37.95	N/A	27.78%
TIME WARNER:	TWX	73.27	N/A	(14.22%)
VIACOM:	VIA	51.60	N/A	(31.66%)
WWE:	WWE	20.82	N/A	68.72%

Company	Ticker	10/23 Close	1-Week % Chg	YTD %Chg
TECHNOLOGY				
ADVANTAGE:	AEY	2.27	N/A	(7.14%)
AMDOCS:	DOX	60.98	N/A	30.69%
AMPHENOL:	APH	53.53	N/A	(0.52%)
APPLE:	AAPL	119.08	N/A	7.88%
ARRIS GROUP:	ARRS	29.60	N/A	(1.95%)
AVID TECH:	AVID	8.79	N/A	(38.14%)
BLNDER TONGUE:	BDR	0.47	N/A	(82.52%)
BROADCOM:	BRCM	53.13	N/A	22.62%
CISCO:	CSCO	29.35	N/A	5.50%
COMMSCOPE:	COMM	32.14	N/A	40.78%
CONCURRENT:	CCUR	5.11	N/A	(27.93%)
CONVERGYS:	CVG	25.60	N/A	25.68%
CSG SYSTEMS:	CSGS	32.88	N/A	31.15%
ECHOSTAR:	SATS	45.13	N/A	(14.04%)
GOOGLE:	GOOG	702.00	N/A	33.36%
HARMONIC:	HLIT	6.02	N/A	(14.12%)
INTEL:	INTC	34.90	N/A	(3.83%)
INTERACTIVE CORP:	IACI	68.70	N/A	13.01%

Company	Ticker	10/23 Close	1-Week % Chg	YTD %Chg
LEVEL 3:	LVLT	48.96	N/A	(0.85%)
MICROSOFT:	MSFT	52.87	N/A	13.82%
NETFLIX:	NFLX	100.04	N/A	(70.72%)
NIELSEN:	NLSN	48.27	N/A	7.91%
RENTRAK:	RENT	53.19	N/A	(26.96%)
SEACHANGE:	SEAC	6.95	N/A	8.93%
SONY:	SNE	28.80	N/A	40.69%
SPRINT NEXTEL:	S	4.71	N/A	13.49%
TIVO:	TIVO	9.32	N/A	(21.28%)
UNIVERSAL ELEC:	UEIC	45.87	N/A	(29.46%)
VONAGE:	VG	6.24	N/A	63.78%
YAHOO:	YHOO	33.17	N/A	(34.33%)

Company	Ticker	10/23 Close	1-Week % Chg	YTD %Chg
TELCOS				
AT&T:	T	33.74	N/A	0.45%
CENTURYLINK:	CTL	28.02	N/A	(29.21%)
FRONTIER:	FTR	5.40	N/A	(15.7%)
TDS:	TDS	26.92	N/A	6.61%
VERIZON:	VZ	46.16	N/A	(1.33%)

Company	Ticker	10/23 Close	1-Week % Chg	YTD %Chg
MARKET INDICES				
DOW:	DJI	17646.70	N/A	(0.99%)
NASDAQ:	IXIC	5031.86	N/A	6.25%
S&P 500:	GSPC	2075.15	N/A	0.79%

Editor's Note: The weekly percent change for stocks is not available, but should return next Friday.

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH

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