

Cablefax Daily™

Wednesday — November 11, 2015

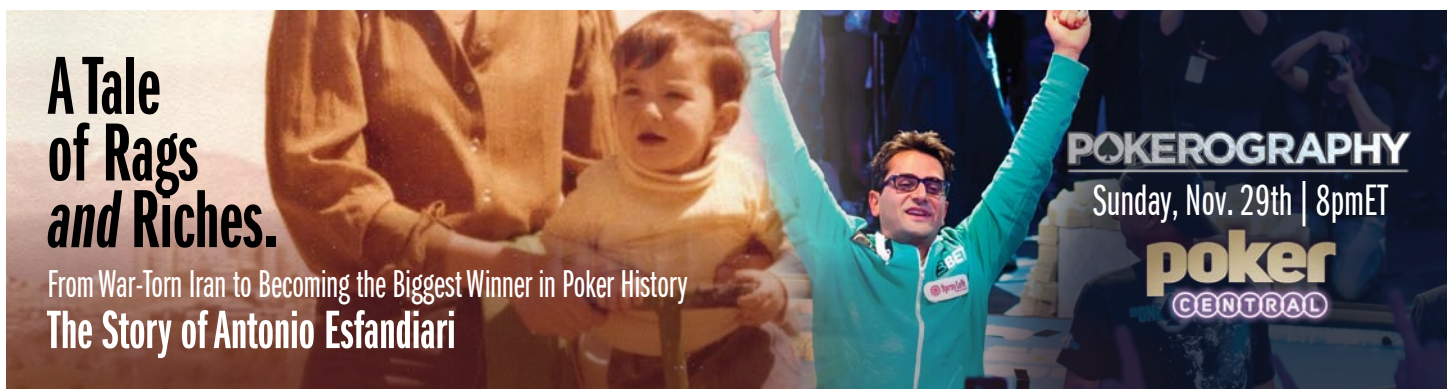
What the Industry Reads First

Volume 26 / No. 218

VCTA Day 1: McDowell Raises Regulatory Red Flags

Former Republican FCC commish *Robert McDowell* is no stranger to Williamsburg, VA, where the **Virginia Cable Show** is being held this week. McDowell, who left the agency in 2013, attended the Marshall-Wythe School of Law at the College of William and Mary. Much like the weather here Tues, McDowell, now partner at law firm **Wiley Rein**, painted a somewhat gloomy picture for the industry thanks to the FCC's Title II Open Internet order, currently being challenged by companies and groups at DC Circuit. "We will see a slow degradation that might not be noticeable in the first few years," he said during a general session moderated by **Comcast** regulatory vp *David Don*. McDowell's concerned that it's hard, at least initially, to measure innovation that's not coming to the market due to regulatory obstacles. While FCC chmn *Tom Wheeler* repeatedly said his agency will stay away from regulating rates, price regulation is still a possibility and could potentially set a price of zero for certain commercial agreements, McDowell said. Potential rate regulation is also a top concern for the FCC's 2 Republican commissioners. Moreover, the industry might have to deal with both the **FTC** and FCC when it comes to privacy. While FTC has jurisdiction over consumer privacy issues in general, the former Commissioner said the FCC has set its sights on broadband privacy due to expanded authority under the new Open Internet rules. The DC Circuit is scheduled to hear arguments on the rules' legality Dec 4. The 3-judge panel includes Judge *David Tatel*, who went against the FCC in 2 previous cases. "My guess is a 2-1 vote," said McDowell, whose law firm represents **AT&T**, **Verizon** and other ISPs. Of course, then the case is expected to linger for another year or 2 as a Supreme Court challenge seems all-but-certain. Regardless of the court decision on net neutrality, the broadband industry could face more regulation down the road as that seems to be the trend for most industries, with railroads being the one notable exception thanks to increased competition the last few decades. The Republican reflected on his 7 years that the FCC under then-chairs *Kevin Martin* and *Julius Genachowski*. His take: the agency used to be shaped by the personalities appointed; now politics seem to have player a bigger role. As a result, when Congress becomes more fractured, so does the FCC, he said. One piece of advice for cable from McDowell: "Continue to look at unlicensed and licensed spectrum opportunities" and "diversify and experiment while you still can." Cable and other WiFi providers and groups are fighting against the telcos over LTE-U, which WiFi players claimed could cause interference. Both sides are making their cases before the FCC. Historically, wireless issues are resolvable through engineering, McDowell said. "Hopefully both sides can find a way to share that space," he said.

Lionsgate Stake Out: **Discovery Comm** and **Liberty Global** have each acquired a 3.4% stake (5mln shares each) in **Lionsgate**, with Liberty Global pres/CEO *Mike Fries* and Discovery chief *David Zaslav* to join the entertainment company's board. Liberty Global and Discovery Communications will each pay approximately \$195 million for their respective stakes. The companies are each entering into separate commercial agreements for a preferred partner relationship with respect to licensing rights for certain theatrical and TV content across their markets. The 10mln shares will be acquired



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from funds affiliated with **MHR Fund Management LLC**, and a MHR principal and investment committee member *Emily Fine* also will join Lionsgate's board. *Frank Giustra*, who has served a total of 11 years on the board, will step down.

Low-Cost Broadband: **Cox** is upgrading its Connect2Compete Internet service for low-income families with school-aged children. In early Dec, the \$9.95/month service will jump to 10 Mbps and will feature in-home WiFi. **FCC** commish *Ajit Pai* joined Cox in making the announcement at Broadmoor High School in East Baton Rouge Parish. The increased speeds will go into effect on Dec 3, benefiting nearly 130K people already connected to the program. Equipment for in-home WiFi will be included for all families who enroll in the program after Dec 3.

All-You-Can-Eat T-Mobile: **T-Mobile** has launched "Binge On," which lets subs stream video from services such as **Starz Play**, **HBO Go** and **Netflix** without eating into their LTE data plans. Several services are available at launch, including **Sling TV**, **ESPN**, **Hulu**, **Vevo**, **DirecTV**, **Ustream** and **Go90**.

Ultra HD: **Harmonic** said **NASA TV UHD**, the 1st consumer UHD channel in North America, is now available. **NASA TV UHD** is remotely produced by Harmonic and jointly operated with NASA. Harmonic is in talks with pay-TV operators. The channel will also be available for OTT streaming at a later date, to be determined.

TWC's Roku Trial: This week, **Time Warner Cable** launched its **Roku** trial in NYC, its 1st IP-only video trial. Rather than leasing a set-top, participants receive a Roku 3 Streaming Player. Customers in the trial get access to 300+ live channel and 20K free and subscription VOD choices from TWC, combined with the ability to easily access SVOD services such as **Netflix** and **Hulu**. The trial is open to TWC Internet customers in NYC, Mt. Vernon and NJ who choose to participate by adding TWC video service (www.twc.com/twctvrokutrial).

VCTA Notebook: Unlike other distributors, **Cox Business** started out in the enterprise space before expanding to the SMB sector, *JD Myers*, svp/regional manager at Cox said during a panel on cable business services Tues. Now SMB is Cox's sweet spot, he said. In Cox's franchised areas like Williamsburg, the majority of commercial customers are also the MSO's residential customers, he noted. "We market and sell to them almost the same way we sell to residential customers," he said. While SMB customers need a lot of hand-holding, the sector has huge potential, he said. In the large enterprise space, Cox now counts nearly all the major healthcare providers in the country as customers. "Telehealth is where we are going," Myers said. The challenge is "we have to get to DOCSIS 3.1 first," which supports a data rich environment. Most major cable MSOs, including Cox, are probably looking at the 2016-2017 timeframe for trials and rollouts, he noted. Meanwhile, a business customer generates 3-5 times more revenue than a residential customer, he said: "It's important to get access to these enterprises and sell to them." Another big change in the market is the transition to broadband from video, said *William Newborg*, gm of VA systems at **MetroCast**. "We are now, in our budget planning, transitioning to expand broadband potential from video," he said. "That's a pretty dramatic change."

Addressable Advertising: **AT&T AdWorks** is teaming with **Opera Mediaworks** to trial the ability to offer integrated addressable advertising across platforms. The idea is to let advertisers engage consumers with a TV ad that can then extend the experience to mobile devices. Those mobile ads can offer up coupons, add events to calendar or click-to-call.

Ratings: **Hallmark Channel's** jump into Christmas paid off, with original premiere "Ice Sculpture Christmas" averaging 3.3mln total viewers Sat, making it the top-rated program of the day among households and women 25-54. Sun's debut of

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“Charming Christmas” also garnered 3.3mln total viewers and ranked #2 in its 8pm time period among HHs and total viewer ratings and delivery.

Programming: It’s baaack... FX ordered a 6th season of “American Horror Story,” which will debut next year. The current 5th installment of AHS is pacing ahead of the average ratings of all prior installments on a Live+3 basis. The premiere of “AHS: Hotel” was the 2nd most-watched telecast in FX Networks history, behind only the premiere episode of “AHS: Freak Show.”

Calling Betsy Wannabes: WICT is accepting applications for Classes 34 & 35 of its esteemed *Betsy Magness* Leadership Institute through Feb 5. For more info, visit wictbmli.org. Since the program began in 1994, more than 800 women have graduated from the Institute. **Time Warner Cable** is the premier sponsor, and **Suddenlink** has signed on as the supporting sponsor.

Cablefax HQ Has Moved: Just a note to update your mailing lists. **Cablefax’s** headquarters has a new address: 9211 Corporate Blvd, 4th Floor, Rockville, MD 20850.

People: Comcast Cable named *Mary McLaughlin* svp of the Beltway Region (MD, VA, DC and parts of DE, NC and W VA). She was svp of Comcast’s Western New England Region. -- **Showtime Nets** upped *Gary Levine* to pres, programming. He’ll continue to report to pres *David Nevins*.

Cablefax Daily Stockwatch

Company	11/10 Close	1-Day Ch	Company	11/10 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DISH:	62.37	(0.72)	CSG SYSTEMS:	37.08	(0.13)
ENTRAVISION:	8.60	0.08	ECHOSTAR:	42.06	(0.63)
GRAY TELEVISION:	16.86	0.27	GOOGLE:	727.71	2.82
MEDIA GENERAL:	15.28	0.08	HARMONIC:	5.65	(0.13)
NEXSTAR:	55.33	0.16	INTEL:	33.11	(0.25)
SINCLAIR:	33.84	0.45	INTERACTIVE CORP:	65.90	(0.38)
TEGNA:	27.49	0.42	LEVEL 3:	50.74	0.17
MSOS					
CABLE ONE:	487.19	12.69	MICROSOFT:	53.43	(0.73)
CABLEVISION:	31.14	(0.01)	NETFLIX:	112.55	2.69
CHARTER:	190.60	0.44	NIELSEN:	47.45	(0.42)
COMCAST:	61.46	0.11	RENTRAK:	52.41	0.36
COMCAST SPCL:	61.60	0.09	SEACHANGE:	6.47	(0.16)
GCI:	21.35	0.19	SONY:	28.06	0.19
LIBERTY BROADBAND:	54.62	0.31	SPRINT NEXTEL:	4.07	(0.22)
LIBERTY GLOBAL:	45.98	0.33	TIVO:	9.05	(0.02)
SHAW COMM:	20.39	0.17	UNIVERSAL ELEC:	46.20	1.35
SHENTEL:	48.73	1.33	VONAGE:	6.62	(0.07)
TIME WARNER CABLE:	189.13	1.30	YAHOO:	33.93	0.25
PROGRAMMING					
21ST CENTURY FOX:	30.04	0.55	TELCOS		
AMC NETWORKS:	77.04	2.14	AT&T:	32.73	(0.11)
CBS:	49.73	1.19	CENTURYLINK:	28.56	(0.25)
CROWN:	5.86	(0.11)	FRONTIER:	4.74	(0.11)
DISCOVERY:	30.01	1.01	TDS:	28.44	(0.45)
DISNEY:	117.35	0.93	VERIZON:	45.06	(0.24)
GRUPO TELEVISIA:	28.75	0.05	MARKET INDICES		
HSN:	53.91	1.26	DOW:	17758.21	27.73
LIONSGATE:	39.75	1.47	NASDAQ:	5083.24	(12.06)
MSG NETWORKS:	20.90	(0.13)	S&P 500:	2081.72	3.14
SCRIPPS INT:	58.61	0.23			
STARZ:	35.02	0.80			
TIME WARNER:	69.86	1.37			
VIACOM:	49.56	0.56			
WWE:	16.94	(0.16)			
TECHNOLOGY					
ADDVANTAGE:	2.33	0.00			
AMDOCS:	59.96	(0.3)			
AMPHENOL:	54.39	(0.52)			
APPLE:	116.35	(4.22)			
ARRIS GROUP:	28.73	0.25			
AVID TECH:	6.24	(0.11)			
BROADCOM:	51.56	(1.63)			
CISCO:	27.93	(0.25)			
COMMSCOPE:	27.78	(0.72)			
CONCURRENT:	4.90	0.07			
CONVERGYS:	25.82	(0.03)			

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GUEST COLUMNIST

Mission Media Takes Veteran Hiring to New Level

By Pamela Williams

With more than one million service members leaving the military over the next five years, and unemployment rates among post-9/11 veterans exceeding those of the population at large, there is an on-going public movement to rally support for putting those who have served into civilian careers. In 2013, our industry hosted a Hiring Our Heroes job fair at The Cable Show in Washington, D.C. At the conclusion of the job fair, it became apparent that there was a collective desire among companies in the cable industry to take a systematic, industry-level approach to hire and retain veterans, reservists and National Guard members. As a result, the Veterans Advisory Council was born.

The Veterans Advisory Council, chaired by Michael Powell, president and CEO of the NCTA, is comprised of veterans employed in the industry, HR executives and industry leaders who are all connected by their great commitment to this initiative.

Over the last two years, the group has met regularly to formulate a thoughtful plan of action. The culmination of their efforts is the launch of Mission Media, a multi-faceted initiative to further the cable industry's efforts to encourage recent military veterans, reservists and members of the National Guard to join cable's ranks.

"We need collective impact. Every one of our companies has done great things for veterans. That's not an issue. The issue is how can we combine efforts in a common, cohesive form that will have a bigger impact than any would have individually? Mission Media is an effort led by our human resources leaders to develop best practices that can be used industry-wide," shared Michael Powell.

The elements of Mission Media will cover all aspects of

veteran recruitment and retention including: developing best practices for industry companies centering on the most effective ways to identify and recruit and retain veteran talent; training sessions for human resources managers in cable who are unfamiliar with recruiting and retaining veterans; virtual job fairs; an industry-wide mentoring program and a "fellows" program, both of which will serve to develop and retain talent; and partnerships with veteran-related nonprofits and government agencies. Mission Media will also serve as an umbrella brand for unifying the industry's veterans hiring activities.

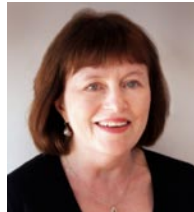
We kicked off the launch of Mission Media on September 30 in New York City during Diversity Week with a historic signing of the Department of Defense's Employer Support of the Guard and Reserve's (ESGR) Statement of Support.

Neil Smit, president and CEO of Comcast Cable, Nancy Dubuc, president and CEO of A+E Networks, and Michael Powell signed the document on behalf of our entire industry. Members of the NCTA's board of directors and the Veterans Advisory Council were in attendance to witness this momentous event.

As an industry, we have set the bar high in terms of what we plan to accomplish with Mission Media, and the Cable and Telecommunications Human Resources Association (CTHRA) is proud to guide this initiative. In the months ahead, members of the council and I will be calling upon companies to become active participants in Mission Media. It's my sincere hope that you will join us to support this truly significant initiative that will enrich our industry's talent pool with those who have served our country.

For more about what's in the pipeline for Mission Media and a chat with Veteran's Industry Council member William Baas of Comcast NBCU, check out Cablefax.com.

Pamela Williams, CAE, is Executive Director of the Cable & Telecommunications Human Resources Association



Pamela Williams

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Register for the Celebration Breakfast on Nov. 20 at The Edison Ballroom from 8:30 - 11:00 AM