

Cablefax Daily™

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What the Industry Reads First

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Charter Merger: Groups Want Conditions

A new round of comments on the **Charter-Time Warner Cable-Bright House** transaction was due at the **FCC** Thurs, with groups such as **ACA** and **USTelecom** demanding numerous merger conditions. In addition to imposing a non-discriminatory access condition to prevent new Charter-affiliated programmers from engaging in discriminatory practices, they want the FCC to ensure that enforcement would be effective for small and medium-sized MVPDs. ACA claimed the deal spreads the harm of **Starz**' affiliation with Charter to areas served by TWC-Bright House and the harm of **Discovery Comm**'s affiliation with Charter-Bright House to areas served by TWC. Specific remedial conditions ACA requested include requiring Charter-affiliated programmers not to drop any programming during a program access complaint. And new Charter-affiliated programs should provide requesting MVPDs evidence that the rates, terms and conditions offered are non-discriminatory versus those charged similarly situated distributors. USTelecom, which represents carriers including **AT&T** and **Verizon**, requested a condition that it said would effectively prohibit the merging companies from giving to or receiving from other incumbent cable providers "any undue preferences." The trade group also wants a condition that would limit **Liberty Media's John Malone's** ability to influence New Charter and to prohibit post-merger Charter and Malone-backed programmers like Discovery and Starz from engaging in anticompetitive practices. Malone told **CNBC** Thurs that he doesn't have to be part of Charter ownership if he is the barrier to the merger. **NAB** asked the Commission to update or eliminate the broadcast-only ownership restrictions before considering the proposed deal. "In responding to NAB's petition, the Merging Parties erroneously asserted that the public would benefit from reduced fees paid by New Charter for programming; failed to address questions of consumer harm stemming from cable system clustering; and inaccurately characterized changes in the video marketplace and how those changes have enhanced pay TV providers' bargaining power in retransmission consent negotiations and in their dual role as multichannel video and broadband gatekeepers," NAB told the FCC. Here's Charter's response: "As the official comment period closes, we are gratified by the support New Charter has received to date from programmers, diversity organizations, business leaders and members of the communities we serve. New Charter's commitments to provide faster broadband service without data caps, modem fees

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Partnering with media industry leaders to promote diversity

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or contracts, industry leading interconnection policies, and investing in customer service by returning jobs to the U.S. put the transaction squarely in the public interest.”

FilmOn Loses: A federal judge denied **FilmOn X's** request for compulsory license and found that the over-the-air broadcaster infringed plaintiff **Fox's** public performance right. However, the judge denied copyright infringement claims. The move followed the **Supreme Court's Aereo** ruling in June last year that found the **Barry Diller**-backed company violated the broadcasters' copyrights.

Legal Speak: When it comes to OTT, much rides on what the definition of an MVPD will be as outlined by the FCC—and in turn, which companies will be classified as such, said panelists at the **Practicing Law Institute's** Communications Law in the Digital Age webcast Thurs. The law is “very vague” about whether a company actually needs a physical facility, said **Gigi Sohn**, counselor to **FCC** chmn **Tom Wheeler**. “You don't need a physical pipe in order to be considered an MVPD.” Yet if OTT players want to be called MVPDs, then they should be regulated as such, argued **Time Warner Cable** vp, regulatory affairs **Cristina Chou Pauzé**. The legal question is, “Do you really have what fits the definition?” From the perspective of a distributor, “if you're an OTT player and defined as an MVPD, you should have all the obligations,” she said. “But I don't know if they want to be saddled like that.” -- Meanwhile, Sohn outlined Wheeler's top 7 priorities while serving as chmn. Among them: getting the spectrum incentive auction done, video competition and retrans, and M&A. Check out Cablefax.com for the full list and more about the OTT panel.

Outside Lands on Sling TV: **DISH's** streaming platform **Sling TV** is getting **Outside**, the TV net. It is adding the programmer to its add-on Sports Extra tier, which costs an additional \$5 a month. Other nets in the sports lineup include the **SEC Network**, **ESPNU**, **ESPNEWS**, **Univision Deportes**, **beIN Sports**, and **ESPN Goal Line/Buzzer-Beater/ESPN Bases Loaded**.

Rumor Mill: **Hulu** is reportedly in talks to sell a 25% stake to **Time Warner**. Time Warner CEO **Jeff Bewkes** recently said the company is considering delaying the SVOD licensing window for some of its programs as it looks at better ways to monetize its content. The potential transaction would “peg a value on Hulu for its other owners (**Fox**, **Disney**, **Comcast**),” said **Bernstein Research** analysts in a research note Fri. “Most investors we have talked to also believe this is good news for Media because it means Time Warner's content will be directed to Hulu rather than, say, **Netflix**,” they said. However, the analysts disagreed with that conclusion. Just because Time Warner would be a part-owner of Hulu, the market for content would still be transacted on a fully open 3rd-party basis, they said, noting that there's plenty of content from the existing Hulu owners on other SVOD platforms. In addition, if Hulu does become a stronger service, “we think it only increases pressure on cord-cutting and advertising.” It's one thing if potential cord-cutters are considering giving up the pay-TV bundle and having Netflix as their primary alternative. It's much different if they have Netflix and a stronger Hulu, not to mention other SVOD and stand-alone OTT players like **Amazon Prime**, **HBO Now**, **Showtime**, **WWE** and **CBS All Access**, they said.

Programming: **WGN America** debuts drama series “**Outsiders**” on Jan 26, featuring a tale of struggle for power and control set in the Appalachia mountains.

All Hail LEAs: **WICT-Southern CA's** annual LEA Awards in Hollywood Thurs night celebrated the professional achievements of some very talented women with humor, inspiration and, of course, a raffle for a \$7K evening gown donated by indie net **Cinemoi**. Keynoter and industry veteran **Bridget Baker** noted that two capable women are currently running for the White House “not as FLOTUS responsible for picking the chinaware, but as POTUS, leader of the free world.” And while much work remains, Baker said “there is no better time to be a woman.” LEA Award honoree and **Fox Networks** svp, distribution **Sherry Brennan** gave perhaps the most poignant speech of the night when she put in a plug for social safety nets, noting her modest upbringing by two parents who never finished high school—but who believed she could achieve huge success. “They taught me to believe that I could do anything I wanted as long as I worked hard and stayed in school,” she said. **GSN** evp, distribution **Dale Hopkins** compared working in this industry to surviving a scary labyrinth like the one her net creates for contestants of its “**Hellevator**” game show. “That's our job,” she said. “It's like a haunted house.” Congrats also to the night's other LEA Award winners, **Emilio Rangel**, Creative Supervisor, **Time Warner Cable Media**; **Gail Kodama**, Senior Sales Director, **Charter**; and **Suzanne Schlundt**, vp, marketing, West Region, **Cox**.

Cablefax Week in Review

Company	Ticker	11/13 Close	1-Week % Chg	YTD %Chg
BROADCASTERS/DBS/MMDS				
DISH:	DISH	62.62	(1.8%)	(14.09%)
ENTRAVISION:	EVC	8.38	(9.5%)	29.32%
GRAY TELEVISION:	GTN	16.54	(2.71%)	47.68%
MEDIA GENERAL:	MEG	15.46	0.19%	(7.59%)
NEXSTAR:	NXST	57.91	2.08%	11.82%
SINCLAIR:	SBGI	33.03	(1.43%)	20.72%
TEGNA:	TGNA	26.01	(3.81%)	0.00%

Company	Ticker	11/13 Close	1-Week % Chg	YTD %Chg
MSOS				
CABLE ONE:	CABO	468.99	2.41%	0.00%
CABLEVISION:	CVC	31.00	(1.12%)	50.19%
CHARTER:	CHTR	186.48	(1.99%)	11.92%
COMCAST:	CMCSA	60.23	(2.24%)	3.83%
COMCAST SPCL:	CMCSK	60.33	(2.52%)	4.79%
GCI:	GNCMA	20.60	(2.23%)	49.82%
LIBERTY BROADBAND:	LBRDA	53.30	(2.65%)	6.41%
LIBERTY GLOBAL:	LBTYA	45.35	(1.69%)	(9.68%)
SHAW COMM:	SJR	19.88	(3.45%)	(26.34%)
SHENTEL:	SHEN	49.42	1.96%	58.14%
TIME WARNER CABLE:	TWC	185.43	(1.41%)	21.95%

Company	Ticker	11/13 Close	1-Week % Chg	YTD %Chg
PROGRAMMING				
21ST CENTURY FOX:	FOXA	29.69	(0.47%)	(22.7%)
AMC NETWORKS:	AMCX	74.98	(1.74%)	17.58%
CBS:	CBS	49.88	2.55%	(9.87%)
CROWN:	CRWN	5.72	(6.08%)	61.58%
DISCOVERY:	DISCA	29.98	3.34%	(12.98%)
DISNEY:	DIS	114.84	(0.72%)	21.92%
GRUPO TELEVISIA:	TV	27.88	(4.09%)	(18.14%)
HSN:	HSNI	50.97	(5.89%)	(32.93%)
LIONSGATE:	LGF	37.84	(3.89%)	18.18%
MSG NETWORKS:	MSGN	20.83	(0.43%)	0.00%
SCRIPPS INT:	SNI	56.83	(3.74%)	(24.5%)
STARZ:	STRZA	33.60	(3.45%)	13.13%
TIME WARNER:	TWX	69.93	1.55%	(18.13%)
VIACOM:	VIA	51.88	5.40%	(31.28%)
WWE:	WWE	16.38	(6.56%)	32.74%

Company	Ticker	11/13 Close	1-Week % Chg	YTD %Chg
TECHNOLOGY				
ADDVANTAGE:	AEY	2.29	(0.35%)	(6.07%)
AMDOCS:	DOX	54.10	(10.89%)	15.95%
AMPHENOL:	APH	53.00	(3.93%)	(1.51%)
APPLE:	AAPL	112.34	(7.2%)	1.78%
ARRIS GROUP:	ARRS	27.84	(3.33%)	(7.78%)
AVID TECH:	AVID	6.24	(6.31%)	(56.09%)
BROADCOM:	BRCM	51.38	(4.48%)	18.58%
CISCO:	CSCO	26.21	(7.87%)	(5.79%)
COMMSCOPE:	COMM	26.50	(18.03%)	16.08%
CONCURRENT:	CCUR	4.81	1.05%	(32.16%)
CONVERGYS:	CVG	24.65	(5.16%)	21.01%
CSG SYSTEMS:	CSGS	35.42	(4.4%)	41.28%
ECHOSTAR:	SATS	39.73	(12.3%)	(24.32%)
GOOGLE:	GOOG	717.00	(2.28%)	36.21%
HARMONIC:	HLIT	5.16	(12.54%)	(26.39%)
INTEL:	INTC	32.11	(5.11%)	(11.52%)
INTERACTIVE CORP:	IACI	65.00	(2.11%)	6.93%
LEVEL 3:	LVT	49.84	(2.01%)	0.93%

Company	Ticker	11/13 Close	1-Week % Chg	YTD %Chg
MICROSOFT:	MSFT	52.84	(3.79%)	13.76%
NETFLIX:	NFLX	103.65	(9.13%)	(69.66%)
NIELSEN:	NLSN	46.45	(3.33%)	3.85%
RENTRAK:	RENT	49.94	(8.9%)	(31.42%)
SEACHANGE:	SEAC	6.12	(9.6%)	(4.08%)
SONY:	SNE	27.31	(2.64%)	33.41%
SPRINT NEXTEL:	S	4.18	(7.73%)	0.72%
TIVO:	TIVO	8.70	(5.74%)	(26.52%)
UNIVERSAL ELEC:	UEIC	46.50	(1.21%)	(28.49%)
VONAGE:	VG	6.55	(3.68%)	71.92%
YAHOO:	YHOO	32.19	(5.88%)	(36.27%)

Company	Ticker	11/13 Close	1-Week % Chg	YTD %Chg
TELCOS				
AT&T:	T	32.31	(2.56%)	(3.81%)
CENTURYLINK:	CTL	27.70	(3.05%)	(30.02%)
FRONTIER:	FTR	4.64	(0.22%)	(27.5%)
TDS:	TDS	27.56	(5.1%)	9.15%
VERIZON:	VZ	44.23	(3.39%)	(5.45%)

Index	Value	1-Week % Chg	YTD %Chg
MARKET INDICES			
DOW:	DJI	17245.24	(3.71%) (3.24%)
NASDAQ:	IXIC	4927.88	(4.26%) (4.05%)
S&P 500:	GSPC	2023.04	(3.63%) (1.74%)

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. VIACOM:	51.88	5.40%
2. DISCOVERY:	29.98	3.34%
3. CBS:	49.88	2.55%
4. CABLE ONE:	468.99	2.41%
5. NEXSTAR:	57.91	2.08%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. COMMSCOPE:	26.50	(18.03%)
2. HARMONIC:	5.16	(12.54%)
3. ECHOSTAR:	39.73	(12.3%)
4. AMDOCS:	54.10	(10.89%)
5. SEACHANGE:	6.12	(9.6%)

Celebration Awards Luncheon

OVERACHIEVERS
UNDER 30 PRESENTED BY
Cablefax

Friday: Nov. 20
11:30 – 2:00pm
The Edison Ballroom Lounge