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What the Industry Reads First

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Fantasy Sports: Anthem Media Head Addresses Scrutiny, Trends, Plans

With fantasy sports receiving state and even federal scrutiny these days, what do you do if you run a TV network dedicated to the pastime? It doesn't sound like *Leonard Asper*, CEO of **Anthem Media Group**, which owns the **Fantasy Sports Network (FNTSY)**, is sweating it much. That's because the great majority of people play season-long fantasy sports, which isn't under investigation like daily fantasy sports. He contends that daily fantasy sports have a small audience, while season-long fantasy play is growing at 20% each year. That doesn't mean the daily fantasy sport controversy doesn't impact the cable industry. According to **Bernstein Research**, cable advertising in 3Q was "buoyed materially" by daily fantasy football dollars, which were estimated to have directly driven 59% of overall TV ad revenue growth in the quarter. With much scrutiny on fantasy sports sites like **DraftKings** and **FanDuel**, which the NY AG has asked a state court to shut down, daily fantasy sports sites may not even exist next year. And even if they do, the probability that they grow, again, at these rates is very low, Bernstein analysts said in a recent research report. While the majority of FNTSY's programming is around season-long fantasy sports, it does feature some daily fantasy sports content. And DraftKings and FanDuel are sponsors of FNTSY's shows, Asper acknowledged. "They are good friends of ours so we want them to do well," he said. So far, the scrutiny hasn't impacted FNTSY, he said. Unless daily fantasy sports is completely banned, "we are not going to stop doing that [daily fantasy sports programming]," said Asper. The net has drawn a lot of interest from outside of the US. "We will probably launch it in Europe and possibility in Asia this year," the exec said. In the US, the net is distributed by ops including **Cablevision**, **Buckeye** and **Shentel**. "We are still working on the big 5 [distributors]. That's a constant discussion," Asper said. Digitally, the net is available on **Microsoft's Xbox**, **Roku** and **Apple TV**. It's been a about a year since FNTSY and Anthem Media's other net, **Fight Network**, launched in the US. "Making sure you are able to use and monetize all platforms" is key to running specialty networks, Asper said. The strategy is to keep operational costs low and don't go after expensive content rights. It's also about not being limited to pay-TV distribution. In addition, the company repurposes its channels for specific platforms and regions. Even on OTT platforms, "content is presented differently" on each platform because of different user behavior and demos, Asper said. For sites like **YouTube**, the key is tagging content strategically to create exposure, he said. Is Anthem Media looking to launch additional specialty channels?



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Asper noted the company has a 25% interest in **Pursuit Channel**, a hunting, fishing and outdoors network available in more than 40mln homes, so it's pursuing opportunities through that partnership. It also has a deal with **IMG** in Canada to offer **Edge Sport**, an extreme sports channel. In addition, it's working with **MAVTV** to bring motorsports programming to Canada. Unsurprisingly, Asper is also exploring direct-to-consumer opportunities. "We will build a channel that's ready for everything. If MVPDs want it, great. If not, we will look at online distribution," he said. Back to the controversy over daily fantasy sports, Asper believes all fantasy play requires some knowledge. "There's a whole science behind it... The players are data-hungry." Even with daily fantasy sports, it requires more skill than luck, he said.

L+3 Ratings: Fox Broadcast announced that it will no longer provide live + same day ratings to the press. While several cable nets have made this shift, including sister net **FX**, Fox is the first broadcaster to move away from same-day. -- Speaking of nets that only release Live+3 ratings, **AMC** said new series "Into the Badlands" delivered 8.2mln total viewers. That's up from the 6.4mln that tuned in Sun night (same-day ratings). AMC said it's now home to the top 4 cable series launches of all-time among adults 18-49 in live+3, with "Fear the Walking Dead" at #1, "Better Call Saul" at #2, "Into the Badlands" at #3 and "The Walking Dead" at #4 (3 of those series debuted this year).

Technicolor-Cisco: Technicolor completed its previously announced \$600mln acquisition of **Cisco's** customer premises equipment business. Technicolor is entering into a strategic collaboration agreement with Cisco that have both companies develop next generation video and broadband solutions, including Internet of Things services. Cisco Chief Strategy Officer *Hilton Romanski* was appointed to Technicolor's board, effective immediately. Under the deal, Cisco received \$450mln cash and 21.4mln newly issued Technicolor shares (\$150mln value). As a result, Cisco holds 5.2% of Technicolor's share capital

Stream, Batter, Batter, Stream: MLB says it has reached a deal with **Fox Sports** for in-market streaming of games for the 15 teams carried by its RSNs. They are: Cincinnati, Atlanta, Cleveland, Texas, Detroit, Kansas City, L.A. Angels, Miami, Milwaukee, Minnesota, NY Yankees, Arizona, San Diego, St Louis and Tampa Bay. The agreement kicks off in the upcoming season.

BabyFirst Carriage: Charter has launched **BabyFirst** in Spanish on its systems nationwide. It launched the English version back in April.

Programming: WE tv is developing 1-hour unscripted series "Basketball Moms" (working title) about 5 Houston-area mothers whose sons play on rival youth teams and dream of making it to the **NBA**. -- **History** debuts "Christmas Through the Decades" which looks at the ancient holiday season practices in America of the 1960s-1990s (weekly beginning Nov 25, 10pm). Sigh. We're old. -- **Adult Swim** greenlit workplace comedy "Dream Corp LLC," an animated series set in a neglected dream therapy facility.

Charter Closes on Notes: Charter closed on the sales of \$2.5bln of sr unsecured notes due 2026. The notes total \$2.5bln in aggregate principal amount and bear an interest rate of 5.750% per annum. Charter intends to use the net proceeds from the sale of the notes to partially finance Charter's previously announced transactions with **Time Warner Cable** and **Bright House**.

OTT Rankings: Based on the number of subs, **Netflix** ranks at the top OTT service, followed by **Amazon Video** and **Hulu**, reports **Parks Associates**. The research firm shows over 25% of OTT video services in the U.S. market today came out in 2015, and 40% of services were launched within the last two years. **MLB.TV** and **WWE Network** round out the top 5 OTT services in terms of subs.

MDU Milestone: Comcast said that since it launched its Xfinity Communities program last year, more than 1mln multifamily housing properties across 37 states are using Xfinity services delivered by the Advanced Communities Network. The milestone comes on the heels of Comcast and **Madison Apartment Group** announcing that the property management firm has signed up 25 of its properties as Xfinity Communities.

More Grit: Media General and **Tribune** have signed on to carry **Katz Broadcasting's** emerging diginets **Grit**, **Escape** and **Laff**. The agreements plus recent deals equates to 25 new launches combined, accelerating the penetration of Grit to 86% of the US (97mln homes), Escape to 68% (77mln HHs) and Laff to 64% (72.4mln homes).

Cablefax Week in Review

Company	Ticker	11/20 Close	1-Week % Chg	YTD %Chg
BROADCASTERS/DBS/MMDS				
DISH:	DISH	63.82	1.92%	(12.44%)
ENTRAVISION:	EVC	8.39	0.12%	29.48%
GRAY TELEVISION:	GTN	16.73	1.15%	49.38%
MEDIA GENERAL:	MEG	15.68	1.42%	(6.28%)
NEXSTAR:	NXST	60.29	4.11%	16.41%
SINCLAIR:	SBGI	34.78	5.30%	27.12%
TEGNA:	TGNA	28.13	8.15%	0.00%

Company	Ticker	11/20 Close	1-Week % Chg	YTD %Chg
MSOS				
CABLE ONE:	CABO	440.64	(6.04%)	0.00%
CABLEVISION:	CVC	30.98	(0.06%)	50.10%
CHARTER:	CHTR	186.48	0.00%	11.92%
COMCAST:	CMCSA	62.90	4.43%	8.43%
COMCAST SPCL:	CMCSK	63.01	4.44%	9.45%
GCI:	GNCMA	20.65	0.24%	50.18%
LIBERTY BROADBAND:	LBRDA	53.41	0.21%	6.63%
LIBERTY GLOBAL:	LBTYA	42.79	(5.64%)	(14.78%)
SHAW COMM:	SJR	20.83	4.78%	(22.82%)
SHENTEL:	SHEN	50.32	1.82%	61.02%
TIME WARNER CABLE:	TWC	184.50	(0.5%)	21.33%

Company	Ticker	11/20 Close	1-Week % Chg	YTD %Chg
PROGRAMMING				
21ST CENTURY FOX:	FOXA	30.07	1.28%	(21.71%)
AMC NETWORKS:	AMCX	80.15	6.90%	25.69%
CBS:	CBS	51.69	3.63%	(6.6%)
CROWN:	CRWN	5.85	2.27%	65.25%
DISCOVERY:	DISCA	30.77	2.64%	(10.68%)
DISNEY:	DIS	120.07	4.55%	27.48%
GRUPO TELEVISIVA:	TV	29.06	4.23%	(14.68%)
HSN:	HSNI	50.15	(1.61%)	(34.01%)
LIONSGATE:	LGF	35.02	(7.45%)	9.37%
MSG NETWORKS:	MSGN	20.00	(3.98%)	0.00%
SCRIPPS INT:	SNI	57.68	1.50%	(23.37%)
STARZ:	STRZA	35.35	5.21%	19.02%
TIME WARNER:	TWX	70.72	1.13%	(17.21%)
VIACOM:	VIA	54.16	4.39%	(28.26%)
WWE:	WWE	17.25	5.31%	39.79%

Company	Ticker	11/20 Close	1-Week % Chg	YTD %Chg
TECHNOLOGY				
ADVANTAGE:	AEY	2.27	(0.87%)	(6.97%)
AMDOCS:	DOX	56.89	5.16%	21.92%
AMPHENOL:	APH	54.73	3.26%	1.71%
APPLE:	AAPL	119.30	6.20%	8.08%
ARRIS GROUP:	ARRS	30.39	9.16%	0.66%
AVID TECH:	AVID	6.57	5.29%	(53.76%)
BLNDER TONGUE:	BDR	0.41	(14.58%)	(84.76%)
BROADCOM:	BRCM	53.53	4.18%	23.54%
CISCO:	CSCO	27.57	5.19%	(0.9%)
COMMSCOPE:	COMM	28.30	6.79%	23.96%
CONCURRENT:	CCUR	4.75	(1.25%)	(33%)
CONVERGYS:	CVG	25.04	1.58%	22.93%
CSG SYSTEMS:	CSGS	35.53	0.31%	41.72%
ECHOSTAR:	SATS	39.42	(0.78%)	(24.91%)
GOOGLE:	GOOG	756.60	5.52%	43.73%
HARMONIC:	HLIT	5.40	4.65%	(22.97%)
INTEL:	INTC	34.66	7.94%	(4.49%)
INTERACTIVE CORP:	IACI	63.94	(1.63%)	5.18%

Company	Ticker	11/20 Close	1-Week % Chg	YTD %Chg
LEVEL 3:	LVL	50.94	2.21%	3.16%
MICROSOFT:	MSFT	54.19	2.55%	16.66%
NETFLIX:	NFLX	123.84	19.48%	(63.75%)
NIELSEN:	NLSN	47.71	2.71%	6.66%
RENTRAK:	RENT	49.49	(0.9%)	(32.04%)
SEACHANGE:	SEAC	6.53	6.70%	2.35%
SONY:	SNE	26.89	(1.54%)	31.36%
SPRINT NEXTEL:	S	3.83	(8.37%)	(7.71%)
TIVO:	TIVO	9.11	4.71%	(23.06%)
UNIVERSAL ELEC:	UEIC	51.01	9.70%	(21.56%)
VONAGE:	VG	6.58	0.46%	72.70%
YAHOO:	YHOO	33.11	2.86%	(34.45%)

Company	Ticker	11/20 Close	1-Week % Chg	YTD %Chg
TELCOS				
AT&T:	T	33.66	4.18%	0.21%
CENTURYLINK:	CTL	27.23	(1.7%)	(31.2%)
FRONTIER:	FTR	4.92	6.03%	(23.13%)
TDS:	TDS	28.62	3.85%	13.35%
VERIZON:	VZ	45.39	2.62%	(2.97%)

Company	Ticker	11/20 Close	1-Week % Chg	YTD %Chg
MARKET INDICES				
DOW:	DJI	17823.81	3.35%	0.00%
NASDAQ:	IXIC	5104.92	3.59%	7.79%
S&P 500:	GSPC	2089.17	3.27%	1.47%

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS		
COMPANY	CLOSE	1-WK CH
1. NETFLIX:	123.84	19.48%
2. UNIVERSAL ELEC:	51.01	9.70%
3. ARRIS GROUP:	30.39	9.16%
4. TEGNA:	28.13	8.15%
5. INTEL:	34.66	7.94%

THIS WEEK'S STOCK PRICE LOSERS		
COMPANY	CLOSE	1-WK CH
1. BLNDER TONGUE:	0.41	(14.58%)
2. SPRINT NEXTEL:	3.83	(8.37%)
3. LIONSGATE:	35.02	(7.45%)
4. CABLE ONE:	440.64	(6.04%)
5. LIBERTY GLOBAL:	42.79	(5.64%)

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