

Cablefax Daily™

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What the Industry Reads First

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PLI Conference: Net Neutrality Impact Debated Ahead of Court Date

Panelists at the **Practising Law Institute's** telecom law seminar Thurs offered up some predictions the day before the DC Circuit hears oral arguments in the net neutrality case. Not surprisingly, **Netflix** global policy dir *Corie Wright* put her odds with the **FCC** prevailing. She dismissed claims that the rules, which reclassify broadband as a Title II service, have discouraged investment and innovation. ISP CEOs have suggested on earnings calls that the order hasn't had a huge impact on their companies, Wright said, arguing that even Wall Street didn't have a big reaction to the reclassification. *Rebekah Goodheart*, commissioner *Mignon Clyburn's* wireline legal adviser, simply said "attorneys at the Commission will do a fantastic job representing the FCC" in court. The consensus is that no matter what the 3-judge panel decides, the ruling will be appealed. **Cox Comm** gen counsel *Jennifer Hightower* presented the other side of the argument, saying the MSO already has felt negative impacts from the order. "It has slowed down innovation and the development of new products" largely due to the uncertainty created by the order, she said. "We are still uncertain what's right and what's wrong under the new order." Cox hasn't launched any innovative new products because it isn't sure what reactions it might get from the FCC's Enforcement Bureau and public interest groups under the new rules, she said. **CenturyLink** is among the challengers of the FCC open Internet order. Among its complaints is the vagueness of the Internet Conduct Standard that ISPs can't harm consumers or edge providers, said vp of federal regulations *Melissa Newman*. "We have spent a lot of time with lawyers walking through what you can and can't do" and still don't know what that means, she said. In addition, the order already has impacted ISPs' capital spending, she said, citing a study by economist *Hal Singer*. The study, released in Sept, claimed in the 1st half of 2015, major ISPs reduced capex by an average of 12% YOY. Specifically, it found capex was down 29% YOY at **AT&T** and **Charter**, 10% at **Cablevision** and 4% at **Verizon**. **Comcast** increased capex, but on a new home-entertainment operating system, not broadband, the study said. Capex declines in the broadband industry have only happened a few times in the last few decades, including the 2009 economic downturn and the 2001 dotcom bubble, Newman said. While broadband is largely exempt from state regulation, commish *Phil Jones* of Washington Utilities and Transportation Commission still weighed in. "As a state regulator, I haven't noticed a dip in capex," Jones said. Instead, there has been a lot of deployment and buildout. "We have a lot of competition and innovation going



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on,” especially with the wireless carriers, said Jones. He noted **T-Mobile** has launched various innovative products such as Binge On (which has caught the attention of the FCC). While regulatory certainty is generally a good thing, it’s almost impossible to find 100% certainty in the net neutrality order, he said. “It’s about find a regulatory balance... There’s a lot of work to be done [clarifying the rules], especially on paid prioritization...” he said.

Tegna Blackout?: Just 2 days after the **FCC** comment period closed on what constitutes good faith negotiations in retrans, there’s a potential blackout looming. **Tegna** (formerly Gannett) warned **DirectTV** and **U-verse** subs Thurs that they could lose stations around midnight. The broadcaster says DirecTV is balking at terms that are “fundamentally the same as those that just allowed us to reach a deal with **DISH**.” Tegna did reach a deal with DISH, but only after the stations went dark for about a weekend. “DirecTV and U-verse are working to keep Tegna’s local stations in our customers’ line-ups even though Tegna is threatening to block them from reaching our customers’ homes. Tegna is demanding a significant increase in their current fees that we believe is unreasonable just to let these same customers keep watching shows that remain available for free over-the-air and often online,” the **AT&T** companies said in a statement.

Comcast Enables TV Alerts: Notifications on your smart phone aren’t enough. **Comcast** has rejiggered its X1 platform so that customers can get personalized notifications on their TV from **Gmail**, **Jawbone**, **Instagram**, **Pinterest**, **LinkedIn**, **Evernote** and many more apps. The beta feature launched in partnership with IFTTT. Don’t want to get pinged every time your son is tagged in a photo on **Facebook**? Comcast assured us that the customer has total control and can turn off notifications or adjust them just as easily as they set them up.

Ready for GunTV?: Are you ready for **GunTV**, a home shopping network showcasing firearms? It’s expected to launch in mid-January, and execs “are well into the throes of setting up the studio, hiring, etc,” a spokeswoman said. She had no info at this point on how it would be carried. A media kit on GunTV’s website said it’s comprise of a “dynamic team of professionals culled from both the broadcast direct response television and live television shopping, entertainment and business communities.” *The Desert Sun* first reported on the channel, writing that GunTV won’t actually sell guns directly to viewers. “Instead, when a viewer calls GunTV, the network will place an order on behalf of that viewer with **Sports South**, a Louisiana firearms distributor. Sports South will then ship the weapon to a local gun store, where it can be purchased like normal by the viewer,” the pub reported. The Desert News said GunTV’s founders are *Doug Bornstein* and *Valerie Castle*, a couple with professional backgrounds in shopping networks.

Pai vs Enforcement Bureau: GOP commish *Ajit Pai* slammed the **FCC**’s enforcement process, again, during his 30-min speech at the **Practising Law Institute**’s telecom law seminar Thurs. The agency’s Republican pair has repeatedly criticized the Enforcement Bureau’s practices, with Pai charging that the Bureau focuses on “issuing headline-grabbing fines regardless of the law,” leading to more party-line votes on enforcement matters. In addition, Pai said the current enforcement process sets the wrong priorities and is less productive than before. For example, the Commission is issuing fewer Notice of Apparent Liability and forfeiture orders than it had previously, Pai said.

Distribution: Outside Television launched on **PlayStation Vue**, **Sony**’s cloud-based TV service. Outside, whose carriage also includes **Comcast**, **DISH**, **Cox** and **Google Fiber**, also recently launched in **Sling TV**’s Sports Extra package.

Starz’s Future: **Starz** CFO *Scott Macdonald* didn’t let anything slip about the company’s future during an appearance Thurs at **Bank of America Merrill Lynch**’s Leveraged Finance Conference. When asked the acquisition question, the exec said he couldn’t comment on specific speculation, which has included a possible merger with **Lions Gate**. “We’ve always said that we’re willing to do what’s right for the shareholder,” he said. “It’s a real small world in the Hollywood community so we have deals with everybody out there, including Lions Gate. They’ve done original shows for us as well as we buy content from them. So I think that will all continue, and I really have nothing else to add.”

SCTE New Membership: **SCTE** and its global brand, the **International Society of Broadband Experts** (ISBE), will launch a new membership level for cable execs on Dec 10. The Executive Membership level seeks to promote “management skills and through leadership” and is open to individuals at the director level or higher who are employed in engineering and technical operations in the cable industry. The new membership level came as SCTE/ISBE look to expand their scope to include programs to help execs manage and understand the impacts of technology changes.

More VR: **Comcast Ventures** led a \$6mIn round of Series A financing for **Baobab Studios**, which is a VR animation com-

BUSINESS & FINANCE

pany founded by former **DreamWorks Animation** dir *Eric Darnell* and former **Zynga** vp *Maureen Fan*. Baobab's 1st animated short "Invasion" is available in **Samsung Gear VR**, and it plans to work with **HTC** to distribute its movies on the **Vive** platform in the coming year. **HTC**, **Samsung Ventures** and **Chernin Group** are among other participants. Comcast Ventures also has invested in **NextVr** and **AltSpaceVR**.

Programmatic Dealing: A+E Networks and **AOL** entered into a programmatic and publisher partnership they say will offer more personalized user experiences across media and advertising. The first-of-its-kind deal for AOL enables A+E to leverage AOL's open programmatic platform as both a publisher and advertiser. AOL has set aside premium video and display ad inventory for A+E Networks programming. A+E will use ONE by AOL to optimize monetization of its video inventory, and it will adopt **Gravity** as the personalized content recommendation platform for History.com.

People: MSG Nets upped *Eric Shih* to vp, business strategy and dev. -- **Ex-E!** and **Esquire** finance exec *Maira Nevarez* and ex-**Weinstein Company** scripted TV dir *Ben Fast* joined next-gen media co **Indigenous Media**. Nevarez was named evp, finance and ops, and Fast will serve as evp, dev. -- **Eureka Media's AeroCinema**, a new aviation SVOD channel set to launch in March, tapped **Discovery Comm** vet *Peter McKelvy* as svp, biz dev.

Cablefax Daily Stockwatch

Company	12/03 Close	1-Day Ch	Company	12/03 Close	1-Day Ch
BROADCASTERS/DBS/MMDs					
DISH:	60.68	(1.57)	CSG SYSTEMS:	35.23	(0.38)
ENTRAVISION:	8.36	(0.05)	ECHOSTAR:	38.20	(0.25)
GRAY TELEVISION:	16.40	(0.08)	GOOGLE:	752.54	(9.84)
MEDIA GENERAL:	15.38	(0.22)	HARMONIC:	5.42	(0.04)
NEXSTAR:	56.08	(1.05)	INTEL:	34.04	(0.79)
SINCLAIR:	34.61	(0.57)	INTERACTIVE CORP:	60.84	(1.82)
TEGNA:	27.55	(0.29)	LEVEL 3:	51.41	(0.54)
MSOS					
CABLE ONE:	432.97	(23.91)	MICROSOFT:	54.20	(1.01)
CABLEVISION:	29.87	(0.39)	NETFLIX:	126.81	(2.12)
CHARTER:	180.79	(5.98)	NIELSEN:	45.67	(0.97)
COMCAST:	59.65	(0.83)	RENTRAK:	50.89	(0.25)
COMCAST SPCL:	59.68	(0.89)	SEACHANGE:	6.56	(0.14)
GCI:	21.06	0.20	SONY:	25.25	(0.15)
LIBERTY BROADBAND:	51.46	(1.96)	SPRINT NEXTEL:	3.53	(0.02)
LIBERTY GLOBAL:	42.06	(0.82)	TIVO:	8.87	(0.14)
SHAW COMM:	20.61	(0.26)	UNIVERSAL ELEC:	51.50	(0.93)
SHENTEL:	47.17	(0.72)	VONAGE:	6.30	(0.12)
TIME WARNER CABLE:	181.38	(3.24)	YAHOO:	34.34	(1.31)
PROGRAMMING					
21ST CENTURY FOX:	29.03	(0.28)	TELCOS		
AMC NETWORKS:	81.78	(1.42)	AT&T:	33.10	(0.46)
CBS:	49.33	(0.72)	CENTURYLINK:	26.46	(0.01)
CROWN:	5.72	(0.04)	FRONTIER:	5.01	0.02
DISCOVERY:	30.12	(0.06)	TDS:	27.97	(0.2)
DISNEY:	111.89	(2.11)	VERIZON:	44.56	(0.36)
GRUPO TELEVISA:	28.53	(0.57)	MARKET INDICES		
HSN:	50.17	(0.29)	DOW:	17477.67	(252.01)
LIONSGATE:	33.56	(0.5)	NASDAQ:	5037.53	(85.7)
MSG NETWORKS:	20.01	0.15	S&P 500:	2049.62	(29.89)
SCRIPPS INT:	56.43	(0.82)			
STARZ:	35.31	(0.15)			
TIME WARNER:	69.16	(0.86)			
VIACOM:	48.79	(0.82)			
WWE:	17.32	(0.11)			
TECHNOLOGY					
AMDOCS:	56.16	(0.48)			
AMPHENOL:	53.62	(0.97)			
APPLE:	115.17	(1.11)			
ARRIS GROUP:	31.99	(0.28)			
AVID TECH:	7.04	(0.14)			
BLNDER TONGUE:	0.36	(0.03)			
BROADCOM:	57.02	2.22			
CISCO:	26.95	(0.49)			
COMMSCOPE:	26.99	(0.74)			
CONCURRENT:	4.84	(0.18)			
CONVERGYS:	24.74	(0.77)			



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PROGRAMMER'S PAGE

A Very Maclean Christmas

Yes, Rudolph has a shiny nose. Frosty's still got that magic hat, and Mr Grinch is a mean one. But if you're limiting your holiday viewing just to the classics, you're missing out on a lot of TV. One of my favorites is **truTV's** "Santas in the Barn." The premise? Ten wannabe Santas duke it out to see who really is the jolliest Saint Nick of the bunch. Contests range from gingerbread house building to chimney climbing. The 8-ep competition premiered Wed and will conclude with one Kris Kringle standing who gets the beard and \$100K. My fingers are crossed for a "Easter Bunnies in the Meadow" sequel. **Hallmark Channel** wears the crown for original Christmas movies. Its holiday flicks pulled big numbers throughout Nov, and it's upping the ante in Dec. This Sat it will premiere Hallmark Hall of Fame's "Just in Time for Christmas," a romantic comedy starring *Eloise Mumford* and *Michael Stahl-David*. **Lifetime's** also using the weekend for original holiday fare. On Sat, it debuts "The Flight Before Christmas," which I'm geeking out about since it reunites "Family Matters" couple Carl and Harriet Winslow (*Reginald VelJohnson* and *Jo Marie Payton*). If *Jaleel White* pops up with a "Did I do that?" cameo, I'll be able to cross one thing off my Christmas wish list. Last, but certainly not least, on my week of holiday binging is "A Very Murray Christmas." The special, which makes its **Netflix** debut today, has *Bill Murray* playing himself as the host of a TV show who is worried his guests won't make it because of a snow-storm. While there's no *Jaleel White*, the cast is A-list and includes *George Clooney*, *Chris Rock*, *Maya Rudolph*, *Amy Poehler* and many others. It's directed and co-written by *Sofia Coppola*, who also worked with Murray on the excellent *Lost in Translation*. I've resisted watching a screener, but the teaser, with *Michael Cera* suggesting it's a more of a "Christmess" special and trashing Clooney and "Monuments Men" (which also starred Murray), could warm even Scrooge's heart. — *Amy Maclean*

Reviews: "Moby Dick: Heart of a Whale," Fri, 9pm, **Smithsonian**. No coincidence this well-done piece about the origins of Melville's novel is shown as *Ron Howard's* similarly named film, "In the Heart of the Sea," is set to splash onto theater screens December 11. Still, viewers will learn much about Moca Dick and his fellow sperm whales, New Bedford, MA, a fateful voyage of the Essex, *Owen Chase's* book about it and a chance meeting between Melville and Chase's son. Cannibalism and whales' temperament also are covered. The special wisely leaves a few questions unanswered. -- " Fargo," penultimate ep, Mon, 10pm, **FX**. As good as Season 1 of " Fargo" was, the series' sophomore year is even better. No hints about tonight's ep, except to say it's what many hoped the final season of "The Sopranos" would be like. There's also a bit of fantasy involved, or is it reality? Either way, there may be complaints. Not from us, though. -- "You're the Worst," finale, Wed, 10:30pm, **FXX**. We love when series evolve, as this one has from goofy and light to fairly serious, as *Gretchen (Aya Cash)* admits to being clinically depressed. It'll be interesting to see how the writers deal with this when the low-rated yet critically acclaimed series returns this summer, for its just-announced third season. — *Seth Arenstein*

Basic Cable Rankings (10/26/15-11/29/15)			
Mon-Sun Prime			
1	ESPN	2.5	2284
2	FOXN	1.7	1536
3	HALL	1.6	1408
4	AMC	1.4	1269
5	USA	1.3	1237
6	DISC	1.2	1127
6	TBSC	1.2	1101
6	DSE	1.2	86
9	DSNY	1.1	1067
9	HGTV	1.1	1027
9	TNT	1.1	999
12	HIST	1	932
12	FX	1	909
14	NFLN	0.9	599
15	FOOD	0.8	801
15	ADSM	0.8	792
15	ID	0.8	723
15	BRAV	0.8	701
19	LIFE	0.7	658
19	SYFY	0.7	606
21	TLC	0.6	590
21	FAM	0.6	579
21	A&E	0.6	574
21	NAN	0.6	565
21	CNN	0.6	550
21	MSNB	0.6	550
21	DSJR	0.6	413
21	HMM	0.6	388
29	CNBC	0.5	501
29	SPK	0.5	492
29	BET	0.5	474
29	VH1	0.5	443
29	CMDY	0.5	439
29	TVLD	0.5	413
29	OWN	0.5	380
29	NKJR	0.5	335
29	DFAM	0.5	32
38	ESP2	0.4	385
38	EN	0.4	381
38	APL	0.4	378
38	NGC	0.4	351
38	WETV	0.4	349
38	TRAV	0.4	327
38	LMN	0.4	308

*Nielsen data, supplied by ABC/Disney, is based on coverage area of individual networks



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