

# Cablefax Daily™

Tuesday — December 22, 2015

What the Industry Reads First

Volume 26 / No. 245

## Bonjour Altice USA: Deal Closes, Management Team Set, Kent to Advise

As promised, **Altice** closed on its \$9.1bn acquisition of 70% of **Suddenlink** after Thanksgiving and before Christmas. Suddenlink's 55K employees on Mon were welcomed aboard Altice, a company that serves 45mln in 16 territories from around the world. However, the US represented none of that footprint until now. Suddenlink represents Phase 1 of **Altice USA**, with the European telecom company awaiting regulatory approval of its \$17.7bn purchase of **Cablevision**. Altice announced that *Hakim Boubazine* and *Charlie Stewart* would serve as co-presidents of Altice USA. Hakim, who most recently oversaw Altice's business in the Dominican Republic, will also have the role of COO. Stewart, who joins Altice after a 21-year career in corporate and investment banking (most recently as CEO of **Itau BBA**), will also serve as CFO. Boubazine and Stewart will be based in Suddenlink's St Louis HQ over the course of the coming months. Most Suddenlink svps will continue with the company, according to a memo from Altice CEO and Altice USA exec chmn *Dexter Goei* obtained by **Cablefax**. "Your existing focus on service, innovation and investment provide a strong basis for extending your market leadership and growth momentum," Goei wrote. "We're very committed to continuing and building on your network investments, customer offers, and service innovations—and to learning from you because you know the markets and customers this company serves better than anyone." While much has been made about Altice showing the US operators how to maximize profit, it appears the company is willing to listen to American ways as well. Outgoing Suddenlink chmn/CEO and founder *Jerry Kent* is reinvesting alongside Altice into Altice USA. Kent will become chmn of a newly formed Advisory Council at Altice USA. Other members will be announced later. Presumably, Altice will join **NCTA** with a member of its mgmt team taking Kent's place on the board. US operations will be coordinated with the rest of Altice operations by Group COO of Altice *Michel Combes*. **BC Partners** and **CPP Investment Board** continue as shareholders in Suddenlink. As for the Suddenlink's senior management team, they will be sticking with Kent. Suddenlink CFO *Mary Meduski* was named pres, CFO of **TierPoint**, the cloud, managed services and colocation provider that Kent heads as chmn/CEO. Suddenlink COO *Tom McMillin* was named pres, COO of TierPoint. Both execs will serve in the same executive positions with TierPoint's management company, **Cequel III**. TierPoint CFO *Andy Stewart* will remain with the company in the new role of chief strategy officer, focusing on M&A opportunities and product development while reporting to Kent. In Dec, TierPoint announced the acquisition of **Altered-Scale's** Chicago data center and closed on its \$575mln all-cash transaction with **Windstream**.

**The Forces with Disney:** While **Disney** is basking in the hundreds of millions of dollars "Star Wars: The Force Awakens" took in over the weekend, it's not off the hook when it comes to subscriber losses for **ESPN**. In an interview Mon on **Bloomberg TV's** "Bloomberg GO" with *Stephanie Ruhle* and *David Westin*, Disney CEO *Bob Iger* said he thought the market overreacted to his comments during earnings that there has been some moderate or relatively small sub losses as the sports giant. "It's clear that television is experiencing some disruptive forces, shall we say?"

**A Tale of Rags and Riches.**  
From War-Torn Iran to Becoming the Biggest Winner in Poker History  
**The Story of Antonio Esfandiari**

**POKEROGRAPHY**  
**poker**  
CENTRAL

# THANK YOU!


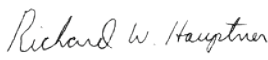
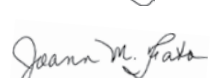


The Cablefax team recognizes the loyal support of our sponsors and partners:

ACA	Discovery Communications	NBCUniversal	Shentel
ACC	Edgware	NCTA	Simulmedia
Adara Technologies	EPIX	NCTC	Smithsonian Channel
Allied Integrated Marketing	ESPN	Olympusat	Starz
Allscope Media	Evolution Digital	One World Sports	Suddenlink Communications
AMC Networks	Golf TV	Ovation	T. Howard Foundation
AWE TV	GSN	Parks Associates	TheBlaze
Baby TV	GVTC	Participant Media	The Cable Center
BCAP	Herring Networks	Patriot Media Consulting	The Lustgarten Foundation
Bob Gold & Associates	HSN	Penthera	The Walter Kaitz Foundation
Cable ONE	ICON International	Pivot	Time Warner Cable
Cablevision	iN DEMAND	PK Networks Communications	Turner Broadcasting System
Canoe	INSP	Pop	Ubee Interactive
Carlsen Resources	MAVTV	Practising Law Institute	Universal Sports
Cisco	MCTV	QVC	Univison
Comcast Wholesale	MediaBiz	RFD TV	VCTA
Crown Media Family Networks	MPP Global	Ride TV	Verizon Broadband Solutions
CRTV	Music Choice	RPA	WICT
C-SPAN	My Hero Project	Scripps Networks Interactive	WWE
CTHRA	NAMIC	SCTE	
CTI Media	NAPTE		

Thank you to our very loyal community of subscribers and event delegates who keep us on our toes and in the know.

Here's to a Successful 2016

Sincerely,



CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefax.com ● 301.354.2101 ● Editorial Director: Amy Maclean, 301.354.1760, amaclean@accessintel.com ● Publisher: Michael Grebb, 323.380.6263, mgrebb@accessintel.com ● Sr. Editor: Joyce Wang, 301.354.1828, jwang@accessintel.com ● Cablefax/Screenster Editor: Kaylee Hultgren, 646.764.8267, khultgren@accessintel.com ● Advisor: Seth Arenstein ● Dir. of Business Dev.: Rich Hauptner, 203.899.8460, rhauptner@accessintel.com ● Acct. Exec: Olivia Murray, 301.354.2010, omurray@accessintel.com ● Dir of Market Dev: Laurie Hofmann, 301.354.1796, lhofmann@accessintel.com ● Production: Joann Fato, jfato@accessintel.com ● Diane Schwartz, SVP Media Comms Group, dschwartz@accessintel.com ● Group Subs: Laurie Hofmann, 301.354.1796, lhofmann@accessintel.com ● Sub Questions, Client Services: 301.354.2101, clientservices@accessintel.com ● Annual subscription price: \$1,649/year ● Access Intelligence, LLC, 9211 Corporate Blvd., 4th Floor, Rockville, MD 20850

Lord knows what impact just calling it ‘disruptive forces’ will have,” Iger said. “We feel long-term ESPN will be just fine. But we refuse to have our head in the sand or be Pollyannaish about what we’re seeing in the marketplace. And others may be seeing things differently. But we believe that there’s disruption going on and there’s more disruption ahead, and we’re spending a fair amount of time making sure we’re well positioned in that market. Obviously ESPN is, we believe, something of great value even in this disrupted world.” On Fri, **BTIG** made headlines by downgrading Disney to “sell,” saying Star Wars’ success would likely not be enough to offset the impact of sub losses at ESPN. Shares fell as much as 3.6% Friday and closed down a little over 1% Mon.

**Scripps Lands on Apple:** Scripps Networks launched its **HGTV, Food Network** and **Travel Channel** brands on **Apple TV** Mon. Upon authentication, viewers can access live and on demand programming. The programmer launched live linear streaming feeds for the 3 nets as well as **DIY** and **Cooking Channel** earlier this year through their respective websites, iPhone, iPad and Android phone and tablet apps. All 5 nets’ apps are also Chromecast-enabled. HGTV, Food Network and Travel Channel’s TVE apps are also available on **Amazon Fire TV, Android TV** and **Roku** platforms.

**Ericsson/Apple Deal:** Ericsson and Apple won’t be fighting over patents for a while. The pair agreed to a global patent licensing deal that includes a cross license covering the companies’ wireless patents and grants certain other patent rights. The 7-year deal, announced Mon, also includes releases that resolve all pending patent infringement litigation between the companies. As part of the arrangement, Apple will make an initial payment to Ericsson, followed by on-going royalties. In addition, the companies will collaborate in multiple technology areas, including the development of the next generation 5G cellular standards, the optimization of existing wireless networks and video traffic optimization. The agreement ends investigations before the **US International Trade Commission**, lawsuits pending in the **US District Court for the Eastern District of Texas** and the **US District Court for the Northern District of California**, as well as lawsuits in the UK, Germany and the Netherlands. Ericsson expects its overall revenue from intellectual property rights in 2015 to reach the \$1.52bln to \$1.64bln range as a result of agreement. Ericsson shares were up around 3.5% Mon afternoon. Apple shares were up slightly (under 1%) as well.

**FCC Nominated for 2015 ITIF Luddite Award:** Thanks to its net neutrality order, the **FCC** made the **Innovation Technology & Innovation Foundation (ITIF)**’s 2015 Luddite Awards. The annual “awards” highlight what the pro-innovation think tank claims are 10 of the year’s worst innovation killers. Saying the order will “significantly constrain network innovation,” ITIF claimed venture-based **GreenByte** went out of business because “net neutrality absolutists made it so difficult to sell the company’s solution.” GreenByte was a high-tech startup that would have allowed variable data pricing on smart phones. The Title II order can’t serve as a flexible framework to protect consumers, competition and innovation moving forward, ITIF said. The nonprofit’s contributors have included companies like **Cisco, eBay** and **Google**. Also making the Luddite list: advocates seeking a ban on “killer robots” and OH and others banning red light cameras.

**Windstream’s Gigabit Expansion:** Windstream joined the gigabit broadband race with its 1 Gbps trial in Lexington, KY. The company plans for a full launch in 5 markets, including Lincoln, NE; Sugar Land, TX; Concord, NC and Matthews, NC during the 1st half of 2016. The expected launches will allow Windstream to expand its advanced

# Corporate Licenses

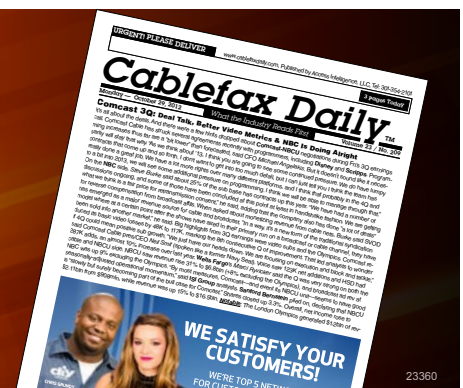
## Cablefax Daily

WHAT THE INDUSTRY  
READS FIRST.

Get reduced subscription rates for multiple readers in your organization.

Find out more!  
Contact Laurie Hofmann at  
LHofmann@accessintel.com

www.cablefax.com



# BUSINESS & FINANCE

TV service Kinetic in Lincoln and Lexington.

**Programming: American Heroes Channel** premieres 2-hour program “Justice for MLK: The Hunt for James Earl Ray” on Jan 17. The special follows local, federal and international investigators as they hunt down one of the most wanted men in history. -- Season 2 of **Outdoor Channel’s** reality series “Gunfather” airs Dec 28 at 8pm EST as part of the net’s 1Q programming lineup. -- **FX** is celebrating the holidays with Christmas-themed mini-marathons of “The Simpsons.” Christmas eps of the iconic series run Mon (6pm-12am), Tues (8pm-12am), Wed (8pm-12am), Thurs (5pm-8pm) and Fri (8pm-12am). This all leads up to a 30-hour “The Simpsons New Year’s Resolutions” marathon that begins with “The Simpsons Movie” at 6pm New Year’s Eve. -- **ESPN** “Sunday Night Baseball” will return for its 27th season as the exclusive, national MLB Game of the Week in 2016. It will kick things off with an Opening Night World Series rematch—Kansas City vs NY Mets—on Apr 3. -- “Mother, May I Sleep With Danger?” is returning to **Lifetime**, with filmmaker and actor *James Franco* to remake the classic TV moive in honor of its 20th anniversary. It comes on the heels of Lifetime’s “A Deadly Adoption,” which starred *Will Ferrell* and *Kristen Wiig*.

## Cablefax Daily Stockwatch

Company	12/21 Close	1-Day Ch	Company	12/21 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
DISH:	57.56	0.40	CSG SYSTEMS:	34.60	0.73
ENTRAVISION:	7.59	(0.02)	ECHOSTAR:	37.00	0.14
GRAY TELEVISION:	15.36	0.02	GOOGLE:	747.52	8.21
MEDIA GENERAL:	15.29	0.31	HARMONIC:	4.24	0.03
NEXSTAR:	56.58	0.52	INTEL:	34.23	0.36
SINCLAIR:	32.19	0.53	INTERACTIVE CORP:	60.47	0.30
TEGNA:	25.84	0.47	LEVEL 3:	51.85	1.00
<b>MSOS</b>					
CABLE ONE:	432.89	(3.67)	MICROSOFT:	54.70	0.57
CABLEVISION:	30.82	(0.18)	NETFLIX:	116.58	(1.44)
CHARTER:	179.98	1.69	NIELSEN:	46.17	0.53
COMCAST:	56.45	0.05	RENTRAK:	43.28	(0.32)
GCI:	19.42	0.65	SEACHANGE:	6.89	(0.01)
LIBERTY BROADBAND:	50.07	(0.24)	SONY:	24.36	(0.09)
LIBERTY GLOBAL:	38.87	0.01	SPRINT NEXTEL:	3.62	(0.04)
SHAW COMM:	16.99	0.03	TIVO:	8.44	(0.06)
SHENTEL:	43.45	0.61	UNIVERSAL ELEC:	49.85	0.44
TIME WARNER CABLE:	181.85	0.72	VONAGE:	5.72	(0.07)
<b>PROGRAMMING</b>					
21ST CENTURY FOX:	27.08	(0.04)	YAHOO:	32.97	0.02
AMC NETWORKS:	76.15	(0.13)	<b>TELCOS</b>		
CBS:	45.80	0.14	AT&T:	34.09	0.49
CROWN:	5.24	(0.01)	CENTURYLINK:	25.15	0.04
DISCOVERY:	26.28	0.06	FRONTIER:	4.64	(0.01)
DISNEY:	106.50	(1.22)	TDS:	26.11	0.81
GRUPO TELEVISA:	27.68	(0.1)	VERIZON:	45.91	0.35
HSN:	50.51	0.76	<b>MARKET INDICES</b>		
LIONSGATE:	32.34	(0.02)	DOW:	17251.62	123.07
MSG NETWORKS:	20.91	0.21	NASDAQ:	4968.92	45.84
SCRIPPS INT:	53.82	(0.07)	S&P 500:	2021.15	15.60
STARZ:	33.67	1.06			
TIME WARNER:	63.42	(0.09)			
VIACOM:	41.51	(0.13)			
WWE:	17.25	0.05			
<b>TECHNOLOGY</b>					
ADVANTAGE:	1.81	(0.05)			
AMDOCS:	54.94	0.75			
AMPHENOL:	52.09	0.45			
APPLE:	107.30	1.27			
ARRIS GROUP:	29.62	0.34			
AVID TECH:	6.10	UNCH			
BLNDER TONGUE:	0.35	0.00			
BROADCOM:	57.46	1.18			
CISCO:	26.63	0.36			
COMMSCOPE:	25.16	0.16			
CONCURRENT:	5.03	(0.01)			
CONVERGYS:	24.58	(0.6)			

## Cablefax Webinar

### Virtual Reality: Are You Ready to Capitalize on TV's Next Big Leap?

It's a Brave New VR World out there, and only the distributors, vendors and programmers who truly understand the marketplace will edge out the competition. Join us for this vital download of everything VR, and enter 2016 fully prepared for whatever the future may bring.

Jan. 19 • 2:00-3:30 pm | Register today at [www.cablefax.com/webinars](http://www.cablefax.com/webinars)

## CFX TECH by Joyce Wang

### New SCTE CTO Eyes DOCSIS 3.1, WiFi Initiatives

We chatted with *Chris Bastian*, who became CTO of SCTE on Dec 14, about his plans and 2016 predictions. He succeeded *Daniel Howard*, who was appointed to the new staff position of SCTE Fellow in Feb. "I am bringing in experience in access network, DOCSIS 3.1 and WiFi... Those will be high priorities for the coming year," he said. Specifically, he will focus on making sure DOCSIS 3.1 has a smooth rollout. Bastian joined SCTE following more than 10 years at **Comcast**, focusing on the MSO's Xfinity WiFi network. He also spent 10 years working for the **National Security Agency**. While the latest broadband technology will enable higher speeds and bandwidth for end users, it also brings greater complexity for maintaining network equipment for operators, he said. The implementation of DOCSIS 3.1, like DOCSIS 3.0, will come with "a lot of bells and whistles," he said. The process will be very complex and the SCTE, through its training programs, seek to "simplify the process as much as possible so that field technicians don't need to have a PhD degree to maintain the network," he said. The goal is to provide "a great level of experience regardless of the specific environment the equipment is deployed in," said Bastian. The industry will also focus on enhancing the WiFi experience with stronger signal strength and minimal interference. "We are focusing on the quality of experience." And experiences at Comcast such as providing data connectivity during the Pope's visit proved to be valuable in terms of understanding data consumption and WiFi performance. "It was huge to draw as much data out of the network as we could and try to understand in real time how many customers are being served," he said. It was a pivotal event that highlights the importance of focusing on quality of experience. "We did as much capacity planning as we could" to put access point in the right spots. The reality is despite sufficient planning, sometimes it's inevitable to have a few surprises, he said. "We have to be able to adapt and change...so that they can the signal strength

and sustain the wireless connections," he said. Bastian's 2016 prediction? More gigabit cities and increased speeds across broadband networks in general. And that means increased network complexity. "It's challenging to be out in the field maintaining very complex network equipment. We have to make sure the training is out there to make sure technicians and engineers are comfortable with the introduction of so many new technologies hitting them at once," he said. On the video content side, there will be more sources of content available on multiple platforms.

**Envivio Delivers UHD Program:** Video processing software firm **Envivio**, now part of **Ericsson**, provided a converged head-end solution that allowed Spanish op **Telefónica's** subscription platform **Moviestar+** to offer the Spanish Liga match between **Real Madrid** and **Barcelona** to satellite pay-TV subs in UltraHD and to connected devices. Envivio's local partner, QinMedia, provided the encoding and playout server hardware and was responsible for the deployment. Envivio's Muse Live encoder acted as the convergence encoder to simultaneously provide feeds to the headend and the OTT platform. Muse Live supports video compression and pre-processing improvements in MPEG-2, AVC and HEVC and includes a new advanced compression mode aimed at enabling new video quality optimization. Ericsson acquired Envivio in Oct for \$125mln.

**Virtual Reality Webinar:** Enter 2016 fully prepared for what the future of VR may bring with **Cablefax's** Virtual Reality Webinar on Jan 19. Speakers include **Time Warner Cable's** chief programming officer *Melinda Witmer*, **Discovery Comm** interactive creative dir *Cory Key* and **Fusion's** VR producer *Julian Reyes*. Register at Cablefax.com.

**Editor's Note:** The next CFX Tech will be on Jan 5. Have a great holiday!

Got tech news? Reach out to Cablefax Tech editor *Joyce Wang* at [jwang@accessintel.com](mailto:jwang@accessintel.com)



## SCREENSTER Reach Your Key Audience!

### SCREENSTER IS:

- The Convergence of Online Content and Traditional Media
- Community Building and Audience Aggregation
- Social and Digital Communication
- Monetization Efforts Across Multiple Sectors
- ...And Much More!

[www.cablefax.com/screenster](http://www.cablefax.com/screenster) | Special Advertising Packages Available!

For more information contact: Olivia Murray: [omurray@accessintel.com](mailto:omurray@accessintel.com) or 301-354-2010