

# Cablefax Daily™

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What the Industry Reads First

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## At TCA: Starz Finds a Latino Niche

The underlying theme of this winter's **TCA** thus far is how smaller and mid-size cable networks are adapting to the digital world and declining ratings. Breaking through the clutter always was present in the minds of network heads. Today, though, there are so many more avenues for viewers to sample outside the television ecosystem. The responses have varied. **History's** incoming chief *Jana Bennett* vowed there would be more history on History. **Nat Geo** head *Courteney Monroe* touted fewer, but better-quality shows. New **Turner** chief *Kevin Reilly* promised that **TBS** would be a completely different business entity within 12 months, with fewer commercial breaks, augmented use of digital platforms and opportunities for advertisers to have content blend with its series. Creatives we spoke with were more concerned with the announcement that highly rated "Rizzoli & Isles" would have just one more season. "What does that mean for series with lower ratings?" a programmer asked Fri. **Starz** chief *Chris Albrecht* peppered his brief executive session Fri with buzzwords of the moment like bingeing, noting his network has seen a lot of demand when it provided entire series for subscribers online. He mentioned the series "Da Vinci's Demons" and "Flesh and Bone" as particular beneficiaries of binge-viewing and "social media" buzz. Asked by critics how Starz measures the value of social media, Albrecht danced delicately, acknowledging the importance of "what you" in this room do. But increasingly, he said, he finds people are choosing television shows based on social media recommendations of friends. When someone connected to a show has a significant social media following "you start off with almost an adjunct marketing department," he said. People give more credibility to their friends' recommendations than they do to "any ad I can run" or "any quote [from critics] that I can put in an ad." Another line that Starz is pursuing in the crowded digital world is aiming series at demos that have been underserved "on premium" cable, Albrecht said. An example is the network's top-rated series "Power" and "Survivor's Remorse," both of which feature a significant number of African Americans in their casts. Up next, Albrecht said, the net is aiming series at second-generation Latinos, many of whom speak both Spanish and English. Accordingly, the series likely will be bilingual and adapted from successful telenovelas and books by Latin authors. While he admitted getting the Latino audience to tune into Starz "will be tricky" and it will take time to find "authentic voices," he's confident that providing diverse voices on premium cable is the correct route for Starz to take to

## Cablefax Webinar

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“expand its brand.” Starz’s slate of upcoming shows includes “Santeria” from Cuban writer/director *Alejandro Bruges* and “Maleficio,” which counts Mexican TV writer and producer *Mauricio Katz* as showrunner. Of course, while Albrecht said Starz will “stick to its knitting” of presenting series that can return (meaning they’ve been successful), he admitted coming up with such long-running projects is “the most difficult thing to do” in television.

**Draft Broadband Report:** FCC chmn *Tom Wheeler* circulated a draft of the 2016 Broadband Progress Report to be considered at the Jan 28 Open Commission Meeting. Among its findings: advanced communications capability is not being deployed “in a reasonable and timely fashion,” while the country continues to make progress in broadband deployment. Specifically, 34mIn Americans still lack access to fixed broadband at the FCC’s benchmark speed of 25 Mbps down and 3 Mbps up. The draft also found a “persistent urban-rural digital divide” that has resulted in 39% of the rural population without access to fixed broadband. In addition, 41% of Tribal Lands residents lack access and 41% of schools haven’t met the Commission’s short-term goal of 100 Mbps per 1K students/staff. Internationally, the US continues to lag behind a few other developed nations, ranking 16th out of 34 countries. **NCTA** wasn’t impressed with the proposed conclusion, saying the report ignored “objectivity and facts in order to serve political ends and maximize agency power.” And the FCC’s 25 Mbps broadband benchmark diminishes the report’s value and “chooses expediency over honest assessment,” NCTA said. The reality? Progress in deploying broadband has been reasonable and timely, the group claimed. **Public Knowledge** approved the draft. “As the 2016 Broadband Report fact sheet says, although broadband access providers have made progress in developing the technology for faster broadband speeds, this technology remains out of reach of millions of Americans. This is particularly true for rural Americans, Native American tribes, and the urban poor,” the public interest group said.

**NY OKs Charter/TWC Deal:** NY state regulators approved **Charter’s** proposed merger with **Time Warner Cable**. As part of the approval process with the **NY Public Service Commission**, Charter agreed to provide a minimum speed of 60 Mbps as well as a speed of 300 Mbps throughout the state. It also agreed to build out its networks to currently unserved residential and commercial areas in its footprint, and invest in and enhance customer service.

**CES Notebook:** With the continued proliferation of OTT services, how is a wide-eyed viewer to differentiate among the pack? Personalization is one way. “One of the changes we’ll see is massively involved with personalization,” *Dan Sweeney*, vp of ad and marketing data analytics integration firm **Allant Group**, said at a CES panel. “It’s not just smaller providers, but the big ones like **Netflix** that will be doing it. Like Reed said yesterday, ‘We want to deliver content you’re in the mood for,’” he said referring to Netflix chief *Reed Hastings’* keynote. “The service would know what you usually watch, say, on a Tuesday night, and if that isn’t available something similar comes up for you.” Agreed *Xavier Kocchar*, pres/CEO of **The Video Genome Project**, “The data is getting better, it’s getting more granular. And because the data is getting more granular you’re able to target many ways—through discovery, through advertising, etc.” -- When it comes to the fate of the bundle, execs at **CES** argued that giving consumers more flexibility, choice and personalization could become the determining factor. “Millennials who are cord-nevers take a lot of pride in how they set up their entertainment experiences,” said *Erin Flood* of **Verizon**, content acquisition & strategy. “It’s very personal.” **Awesomeness TV** chief digital officer *Kelly Day* said “bundles aren’t really bad for consumers” but will probably need to get smaller—and that could “open up some opportunities over the next few years” for online content providers (like Awesomeness) looking for platforms beyond **YouTube**. But Day noted that’s a “complicated” decision for most MCNs as they contemplate standalone OTT products. “We are going to be very thoughtful about if, when and how we do that,” she said.

**NFL Streaming:** The **NFL** is making all postseason games, including the 2016 Pro Bowl and Super Bowl 50, available for streaming across desktop, tablet, smartphones, and connected TV platforms such as Xbox. Partnering with **Verizon Wireless**, NFL is also making all games available on phones in the NFL Mobile from Verizon application. On other devices, each net will provide live streams of its respective games through its sites and applications. Many of the postseason games will also be available in Spanish on TV and digital platforms. For example, **ESPN’s** Wild Card game and the 2016 Pro Bowl will be available on **ESPN Deportes**. In addition, ESPN Deportes will simulcast Super Bowl 50 in Spanish. All 3 games will be available for subs of participating TV providers via Watch ESPN.

**Cox Expands Gigabit Service:** **Cox** expanded its gigabit service, under the brand name “G1GABLAST,” to Oklahoma City and Tulsa. Cox is deploying residential gigabit Internet speeds to new developments across Oklahoma City and Tulsa.

# BUSINESS & FINANCE

and in Cox locations across the country. The MSO has already launched G1GABLAST in 10 states and plans to launch gigabit speeds in all of its markets by year-end.

**Distribution:** Sony Movie Channel picked up distribution with MCTV (nee Massillon Cable). The net launched Jan 1 on MCTV's Basic Plus Package.

**Comcast Ventures Backs Heleo:** Comcast's investment arm Comcast Ventures joined other companies including the New York Times, Bloomberg Data and Betaworks in a seed financing round in Heleo, a platform to discover and interact with the influencers and thought leaders. Heleo recently launched with top influencers, including habit hacker Charles Duhigg, introvert expert Susan Cain, and happiness evangelist Gretchen Rubin, all of whom have made initial contributions to the platform. In the future, the platform will feature various forms of premium content, much of which will be exclusive to Heleo.

**Happy Trails:** Best wishes to Wave's Steve Friedman, who officially retired last week. He's been partners with Wave CEO Steve Weed for 18 years. He recently transitioned from pres/COO to evp, business development and helped to hire his replacement, Harold Zeitz. -- Best wishes to Jo Petherbridge who celebrated her last day at BBC America at TCA (where else, of course!). Petherbridge has been with the net on the PR side since it launched in 1998.

## Cablefax Daily Stockwatch

Company	01/08 Close	1-Day Ch	Company	01/08 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>			<b>CSG SYSTEMS:</b> ..... 34.21 ..... (0.81)		
DISH:	53.81	(1.05)	ECHOSTAR:	35.21	(0.68)
ENTRAVISION:	6.98	0.06	GOOGLE:	714.47	(11.92)
GRAY TELEVISION:	13.57	(0.39)	HARMONIC:	3.46	(0.07)
MEDIA GENERAL:	15.91	(0.21)	INTEL:	31.51	(0.33)
NEXSTAR:	50.87	(1.97)	INTERACTIVE CORP:	55.81	(0.08)
SINCLAIR:	29.96	(0.86)	LEVEL 3:	49.95	(0.74)
TEGNA:	23.50	(0.3)	MICROSOFT:	52.33	0.16
<b>MSOS</b>			NETFLIX:	111.39	(3.17)
CABLE ONE:	423.40	(0.78)	NIELSEN:	44.33	(0.81)
CABLEVISION:	31.01	(0.4)	RENTRAK:	41.72	(2.23)
CHARTER:	174.89	1.26	SEACHANGE:	6.15	(0.1)
COMCAST:	54.67	0.06	SONY:	23.01	(0.26)
GCI:	18.60	(0.6)	SPRINT NEXTEL:	3.40	0.05
LIBERTY BROADBAND:	49.30	0.51	TIVO:	7.92	(0.11)
LIBERTY GLOBAL:	38.20	(1)	UNIVERSAL ELEC:	46.49	(0.71)
SHAW COMM:	16.48	(0.17)	VONAGE:	5.15	(0.2)
SHENTEL:	20.27	(0.13)	YAHOO:	30.63	0.47
TIME WARNER CABLE:	182.79	1.59	<b>TELCOS</b>		
<b>PROGRAMMING</b>			AT&T:	33.55	0.04
21ST CENTURY FOX:	25.89	UNCH	CENTURYLINK:	23.97	(0.25)
AMC NETWORKS:	75.90	1.49	FRONTIER :	4.67	(0.02)
CBS:	46.46	1.12	TDS:	23.84	0.10
CROWN:	4.77	(0.14)	VERIZON:	44.83	(0.44)
DISCOVERY:	26.01	0.53	<b>MARKET INDICES</b>		
DISNEY:	99.21	(0.29)	DOW:	16346.45	(167.65)
GRUPO TELEVISA:	25.62	0.22	NASDAQ:	4643.63	(45.79)
HSN:	48.03	(2.33)	S&P 500:	1922.03	(21.06)
LIONSGATE:	28.59	(0.47)			
MSG NETWORKS:	19.65	0.25			
SCRIPPS INT:	53.56	1.41			
STARZ:	31.47	(0.05)			
TIME WARNER:	71.16	0.96			
VIACOM:	43.37	1.80			
WWE:	16.30	(0.02)			
<b>TECHNOLOGY</b>					
ADVANTAGE:	1.71	UNCH			
AMDOCS:	52.17	(0.25)			
AMPHENOL:	46.63	(0.71)			
APPLE:	96.96	0.51			
ARRIS GROUP:	27.32	(0.89)			
AVID TECH:	7.40	(0.08)			
BLNDER TONGUE:	0.41	(0.04)			
BROADCOM:	54.17	(0.3)			
CISCO:	24.78	(0.63)			
COMMSCOPE:	23.36	(0.06)			
CONCURRENT:	5.56	(0.08)			
CONVERGYS:	23.43	(0.49)			



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