

Cablefax Daily™

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What the Industry Reads First

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Realscreen Day 1: Nat Geo's Bold New Vision

It's been about 5 months since **21st Century Fox** announced its \$725mln partnership with the once-nonprofit **Nat Geo Society**, which led to a management restructuring and the promotion of *Courteney Monroe* to lead **Nat Geo Global Networks** in Nov. And while Nat Geo isn't exactly reinventing its TV brands following the changes, "we are being very ambitious in programming... We are doing big experiments," Monroe said during **Realscreen Summit** Mon. The programmer is turning its focus to high-end docu-series and global scripted series with the goal of maintaining the Nat Geo brand's scientific and exploratory identity while leveraging that for future TV and digital projects, she said. While Nat Geo's board now includes 4 members from Fox, daily life at Nat Geo hasn't changed much. The deal with Fox "is not a takeover. It's a partnership," Monroe said. Fox board members aren't involved in the day-to-day operations at all, she said, noting 2 new shows reflective of her content strategy moving forward: "The Story of God," which was produced by *Morgan Freeman* and will air on **Nat Geo Channel** and **Nat Geo Mundo** in the spring in the US and globally in 171 countries, and event series "One Strange Rock," which was filmed around the world and in outer space. Both shows tout bigger budgets and higher production quality, and feature high profile talent. Although most content will remain unscripted, Monroe said "we will be selective in scripted content." The net is also developing hybrid projects, combining the best of both worlds, she said. Internationally, the goal is to offer content that resonates with global audiences. The good news is viewers consume Nat Geo Channel content similarly around the world, according to Monroe. "We still do local productions and air them only regionally, but our first choice is to find big global stories like "Cosmos: A Spacetime Odyssey," which aired in 2014, she said. Any plans for **Nat Geo WILD**, which hasn't changed its focus on animals and family-friendly content in its 6 years? "There has been no identify crisis, and there's no reinvention," she said. Meanwhile, she said more competition has resulted in skyrocketing content costs. "It has made deal-making harder for smaller players like us... I really don't think about competition" and whether the competitor is a traditional net or not, she said. "I am just focusing on Nat Geo brands."

Broadcast Splits Thurs Games: Cable's not suiting up for Thurs night football, with the **NFL** splitting the package between **CBS** and **NBC**. **NFL Net** will exclusively televise 8 regular season games in the 2nd half of the season and will simulcast the entire TNF schedule. Current rights holder CBS will broadcast 5 Thurs games, while new partner NBC also



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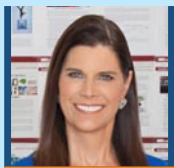
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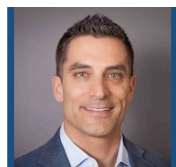
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Where Marketing and Innovation Converge

The **Cablefax Multiscreen Summit** will get down to brass tacks, with an information-packed program designed to share best practices, explore innovative marketing and PR tactics and understand how new product innovation intersects with overall business and marketing strategy.

Bring Your Team: This is the must-attend event for you to make sense of the multiscreen revolution that's changing the entire TV ecosystem—and communicate those benefits to increasingly fickle consumers and clients.



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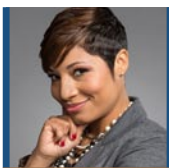
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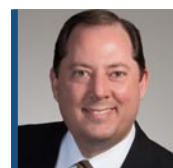
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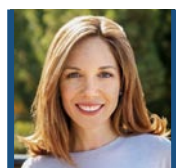
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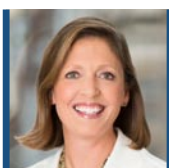
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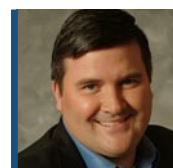
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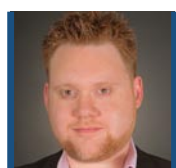
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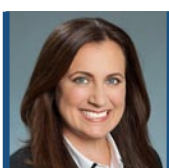
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gets 5 games. Reports have the League getting at least \$450mln, up about \$100mln from what CBS is believed to have paid last season. OTT is still in play, with the NFL in active discussions with prospective digital partners and an announcement expected soon. For the 16 games of the 2015 sked, TNF on CBS and NFL Net (and over-the-air stations) averaged a 7.9 HH rating and 13mln viewers, up +59% and +61% respectively from 2013 when the games were solely on NFL Net. The 2015 season was the most-watched and highest-rated TNF season ever.

Cox-Nexstar Blackout: Our reading of the tealeaves was on the money, with **Nexstar** stations going dark Sat on **Cox** systems. The impasse affects 13 stations in 9 markets. "The development is highly unusual for Nexstar but more common for Cox," the broadcaster told viewers, declaring that the MSO has dropped programming from 5 other stations owners since 2012. Nexstar said it has had "no material service interruptions related to distribution agreements since 2005." In Dec, Nexstar warned that DISH could lose stations, but after 3 extensions, the companies finally agreed on a new retrans deal. Cox complained that the broadcaster hasn't changed its offer in 2 weeks and is demanding 3x more for its stations in Vegas, Phoenix, Baton Rouge and other markets. "After months of negotiating, Nexstar has decided to remove their channels from the Cox line up, becoming the latest station owner to rely on retransmission fees in an effort to boost their bottom line," said Cox, which has urged the public to oppose Nexstar's proposed \$4.6bln purchase of **Media General**.

Cost Cutting at Fox: Employees in **Fox Networks Group** and **20th Century Fox** film studio are receiving voluntary buyout offers as **21st Century Fox** looks to trim staff overhead by \$250mln in the coming fiscal year, which begins in July. It joins **Time Warner**, **ESPN** and **Viacom**, which recently went through cuts. "As we position 21CF for the future, we want to ensure our organization remains agile and structured to fully capture the many opportunities ahead of us. With this we are looking across our film and television businesses to transform certain functions and to reduce costs," a spokesperson said. "As part of this process, which is in its early stages, today some colleagues from Fox Networks Group and 20th Century Fox will be offered a generous benefit package if they opt to voluntarily leave the company."

Comcast Tech on HSD Speed: Media outlets clamored Mon to write about a **Comcast** HSD subscriber who is using a Raspberry Pi to run speed tests and automatically tweet any time the downspeed is below 50Mbps (the sub is paying for its 150Mbps service). If you follow the **Reddit** thread where this all began, a field tech for Comcast chimes in, suggesting it's most likely a line problem, with interference affecting speeds (more specifically, the dreaded ingress) and suggesting that the user double-check that they have the correct modem. While it's not clear how this will shake out, other distributors may want to take note of how this was handled. The technician appears to have done this on his own, writing that "I simply believe that everyone should have the same level of service that I've had for the last 12 years, which is one of the primary reasons I became a Comcast tech in the first place." In Dec, the **FCC** released its measuring fixed broadband report and found Comcast, **Cablevision** and **Hughes** were among the best performing ISPs when it comes to delivering speeds close to or that exceed the advertised download speed.

Hulu-Time Warner: Distributors may be applauding a *WSJ* piece over the weekend that suggested **Time Warner's** negotiations with **Hulu** include whether subs can keep watching eps from current seasons, a suspected contributor to cord cutting. Of course, it's not clear that it's a deal killer as Time Warner considers taking a 25% stake in the venture.

Realscreen Notebook: With a push to create more scripted content, whether it's for traditional linear platforms or for SVOD players, where does unscripted fall? While scripted is gaining traction, it's more risky than unscripted projects, **Jimmy Fox**, evp of **Objective Productions USA** said at **Realscreen Summit** Mon. "It's like playing roulette in Las Vegas. Betting on unscripted is like hitting red or black (50% chance win) and betting on scripted is like betting a number," which has a much lower chance of winning, he said. Even in the unscripted world, the stakes have become so high that it's becoming increasingly harder for networks to take risks, said **Kathleen Finch**, chief programming, content & brand officer at **Scripps Nets Interactive**. While production time for unscripted projects is usually much shorter versus scripted, it wasn't the case for **HGTV's** series "Fixer Upper." Finch acknowledged it took over 2 years from rough cut to airing. The end result? Fixer Upper is now one of the net's highest-rated series. In addition to ensuring high production quality, smart windowing played a part as well. "We want to make shows that fit in a sweet spot that we know will drive big numbers," Finch said.

Distribution: **Herring Nets** completed a multiyear deal with **Hotwire**, a CLEC and franchised cable operator, for distribution of **One America News Net** later this year. The deal also includes continued carriage of **AWE**.

BUSINESS & FINANCE

IMAX-Discovery: Remember *Rich Ross'* promise to get **Discovery Channel** back to its roots? Under a newly brokered pact with **Discovery Comm**, the net gets 18 months of exclusive paid global TV rights for up to 10 **IMAX** documentary films to be released through the IMAX Original Film Fund (Fund), following the titles' theatrical release across the IMAX institutional theatre network. The alliance marks IMAX's first TV distribution agreement for original content.

comScore-Rentrak: **comScore** and **Rentrak** completed their merger, creating a new company that reports metrics in 75 countries. In the US, comScore will now measure behavior on more than 260mln desktop screens, 160mln mobile phone screens, 95mln tablet screens, 40mln television screens, 120mln video-on-demand screens and 40K movie theater screens.

People: Congrats to *Melani Griffith*, who left **Penthera** and joined **Rogers Communications** as svp, content. -- *Nora Melhi*, formerly head of drama at **Shine France** and CEO of **Endemol Fiction**, is joining **Altice** as head of original creation and non-linear content across all of Altice's territories. She will report to *Nicolas Rotkoff*, Altice Entertainment & Sports CEO. -- *Marcela Martin* was named CFO of **National Geographic Partners**. Martin had served as evp & CFO of **Fox International Channels** since 2007.

Cablefax Daily Stockwatch

Company	02/01 Close	1-Day Ch	Company	02/01 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DISH:	47.88	(0.39)	GOOGLE:	752.00	9.05
ENTRAVISION:	7.36	(0.1)	HARMONIC:	3.29	(0.01)
GRAY TELEVISION:	13.28	0.13	INTEL:	30.82	(0.2)
MEDIA GENERAL:	16.23	(0.01)	INTERACTIVE CORP:	51.95	0.01
NEXSTAR:	44.73	(0.48)	LEVEL 3:	48.87	0.06
SINCLAIR:	33.21	0.21	MICROSOFT:	54.71	(0.38)
TEGNA:	24.24	0.23	NETFLIX:	94.09	2.25
MSOS			NIELSEN:	48.03	(0.13)
CABLE ONE:	428.76	(1.23)	SEACHANGE:	6.25	0.03
CABLEVISION:	32.20	0.29	SONY:	23.31	(0.57)
CHARTER:	175.75	4.39	SPRINT NEXTEL:	3.07	0.05
COMCAST:	55.81	0.10	TIVO:	8.09	0.11
GCI:	18.08	(0.04)	UNIVERSAL ELEC:	48.98	(1.17)
LIBERTY BROADBAND:	48.27	0.67	VONAGE:	5.13	UNCH
LIBERTY GLOBAL:	34.95	0.54	YAHOO:	29.57	0.06
SHAW COMM:	17.27	(0.01)	TELCOS		
SHENTEL:	22.41	(0.57)	AT&T:	36.18	0.12
TIME WARNER CABLE:	184.31	2.30	CENTURYLINK:	25.90	0.48
PROGRAMMING			FRONTIER :	4.58	0.03
21ST CENTURY FOX:	26.97	UNCH	TDS:	23.13	(0.06)
AMC NETWORKS:	71.90	(0.89)	VERIZON:	50.76	0.79
CBS:	47.91	0.41	MARKET INDICES		
CROWN:	4.51	0.02	DOW:	16449.18	(17.12)
DISCOVERY:	27.64	0.05	NASDAQ:	4620.37	6.41
DISNEY:	95.15	(0.67)	S&P 500:	1939.38	(0.86)
GRUPO TELEVISA:	27.19	0.71			
HSN:	47.45	0.39			
LIONSGATE:	25.99	(0.16)			
MSG NETWORKS:	17.32	(0.17)			
SCRIPPS INT:	62.10	1.13			
STARZ:	30.08	1.65			
TIME WARNER:	72.35	1.91			
VIACOM:	49.01	0.47			
WWE:	17.80	(0.1)			
TECHNOLOGY					
ADDVANTAGE:	1.77	0.02			
AMDOCS:	55.33	0.59			
AMPHENOL:	49.87	0.30			
APPLE:	96.43	(0.91)			
ARRIS GROUP:	25.60	0.13			
AVID TECH:	7.05	(0.05)			
CISCO:	23.48	(0.31)			
COMMSCOPE:	23.04	0.62			
CONCURRENT:	5.12	0.06			
CONVERGYS:	24.12	(0.32)			
CSG SYSTEMS:	35.05	0.11			
ECHOSTAR:	35.15	0.02			



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CFX TECH by Joyce Wang

A European Entrant's Perspective

The changing media landscape in the US has caught the eyes of European media tech companies. Last week, Norway-based video delivery tech firm **Vimond Media Solutions** opened its new regional office in NY, following the company's 2 deployments in North America with **Comcast** and **Thomson Reuters** last year. "We are talking to several potential partners in the U.S.," *Miguel Silva*, evp of sales and marketing told us. While the company is seeing the biggest traction from broadcasters since Vimond is a spin-off of the Norwegian broadcaster **TV 2**, it's also targeting cable and telecom ops, Silva said. Vimond's technology includes the Vimond Platform, which manages and delivers multiplatform OTT offerings, and Vimond Highlights, a live-to-VOD service. In addition to linear and broadcast service providers, the company is also going after other US media platforms "because in the world of OTT, everyone wants to become a broadcaster in their own right. It's all about having the right tools to create, prepare, package and distribute great content directly to consumers..." the former **Ericsson** exec said. The company plans to develop its services in the US in the near future by establishing support, development and operations teams locally, he said. Looking at the US entertainment market as a whole, Silva expects OTT services to "explode within the coming years." "We will see more and better content being produced and delivered in near real time to a variety of screens, not necessarily from the brands we turn to today," he said. He noted Thomson Reuters launched Reuters TV mobile subscription service last year. Providing live and on-demand news programming, the service costs \$1.99 a month. The launch is an example of how a traditional news brand can use the OTT model to innovate and bring content directly to con-

sumers and therefore become a household brand, Silva said. "The challenge in the near term will of course be to find a business model that consumers can embrace giving the plethora of competing services and all the content that still cannot be viewed outside cable," he said. The US market is a microcosm of the entire global media industry, according to Silva. Because of the number of viewers and the sizable investments in content, the US media market is more sensitive to shifting viewer behavior, putting it slightly ahead of other countries in terms of technology advancements and creation of new business models. The EU isn't far behind, but it's fragmented because of things like language, cultural habits and currencies. "It is harder to reach the scales that one can reach in the US with a single service," said Silva.

CableCARD Deployments: The **FCC's** set-top integration ban expired in Dec, but cable is still required to post stats on CableCARD deployments for retail devices. **NCTA** said Fri that **Cablevision, Charter, Comcast, Cox** and **Time Warner Cable** have deployed more than 589K cards for use in retail CableCARD-enabled devices. When the next 4 largest incumbent cable operators are included, that number grows to 621K. By contrast, those 9 companies have almost 55mln operator-supplied set-tops with cards currently deployed.

Google Calling: **Google Fiber** has sent invitations to current subs for an experimental telephone service, the *Washington Post* reported. The service mirrors Google Voice, and includes a phone number in the cloud, voicemail transcription and automatic call screening. In the invite, Google calls the test product Google Fiber Phone.

Got tech news? Reach out to Cablefax Tech editor Joyce Wang at jwang@accessintel.com



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