

# Cablefax Daily™

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What the Industry Reads First

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## Lawsuit Tuesday: DISH-NBCU, Herring-AT&T at Loggerheads

A pair of lawsuits filed Tues around programming contracts highlight just how contentious negotiations continue to be. In one corner, **DISH** is suing **NBCU**, claiming that it's ignoring a contractual obligation not to engage in public statements against the satellite provider. In the other, **Herring Networks**, a supporter of the **AT&T-DirectTV** merger, is now going after AT&T, claiming that it broke a promise to launch its networks on DirecTV. On the DISH front, the trouble started when NBCU launched on Mon a campaign and website warning DISH subs they could lose **Bravo, USA** and other programming if a deal is not reached soon. DISH also faces the potential loss of NBCU O&O broadcast stations. The exact date of contract expiration hasn't been given, but in its suit filed Tues DISH said the agreements are set to expire more than 72 hours from the date of the lawsuit. That 72-hour mark is important because NBCU is prohibited from engaging in any public messaging that relates to the expiration of the deal unless such messages are made more than 72 hours before the expiration of the agreement, the suit alleges. DISH also said messaging can't include negative language about DISH or a call to action. DISH says it sent a reminder about the terms on Fri, but NBCU launched a campaign Mon that includes crawls, social media messaging and the site MakeDISHDeliver.com. DISH said it has needed to increase staffing levels to manage the call volume from NBCU's push. "The prohibited messages are intended to confuse and anger DISH subscribers. NBCU's sole purpose in orchestrating the effort to distribute the prohibited messages is to gain an upper hand in its contract renewal negotiations with DISH," the lawsuit said. Such public campaigns warning of potential programming losses have drawn ire from distributors before, notably late last year when **AMC Networks** began warning **NCTC** members' subs that they could lose channels more than a month from the deadline. The co-op and programmer reached an agreement before that happened, though 105 members opted to drop AMCN (about 350K subs), according to NCTC. Tuesday's other big carriage lawsuit has the programmer suing a distributor. Herring claims that AT&T breached their contract by reneging on promises to carry **One America News Net** and **AWE** on DirecTV. "In addition to the United States District Court filing, we've been thoroughly reviewing FCC regulatory violations for possible further action," Herring pres *Charles Herring* told **CFX**. AT&T called the lawsuit baseless. "We have offered to carry both channels on DirecTV at reasonable, market based terms. This lawsuit is simply a ploy by Herring to negotiate a slanted deal," read the telco's statement. Herring said the deal

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reached with AT&T just 1 month before it announced it was acquiring DirecTV “was a reasonable, market-based terms agreement.” Herring said Rentrak AT&T set-top data shows OANN ranked 48th last week, outperforming **HLN, CNBC, Fox Business** and other nets. “We’ve offered substantial rate reductions equating to a rate of 6 cents per channel per month or 72 cents per year. If consumers knew that our two channels were being denied to them for such a low rate, I think that they would be irate,” he said. The suit, which seeks \$100m, claims AT&T concealed a plan to wind down U-verse, declaring that hundreds of thousands of U-verse subs have been incentivized to move to DirecTV. As for DISH-NBCU, the satellite provider said it expects to file for arbitration to prevent NBC from blacking out its customers. “Under the conditions imposed by the FCC and **Department of Justice** in approving the Comcast-NBCUniversal merger, NBC is forbidden from blacking out its networks if a pay-TV provider chooses, in its sole discretion, to exercise its right for binding arbitration. Regulators implemented these conditions to prevent Comcast and NBC from harming consumers and competition,” DISH said. “In the event of arbitration, affected programming would remain available during that process, and for the foreseeable future.” In a statement, NBCU said simply that: “Should Dish proceed with arbitration we will of course participate in the process, and look forward to receiving the fair market value for our portfolio of networks.”

**Broadband Rate Regulation Bill:** A divided **House Commerce** passed the No Rate Regulation of Broadband Internet Access Act Wed. “We were assured by *President Obama* and *Chairman Wheeler* that the Commission was not going to use Title II to regulate rates for broadband. This bill will enshrine that commitment into law, simply ensuring the **FCC** cannot use its self-declared expansive authority over the Internet to engage in rate regulation,” committee head *Fred Upton* (R-MI) said during the markup Tues. While Republicans claim the 2-page bill codifies Wheeler’s promise, Democrats worried the legislation is too broad and could affect the FCC’s ability to address other issues like interconnection, data caps and merger review. Republicans did approve an amendment aimed to address some of those concerns. Still, Democrats said it wasn’t enough and unsuccessfully demanded to postpone the vote. “Maybe it addresses a few things, but it doesn’t address most of it,” said *Frank Pallone* (D-NJ). Upton suggested the bill can still be amended before reaching the House floor. The bill passed out of the **Communications Subcmte** in Feb following strong opposition from the Democrats.

**Altice Earnings:** **Altice** reported earnings that included **Suddenlink** for the first time, with its acquisition of a 70% stake in the company completed late last year. Suddenlink posted adjusted EBITDA growth of 8% for the year and 4% operating free cash flow growth. It ended the year with +13K customer relationships and 21K broadband sub adds. Notably, COO *Michel Combes* said the impact of dropping **Viacom** stations will not play a role any more in performance. CEO *Dexter Goei* continues to hope that the acquisition of Cablevision will close in 2Q. NY and NJ have a vote slated for next month, and the **FCC’s** review clock runs out in May. Goei declined a question about whether Altice may have to reduce financial synergy targets to win approval, saying the company could discuss more after the regulatory review. Goei described 2016 as “a year of integration and operations” rather than any additional M&A. “We don’t anticipate doing anything else outside of what’s been rumored in France” or smaller in-market deals this year, he said.

**Gigabit in Atlanta:** In addition to services provided by **Google Fiber** and **AT&T**, Atlanta will see the launch of **Comcast’s** gigabit Internet using DOCSIS 3.1 technology. The MSO said Tues that it’s trialing to early adopters in a few neighborhoods, with plans for additional markets later this year. Initial pricing includes a contract price of \$70 a month for 36 months, or a contract-free price of \$139.95. Once the trial is complete, Comcast plans to launch additional pricing plans. Comcast already announced plans to offer gigabit Internet in Nashville in early 2016, with Chicago, Detroit, and Miami to follow in the 2nd half of the year. The MSO installed its 1st DOCSIS 3.1 modem in Philly in Dec, followed by Atlanta a few days later.

**AT&T GigaPower Expansion:** **AT&T** expanded its GigaPower service to more areas in FL, including parts of Coral Springs, North Miami and Tamarac, the company announced Tues. GigaPower is slated for 56 metro areas.

**Fox’s Advanced Ad Platform:** **Fox Networks Group** unit Fox Advanced Ad Products launched Audience Insights Manager, a suite of data-driven buying tools designed to help advertisers improve linear and nonlinear ad buys. AIM’s primary products include Optimized Audience Read (a proprietary data engine), Target Audience Guarantee (a single linear tCPM guarantee across Fox Networks using Fox’s data-enabled television platform) and Linear Programmatic Buying.

**Nat Geo Upfront:** **National Geographic Channel** announced its 2016-17 upfront slate on Tuesday in NYC. Highlights include the hire of Mexican filmmaker *Everardo Gout* as dir of the scripted parts of forthcoming 6-part miniseries “Mars,”

# BUSINESS & FINANCE

whose hybrid documentary-scripted format documents the quest to reach Mars. It's exec produced by *Ron Howard, Brian Grazer and Michael Rosenberg*, as well as **RadicalMedia**. "Earth Live!" will broadcast live from locations across all 7 continents, capturing wildlife action with night vision cameras. Limited series "Lawless Oceans" explores a murder at sea, and "Explorer" will relaunch in fall 2016 as a weekly, magazine-style series covering current events and issues important to the planet. Over at **Nat Geo Wild**, highlights are new series "Project Puppy," which follows the reality of raising puppies, "Animal ER," a look at the trials of the Gulf Coast Veterinary Hospital, and "Pet Talk," a weekly talk show for animal lovers. Returning series include "The Incredible Dr. Pol" and "Cesar 911." It also greenlit 4 Sunday night natural history specials and various events, including "Savage Kingdom," featuring battles between predators and prey," and the week-long "Sharkfest."

**Lifetime Lands in Turkey: A+E Nets** launches **Lifetime** in Turkey on April, its 1st free-to-air channel in the market. The launch is a jv with Turkey's digital media company **MCD Medya. Fox Media** will be the ad sales rep. In addition, Lifetime Turkey will premiere an original daily morning talk show to be hosted by Turkey's on-air personality *Özge Uzun*, featuring various female-skewing topics such as cooking, fashion, social media, music and more.

## Cablefax Daily Stockwatch

Company	03/15 Close	1-Day Ch	Company	03/15 Close	1-Day Ch			
<b>BROADCASTERS/DBS/MMDS</b>								
BROADCASTERS/DBS/MMDS			ECHOSTAR:	44.48	(0.76)			
DISH:	48.58	(0.46)	GOOGLE:	728.33	(2.16)			
ENTRAVISION:	7.60	(0.14)	HARMONIC:	2.96	(0.18)			
GRAY TELEVISION:	12.03	(0.35)	INTEL:	31.65	0.22			
MEDIA GENERAL:	16.71	(0.3)	INTERACTIVE CORP:	45.85	(0.92)			
NEXSTAR:	46.32	(1.38)	LEVEL 3:	50.95	(0.95)			
SINCLAIR:	32.48	(0.49)	MICROSOFT:	53.59	0.42			
TEGNA:	23.29	(0.95)	NETFLIX:	97.86	(0.27)			
<b>MSOS</b>								
CABLE ONE:	438.72	1.79	NIELSEN:	51.06	0.03			
CABLEVISION:	32.95	0.10	SEACHANGE:	5.38	(0.13)			
CHARTER:	187.08	1.08	SONY:	24.52	(0.06)			
COMCAST:	59.40	0.17	SPRINT NEXTEL:	3.55	(0.17)			
GCI:	17.55	(0.18)	SYNACOR:	1.84	0.09			
LIBERTY BROADBAND:	53.15	0.36	TIVO:	7.73	(0.16)			
LIBERTY GLOBAL:	36.31	(0.48)	UNIVERSAL ELEC:	62.18	(1.15)			
SHAW COMM:	18.52	0.27	VONAGE:	4.61	(0.16)			
SHENTEL:	24.76	0.05	YAHOO:	33.26	(0.32)			
TIME WARNER CABLE:	195.68	0.61	<b>TELCOS</b>					
<b>PROGRAMMING</b>								
21ST CENTURY FOX:	27.83	0.01	AT&T:	38.52	0.20			
AMC NETWORKS:	64.75	(1.98)	CENTURYLINK:	31.32	(0.63)			
CBS:	52.59	(0.71)	FRONTIER:	5.16	(0.18)			
CROWN:	5.06	(0.02)	TDS:	27.63	0.08			
DISCOVERY:	27.66	(0.27)	VERIZON:	52.67	0.13			
DISNEY:	98.24	(0.57)	<b>MARKET INDICES</b>					
GRUPO TELEVISA:	26.46	(0.58)	DOW:	17251.53	22.40			
HSN:	53.65	(0.47)	NASDAQ:	4728.67	(21.61)			
LIONSGATE:	22.99	(0.84)	S&P 500:	2015.93	(3.71)			
MSG NETWORKS:	17.11	(0.6)	<b>TECHNOLOGY</b>					
SCRIPPS INT:	65.09	UNCH	ADDVANTAGE:	1.86	(0.01)			
STARZ:	28.22	(0.03)	AMDOCS:	58.49	0.06			
TIME WARNER:	70.96	0.21	AMPHENOL:	55.52	(0.15)			
VIACOM:	43.23	(0.92)	APPLE:	104.58	2.06			
WWE:	17.77	(0.16)	ARRIS GROUP:	21.62	(0.86)			
<b>TECHNOLOGY</b>								
ADDVANTAGE:	1.86	(0.01)	AVID TECH:	6.69	(0.31)			
AMDOCS:	58.49	0.06	BLNDER TONGUE:	0.44	(0.01)			
AMPHENOL:	55.52	(0.15)	CISCO:	27.66	(0.04)			
APPLE:	104.58	2.06	COMMSCOPE:	26.61	(0.28)			
ARRIS GROUP:	21.62	(0.86)	CONCURRENT:	6.38	(0.09)			
AVID TECH:	6.69	(0.31)	CONVERGYS:	26.03	(0.13)			
BLNDER TONGUE:	0.44	(0.01)	CSG SYSTEMS:	39.44	0.15			
CISCO:	27.66	(0.04)						
COMMSCOPE:	26.61	(0.28)						
CONCURRENT:	6.38	(0.09)						
CONVERGYS:	26.03	(0.13)						
CSG SYSTEMS:	39.44	0.15						

## Cablefax Industry Jobs

### 3 Tips to Finding and Hiring the Perfect Candidate

#### TIP 1 : Target Candidates!

Post your openings on Cablefax's job board to reach top talent and filter applicants that lack industry experience. Ask about bundles to fit your needs and budget.

#### TIP 2 : Be Selective!

Don't waste time reading pointless resumes. You can search Cablefax's resume database for free, while utilizing the demographic filters.

#### TIP 3 : Stand Out!

Take advantage of upgrades to add exposure by taking advantage of upgrades, including weekly job eletters sent to over 40k industry executives.

