

# Cablefax Daily™

Monday — March 28, 2016

What the Industry Reads First

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## Virtual Reality: How VR-Enabled Content Will Change the Content Game

Virtual Reality isn't going to follow the crash pattern of 3D television. That was one of the predictions from **Cablefax's** Multiscreen Summit this month. For one thing, VR is much more social than 3D. A few years from now, consumers may be able to put on a headset and "attend" a sporting event with a friend even though they're 3,000 miles away, said **Turner Sports** evp, production and chief content officer *Craig Barry*. Similarly, VR can take applications like **Match.com** to a whole new level. "Instead of walking out there and meeting someone you've never met before, you'd be able to do this virtually," Barry said. "I think experientially it's no different in sports." **Parks Associates'** *Glenn Hower* is excited to see how VR changes the visual storytelling experience—but that also creates a challenge in finding creators and producers ready to take big risks in how they tell stories. That's a big part of what **Clever Fox** does as a production company. "We've found that traditional filmmakers are super excited about getting in there and experimenting... There's a lot of trial and error right now," said **Clever Fox** chief content officer *Dekker Dreyer*. He said what really helps VR is its support on many levels, whether it's the lower end with **Google** Cardboard doing a branded campaign with the *NY Times* to the mid-grade (pre-orders of **Samsung** Galaxy Phone 7 get a free Gear VR headset) to the higher-end, such as Oculus Rift or Playstation's upcoming headset. One big question is how will VR be monetized. "What you really come down to is the viewer is going to pay a premium for the experience or they are not. If they do, great, that helps solve a lot of problems. Otherwise, you're going to have to look into sponsored content or even a native advertising model where you start embedding sponsored ads in the content itself," Parks' Hower said. One potential advertising pitfall... transitions are already problematic in VR (it can literally make a viewer sick if the camera jerks to another environment). "Trying to go from the content and slamming in a 30-second spot, that doesn't seem like a viable option to me," Hower said. Barry agreed, adding that digital pre-roll won't work either. "We're a couple years out from really pushing some sort of monetization model. We really want to create a demand for it now," the Turner exec said. "There are some sports that really lend themselves to it. Probably the first real premium PPV model could be boxing." He cautioned

FROM THE NETWORK THAT STANDS WITH THOSE WHO TAKE A STAND



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FRIDAY 7 E/P

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# The **FAXIES**

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**CAMPAIGNS THAT STAND OUT**

## WHO SHOULD JOIN THESE PAST WINNERS?

National Geographic Channel - Cause an Uproar

Comcast Cable -  
Emily's Oz



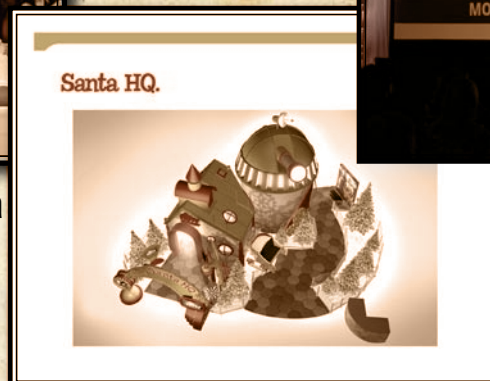
Bravo and Oxygen Media  
Communications



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Sling TV - Taking the  
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HGTV - Santa HQ

**FINAL DEADLINE: MARCH 30**

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though that a VR boxing PPV experience would be very isolated, and he thinks for it to really take off it will need more social aspects. Another cautionary tale came from Dreyer, who reminded the crowd that most people have no experience with VR. "I don't think I've ever seen a leap where the technology for the storytelling is so far beyond what the actual audience is able to experience, and we keep driving it further and further," he said. "We need to make the best experiences we can, get the audience excited about the medium, and then grow with the audience into these new and interactive spaces."

**Netflix's Data Plan:** Netflix will soon launch a "data saver feature" designed for mobile apps, dir of corporate communications *Anne Marie Squeo* wrote in a blog post Thurs. The move came after reports claiming Netflix throttles its video on **AT&T** and **Verizon Wireless** networks, but not on **T-Mobile** or **Sprint's** cellular networks. The **FCC** is currently investigating AT&T and Verizon over their zero rating plans, which allow content providers pay to deliver programming to consumers' mobile phones outside their monthly data caps. According to Squeo, the data saver feature will provide members with more control over their data usage when streaming on mobile networks, allowing them to either stream more video under a smaller data plan, or increase their video quality if they have a higher data plan. "We're on track to make it available to members sometime in May," Squeo wrote. And perhaps in response to the alleged throttling practice, she explained "in an effort to protect our members from overage charges when they exceed mobile data caps, our default bitrate for viewing over mobile networks has been capped globally at 600 kilobits per second." It's about striking a balance that ensures a good streaming experience while avoiding unplanned fines from mobile providers, she said. She claimed the practice hasn't been an issue for Netflix subs. The company's own research and testing indicates that many consumers worry about exceeding their mobile data cap, and don't need the same resolution on their mobile phone as on a large screen TV to enjoy shows and movies. "However, we recognize some members may be less sensitive to data caps or subscribe to mobile data plans from carriers that don't levy penalties for exceeding caps." And as Netflix develops net technologies, the goal is to give all subs the option to adjust their data consumption settings based on their video preferences and sensitivity to their ISPs data overage charges. In general, restrictive data caps are bad for consumers and the Internet, "creating a dilemma for those who increasingly rely on their mobile devices for entertainment, work and more," according to Squeo. **ACA** has a lot to say regarding Netflix's practice of reducing video quality for some wireless carriers. In a statement, pres/CEO *Matt Polka* said the group is "disappointed, but not surprised, that Netflix used its immunity from the FCC's Net Neutrality rules to engage in this practice." Polka argued that Netflix has the means and incentive to engage in this "anti-consumer behavior notwithstanding its impact on the virtual cycle that promotes the broadband deployment sustaining Netflix's business model." ACA called on the FCC to initiate a Notice of Inquiry into the practices of edge providers, saying the agency has the authority to do so under Section 706 of the Communications Act.

**NAB Show:** FCC chmn *Tom Wheeler* and commissioners *Mignon Clyburn*, *Michael O'Rielly* and *Ajit Pai* are scheduled to speak in 4 separate sessions at the **NAB Show**, April 16-20 in Las Vegas. Wheeler will address a signature session open to all attendees, covering issues including the spectrum incentive auction, retrans and the future of video delivery. The commissioners are expected to speak in the NAB Show Broadcast Management Conference.

**Programming:** **DIY Network** premieres a new season of "The Vanilla Ice Project" on April 23. The 13-ep series will follow *Vanilla Ice* and his team as they renovate a Palm Beach property. -- **Esquire** debuts a 12-hour special revisiting the *OJ Simpson* murder trial on April 3. The special, "The Real O.J. Simpson Trial," features archival footage of the trial.

**People:** **Univision Comm** tapped *Eric Ratchman* as evp, content distribution, reporting to *Tonia O'Connor*, chief commercial officer and pres of content distribution for Univision. Ratchman most recently served as svp of global distribution strategy and business development for **Disney Media Networks**. -- **Mediamorph** hired industry vet *Jim Riley* as chief revenue officer. Riley, the former CRO at **Vubiquity**, will lead the Mediamorph sales team across all products, verticals, and territories.

**Editor's Note:** There's still time!! The Faxies final deadline is Wed, March 30. More info at [www.cablefax.com](http://www.cablefax.com)

## Cablefax Week in Review

Company	Ticker	3/25 Close	1-Week % Chg	YTD %Chg
<b>BROADCASTERS/DBS/MMDS</b>				
DISH:	DISH	47.91	(2.48%)	(16.21%)
ENTRAVISION:	EVC	7.15	(6.9%)	(7.26%)
GRAY TELEVISION:	GTN	11.50	(9.38%)	(29.45%)
MEDIA GENERAL:	MEG	16.15	(5%)	0.00%
NEXSTAR:	NXST	42.56	(11.65%)	(27.5%)
SINCLAIR:	SBGI	30.35	(6.15%)	(6.73%)
TEGNA:	TGNA	23.37	(3.19%)	(8.42%)

**MSOS**

CABLE ONE:	CABO	437.16	0.49%	0.81%
CABLEVISION:	CVC	32.96	0.52%	3.32%
CHARTER:	CHTR	198.34	(1.32%)	8.38%
COMCAST:	CMCSA	60.01	0.42%	6.34%
GCI:	GNCMA	17.81	(1.38%)	9.33%
LIBERTY BROADBAND:	LBRDA	56.89	(1.13%)	10.15%
LIBERTY GLOBAL:	LBTYA	36.82	(3.23%)	(13.08%)
SHAW COMM:	SJR	18.86	(2.58%)	9.71%
SHENTEL:	SHEN	25.61	(0.27%)	(40.51%)
TIME WARNER CABLE:	TWC	202.70	(0.1%)	9.22%

**PROGRAMMING**

21ST CENTURY FOX:	FOXA	27.75	(1.7%)	2.17%
AMC NETWORKS:	AMCX	63.89	(2.64%)	(14.45%)
CBS:	CBS	54.06	(1.19%)	14.70%
CROWN:	CRWN	5.12	0.00%	(8.73%)
DISCOVERY:	DISCA	27.99	(4.86%)	4.91%
DISNEY:	DIS	97.22	(2%)	(7.48%)
GRUPO TELEVISIA:	TV	27.68	(1.95%)	1.73%
HSN:	HSNI	52.94	(3.18%)	4.48%
LIONSGATE:	LGF	21.31	(5.79%)	(34.21%)
MSG NETWORKS:	MSGN	16.74	(4.72%)	(19.52%)
SCRIPPS INT:	SNI	64.01	(1.51%)	15.94%
STARZ:	STRZA	26.55	(5.45%)	(20.75%)
TIME WARNER:	TWX	70.01	(3.25%)	8.26%
VIACOM:	VIA	44.05	(3.44%)	0.14%
WWE:	WWE	17.12	(4.89%)	(4.04%)

**TECHNOLOGY**

ADDVANTAGE:	AEY	1.94	(6.28%)	7.18%
AMDOCS:	DOX	58.93	(1.32%)	7.99%
AMPHENOL:	APH	57.17	(0.82%)	9.46%
APPLE:	AAPL	105.67	(0.24%)	0.39%
ARRIS GROUP:	ARRS	22.90	0.39%	(25.09%)
AVID TECH:	AVID	6.44	(8.91%)	(11.66%)
BLNDER TONGUE:	BDR	0.38	(5%)	(5%)
CISCO:	CSCO	27.96	(1.31%)	2.95%
COMMScope:	COMM	26.52	(2.64%)	2.43%
CONCURRENT:	CCUR	6.04	(0.49%)	22.02%
CONVERGYS:	CVG	26.62	(0.78%)	6.95%
CSG SYSTEMS:	CSGS	42.24	(0.35%)	17.40%
CHOSTAR:	SATS	43.94	(2.42%)	12.35%
GOOGLE:	GOOG	735.30	(0.31%)	(3.11%)
HARMONIC:	HLIT	3.23	0.31%	(20.64%)
INTEL:	INTC	31.88	(2.45%)	(7.46%)
INTERACTIVE CORP:	IAC	45.71	(2.89%)	(23.88%)
LEVEL 3:	LVT	51.59	(2.03%)	(5.1%)
MICROSOFT:	MSFT	54.21	1.35%	(2.29%)

Company	Ticker	3/25 Close	1-Week % Chg	YTD %Chg
NETFLIX:	NFLX	98.36	(2.73%)	(14.01%)
NIELSEN:	NLSN	52.00	(0.52%)	11.59%
SEACHANGE:	SEAC	5.33	0.95%	(20.92%)
SONY:	SNE	25.47	(3.05%)	3.49%
SPRINT NEXTEL:	S	3.26	0.00%	(9.94%)
SYNACOR:	SYNC	1.43	(15.89%)	(18.29%)
TIVO:	TIVO	9.45	20.54%	9.50%
UNIVERSAL ELEC:	UEIC	61.98	(0.45%)	20.70%
VONAGE:	VG	4.46	(5.11%)	(22.3%)
YAHOO:	YHOO	34.86	(0.88%)	4.81%

**TELCOS**

AT&T:	T	38.88	0.83%	12.99%
CENTURYLINK:	CTL	31.16	(1.7%)	23.85%
FRONTIER:	FTR	5.27	(0.19%)	12.85%
TDS:	TDS	28.43	0.60%	9.81%
VERIZON:	VZ	53.56	0.60%	15.88%

**MARKET INDICES**

DOW:	DJI	17515.73	(0.49%)	0.52%
NASDAQ:	IXIC	4773.50	(0.46%)	(4.67%)
S&P 500:	GSPC	2035.94	(0.66%)	(0.39%)

## WINNERS &amp; LOSERS

**THIS WEEK'S STOCK PRICE WINNERS**

COMPANY	CLOSE	1-WK CH
1. TIVO:	9.45	20.54%
2. MICROSOFT:	54.21	1.35%
3. SEACHANGE:	5.33	0.95%
4. AT&T:	38.88	0.83%
5. TDS:	28.43	0.60%

**THIS WEEK'S STOCK PRICE LOSERS**

COMPANY	CLOSE	1-WK CH
1. SYNACOR:	1.43	(15.89%)
2. NEXSTAR:	42.56	(11.65%)
3. GRAY TELEVISION:	11.50	(9.38%)
4. AVID TECH:	6.44	(8.91%)
5. ENTRAVISION:	7.15	(6.9%)

# 100

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