

# Cablefax Daily™

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What the Industry Reads First

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## OTT Tuesday: Starz Launches Standalone OTT Service

Following the launch of **HBO Now** and **Showtime's** OTT service last year, **Starz**, as expected, joined the direct-to-consumer business Tues with its own \$8.99 a month service through a new Starz app accessible across platforms. In an interview with **CNBC** Tues, CEO *Chris Albrecht* said the service primarily targets "an audience that previously hasn't been able to access premium channels." The programmer watched HBO and Showtime's OTT efforts and decided to develop the service using in-house resources. "The timing is great because the marketplace has been explored, and we have put our toe in the water with our delivery of OTT with **Amazon**..." Albrecht said. Starz reached a deal with Amazon in Dec to offer the net as an add-on service to Amazon Prime subs. The new Starz OTT offering is cheaper than HBO's \$14.99 per month service and Showtime's \$10.99 per month service. "We are priced to sell," Albrecht, the former HBO chmn/CEO said. The net's original programming strategy has delivered a diverse audience, he said. Moving forward, Albrecht hopes the all-in-one app could expand Starz's sub base. The increased online video consumption means viewers will create their array of entertainment choices, whether pay-TV bundles, SVOD services or a combination of different viewing options, the exec said. And Starz aims to include its MVPD partners as it expands the service. Starz subs from cable, satellite and telco partners can authenticate and view Starz in the new app. MVPDs are encouraged to take the app and market it to their pay-TV customers, Albrecht said. Starz is in conversations with all of its major distributors, and those conversations, while early, have been "fruitful and productive," *Jeff Hirsch*, pres of global marketing and product planning told us. It's "fair to say that our multichannel distributors see the upsell potential of our recent Starz rebranding and **Starz Encore** repositioning, bringing all of those services under the singular STARZ master brand. The new app is the latest extension of those efforts, and how we are ultimately targeting a new portion of their customer base that is currently not able economically to afford premium subscriptions," he said. Starz has long been in rumored M&A talks with **Lionsgate** and speculation has increased recently after Lionsgate disclosed in a Feb SEC filing that it's looking to discuss a "mutually beneficial combination of the two companies." How's the launch of the standalone streaming service affecting Starz's M&A potential? "Selling your company is never your strategy... M&A is something that's hard to achieve in the entertainment business..." Albrecht said. The company is focusing on growing its business, he said. Initially, the service offers a library of more than 2,400 on-demand titles, including Starz originals such as "Power," "Outlander," and the upcoming "American Gods." And the service features the 1st-ever download capabilities from a premium pay-TV streaming offering, allowing up to 4 users to watch simultaneously and virtually unlimited downloads. To drive usage, the programmer is making the 2nd installment premiere ep of Outlander available through the service on Thurs for streaming and download ahead of its linear debut on Fri. The service also offers programming from Starz sister nets, **Movieplex** and Starz Encore. Other subscription-based streaming services such as HBO Now and **Netflix** have experienced password sharing problems. Hirsch said "we certainly will not take matters of unauthorized sharing for granted, but our primary concern at Starz is providing the ultimate customer and

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user experience and growing our overall business. We think a simple, sleek all-in-one app that provides a single destination for both authenticated and direct digital purchase is the best solution for STARZ..."

**Twitter Scores NFL Deal:** Following its streaming deal with **Yahoo**, **NFL** struck another rights deal, this time with **Twitter**, to live stream the 2016 season of Thurs Night Football online through the social media site for free. Twitter reportedly paid \$10mln for the 10-game package. Twitter's investor relations Twitter account said the company included the NFL deal expense in 2016 financial guidance provided on its 4Q earnings conference call. There's no official press release from the companies, but the NFL and its commissioner **Roger Goodell** confirmed the news Tues on Twitter. The NFL previously streamed individual games, but the move marked the 1st season streaming deal. While **CBS** and **NBC** have broadcast rights for Thurs night games, **Verizon** has the mobile rights. **ACA** likes the fact that "consumers will be able to watch these games online for free, and the cost won't be thrust on MVPD customers so long as they remain free or Twitter collects fees directly from the customers who want to receive the content," a spokesman said.

**Comcast Fires Back at Allen:** **Comcast** told the **FCC** to reject a petition by **Byron Allen's Entertainment Studios** and the **National Association of African-American Owned Media (NAAOM)**. The pair recently petitioned the agency for enforcement of what they claimed Comcast's alleged failure to honor its commitment to add African American-owned cable nets. In a filing with the agency Tues, Comcast called Entertainment Studios and NAAOM "serial litigants" that have filed discrimination suits against companies like **AT&T**, **DirectTV**, **Time Warner Cable** and **Charter**. Entertainment Studios' suit against Comcast was dismissed by a judge last year, but an amended complaint was refiled. Comcast's request to dismiss the amended suit is pending. "Faced with overwhelming and undeniable evidence that Comcast is a firm supporter not only of networks that are owned by African Americans, but also of African-American focused programming, petitioners have resorted to baseless allegations against Comcast's African American business partners, whom they offensively label as 'token[s]' and 'window dressing,'" Comcast told the FCC. The MSO said it has fulfilled its merger conditions and has met its commitment on diverse programming.

**Bright House Expands TVE Lineup:** **Bright House** added more nets to its TVE lineup, with more than 80 nets now available through the Bright House TV App for subs. The newly added nets include **BBC America**, **Discovery Channel**, **DIY Network**, **Food Network**, **FS1**, **FX**, **Nat Geo**, **Travel Channel** and more.

**AT&T/Hyatt Deal:** Through its acquisition of **DirectTV**, **AT&T** scored a master service agreement with **Hyatt** to offer free DirectTV video in nearly 75K hotel rooms nationwide. The deal is an extension of DirectTV's existing relationship with Hyatt.

**Comcast/Disney Deal:** **Comcast** entered into a licensing agreement with the **Walt Disney Studios** Tues to offer digital library titles and new releases from **Disney**, **Walt Disney Animation Studios**, **Disney•Pixar**, **Marvel Studios**, **Lucasfilm**, **DisneyNature** and **Touchstone Pictures** via the Xfinity On Demand digital store. Comcast will also join Disney Movies Anywhere, a cloud-based digital content platform, as a participating retailer with an official launch to be announced later.

**Cablevision Launches Political Insights Tool:** **Cablevision Media Sales** is offering a political insights tool to enable more relevant and effective data-driven ad campaigns. The tool, supported by Cablevision's Total Audience Data, is already being used in the market for campaign and issue-based media plans.

**Watchathon Returns:** **Comcast's** Xfinity On Demand Watchathon Week is back for the 4th year, offering Xfinity video

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customers free access to content from premium, cable and broadcast nets. Starting April 18, this year's Watchathon Week features more than 250 shows from 50+ nets.

**African Channel Sales Update:**

The African Channel has retained HotMedia to handle affiliate sales and distribution, and T Media Sales to oversee all ad sales for the net. Under the deal, HotHouse Media will work with MVPD distributors to expand the channel's footprint in US markets.


**TWC's Earth Day Challenge: Time Warner Cable**

is teaming with the Imagination Foundation to launch the 2016 Earth Day Cardboard Challenge, in which kids and adults can create sustainable solutions out of cardboard and other recycled materials. The move is part of TWC's "Go Green" and Connect a Million Minds initiatives. The challenge will wrap up around Earth Day, April 22 when communities all over the country will present the students' creations.

**People:** Health entertainment media firm Z Living expanded its ad sales team across the US. Joining the network as svp, sales & marketing for the Central and Western US regions is vet cable exec Lisabeth Hayes. Also joining Z Living and reporting to Hayes are Rudy Balderama, who serves as vp, advertising sales, Western region, and Concha Christian, who is vp, national media sales. The company also tapped Daija Arias as vp, new business development.

## Cablefax Daily Stockwatch

Company	04/05 Close	1-Day Ch	Company	04/05 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
DISH:	44.70	(1.21)	ECHOSTAR:	42.54	(0.67)
ENTRAVISION:	7.09	(0.15)	GOOGLE:	737.80	(7.49)
GRAY TELEVISION:	11.65	0.01	HARMONIC:	3.23	(0.05)
MEDIA GENERAL:	16.37	(0.19)	INTEL:	31.90	(0.1)
NEXSTAR:	45.02	(0.37)	INTERACTIVE CORP:	45.58	(0.62)
SINCLAIR:	30.80	0.03	LEVEL 3:	51.40	(1.24)
TEGNA:	22.25	(0.13)	MICROSOFT:	54.56	(0.87)
<b>MSOS</b>					
CABLE ONE:	436.55	1.71	NETFLIX:	104.94	0.59
CABLEVISION:	32.65	(0.32)	NIELSEN:	52.33	(0.61)
CHARTER:	203.31	(2.04)	SEACHANGE:	5.67	(0.01)
COMCAST:	61.13	(0.3)	SONY:	25.69	0.08
GCI:	17.57	(0.77)	SPRINT NEXTEL:	3.50	0.06
LIBERTY BROADBAND:	58.46	(0.35)	SYNACOR:	1.39	0.04
LIBERTY GLOBAL:	37.97	(1.04)	TIVO:	8.97	(0.01)
SHAW COMM:	18.99	(0.16)	UNIVERSAL ELEC:	62.02	(0.68)
SHENTEL:	26.54	(0.69)	VONAGE:	4.60	UNCH
TIME WARNER CABLE:	204.51	(1.48)	YAHOO:	36.41	(0.61)
<b>PROGRAMMING</b>					
21ST CENTURY FOX:	28.35	(0.23)	<b>TELCOS</b>		
AMC NETWORKS:	64.81	0.95	AT&T:	39.19	(0.17)
CBS:	54.26	(0.56)	CENTURYLINK:	32.10	(0.13)
CROWN:	5.08	0.01	FRONTIER:	5.23	(0.19)
DISCOVERY:	28.62	(0.26)	TDS:	29.47	(1.09)
DISNEY:	97.00	(1.68)	VERIZON:	54.09	(0.33)
GRUPO TELEVISA:	26.61	(0.86)	<b>MARKET INDICES</b>		
HSN:	51.20	(0.25)	DOW:	17603.32	(133.68)
LIONSGATE:	20.41	(0.5)	NASDAQ:	4843.93	(47.86)
MSG NETWORKS:	16.94	(0.09)	S&P 500:	2045.17	(20.96)
SCRIPPS INT:	66.68	(0.58)			
STARZ:	25.12	(0.61)			
TIME WARNER:	72.72	(0.84)			
VIACOM:	42.27	(0.73)			
WWE:	16.77	0.21			
<b>TECHNOLOGY</b>					
ADDVANTAGE:	1.88	(0.01)			
AMDOCS:	58.82	(1.29)			
AMPHENOL:	58.21	(0.01)			
APPLE:	109.81	(1.31)			
ARRIS GROUP:	22.13	(0.68)			
AVID TECH:	6.24	(0.13)			
BLNDER TONGUE:	0.41	(0.01)			
CISCO:	27.58	(0.56)			
COMMSCOPE:	27.52	(0.19)			
CONCURRENT:	6.27	0.04			
CONVERGYS:	26.54	(0.22)			
CSG SYSTEMS:	45.17	(0.16)			



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