

Cablefax Daily™

Monday — April 11, 2016

What the Industry Reads First

Volume 27 / No. 068

SeaChange Rumbling: Shares Plummet Following CEO Change, 4Q Results

Shares of **SeaChange** took a deep dive Fri, down more than 30% in the late pm trading session. In a somewhat unexpected move, the company announced that former CEO *Jay Samit* was terminated “without cause” and named *Edward Terino*, who joined the company last year as COO, the new chief exec. It’s the 2nd time in 2 years that the company has changed its CEO. Samit succeeded *Raghu Rau* in Oct, 2014. Rau was named CEO in April, 2012, following 5 months as the interim leader. The company also reported disappointing 4Q earnings results: \$27.2mln in revenue and \$22.1mln in operating losses, compared to a revenue of \$31.3mln and a loss of \$5.3mln a year ago. SeaChange counts companies like **Comcast, Cox, Bright House, RCN** and **Liberty Global** as customers. Following the announcement, **Noble Financial** analysts downgraded SeaChange from “Buy” to “Hold,” saying they believe Samit’s termination was due to a failed acquisition and the company’s aggressive push into OTT growth initiatives, which had limited near-term revenue opportunities. The company’s 4Q results included charges of \$22.3mln, primarily from the loss from impairment of **Timeline Labs** net assets, as well as severance and other restructuring costs. SeaChange paid more than \$22mln to acquire social media analytics firm Timeline Labs in 2014. With the acquisition, it launched NewCoin, an initiative to better measure local TV ratings, through a joint venture that also includes **Fox TV Stations, Univision** and **Tribune Media**. Company chmn *Steve Craddock* shed some light on the CEO replacement decision during an earnings call late Thurs. SeaChange’s board reviewed the Timeline Labs and NewCoin initiatives as well as the expansion into the OTT market (under Samit’s leadership) and came to the conclusion that “we were not getting the financial results that we expected from many of these initiatives and that the capital required to continue to fund Timeline and NewCoin in 2016 would not be in the best interest of the shareholders,” Craddock said. And through the hiring of several key execs, SeaChange is “strengthening itself as a software company and transitioning its core products to operate in a cloud environment. As a result of these developments, the board determined that a change in leadership at this time was in the best interest of the shareholders, the customers, partners, and employees,” he said. As part of a termination agreement, Samit will receive \$750K from SeaChange, according to an SEC filing. The company will also pay Samit \$625K in satisfaction of his fiscal

100 Cablefax

Advertise Today!

Celebrate Top Executives, Promote Your Brand & Reach the Cablefax 100 and their teams!

Bonus Distribution: INTX Attendee Bags & Pub Bins, WICT Luncheon & Hall of Fame Dinner

Contact:

Rich Hauptner at rhauptner@accessintel.com

Olivia Murray at omurray@accessintel.com

Jo Ben-Atar at jbenatar@accessintel.com



Ad Space Close: April 14
Publication Date: May 16

TOP OPS AWARDS

WHO ARE CABLE'S BEST OPERATORS?

Nomination Deadline April 15, 2016 – Free to Enter!

The Top Ops Awards recognize excellence in a variety of areas, including marketing, technology, finance, lifetime achievement, customer service and community involvement.

Help us compile this influential list of MSOs and Independent Operators by nominating the companies and executives you think should be included in our annual list of leading cable operators.



Independent Operator Awards*

- Independent Operator of the Year
- Independent Customer Service Award
- Independent Financial Executive of the Year
- Independent Lifetime Achievement Award
- Independent Marketer of the Year
- Independent Project Launch of the Year
- Independent Financial Executive of the Year
- Independent System Executive of the Year
- Independent Technology Award
- Social Media Maverick Award

* In Conjunction with NCTC and ACA

MSO Awards Categories

- MSO of the Year
- Community Service Award System-Level
- Customer Care
- Financial Executive of the Year
- Leadership Award
- Lifetime Achievement Award
- Project Launch of the Year
- Regional Executive of the Year
- Sales Team of the Year
- Social Media Maverick Award
- Technology Award

The Top Ops winners will be honored in the July issue of Cablefax: The Magazine. The Independent Operator of the Year Award (IOY) is presented in conjunction with ACA and NCTC— and the IOY Award is presented at the July Independent Show.

Contact Mary-Lou French at mfrench@accessintel.com with any questions.

For sponsorship opportunities, contact Rich Hauptner at rhauptner@accessintel.com.

CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefax.com ● 301.354.2101 ● Editorial Director: Amy Maclean, 301.354.1760, amaclean@accessintel.com ● Publisher: Michael Grebb, 323.380.6263, mgrebb@accessintel.com ● Sr. Editor: Joyce Wang, 301.354.1828, jwang@accessintel.com ● Cablefax/Screenster Editor: Kaylee Hultgren, 646.764.8267, khultgren@accessintel.com ● Advisor: Seth Arenstein ● Dir. of Business Dev.: Rich Hauptner, 203.899.8460, rhauptner@accessintel.com ● Acct. Exec: Olivia Murray, 301.354.2010, omurray@accessintel.com ● Dir of Market Dev: Laurie Hofmann, 301.354.1796, lhofmann@accessintel.com ● Production: Joann Fato, jfato@accessintel.com ● Diane Schwartz, SVP Media Comms Group, dschwartz@accessintel.com ● Group Subs: Laurie Hofmann, 301.354.1796, lhofmann@accessintel.com ● Sub Questions, Client Services: 301.354.2101, clientservices@accessintel.com ● Annual subscription price: \$1,699.97/year ● Access Intelligence, LLC, 9211 Corporate Blvd., 4th Floor, Rockville, MD 20850

2016 and fiscal 2017 annual bonuses. On the earnings call, Terino spent most of his time discussing his strategy to turn the company around. “Based on the exciting reality of anywhere anytime video consumption, our strategy for the Company is as follows: innovate new products to help our customers monetize their video assets,” he said. He hinted that some new products are coming this year, without offering further details. Cloud will play a key role moving forward. The company seeks to leverage its existing products by offering them to customers in a cloud environment, Terino said. He also plans to broaden SeaChange’s customer base by signing on new service providers and content owner customers for video back office, content management and advertising.

Liberman vs Comcast: Liberman Broadcasting, which owns Spanish-language network **Estrella TV**, filed a program carriage complaint at the **FCC** against **Comcast**, saying the MSO has discriminated against Estrella TV for the purpose of benefitting its own Spanish-language nets **Telemundo** and **NBC Universo**. In addition, the broadcaster accused the MSO of violating the **NBCUniversal** merger condition by seeking to “exert its market position to unlawfully force Estrella to relinquish the digital rights to its own content as a condition for carriage.” “We hope the FCC will move swiftly to put a stop to Comcast’s egregious behavior not only for the good of our network, but also to send a message to all independent programmers that they need not endure unlawful abuse at the hands of Comcast,” said Liberman pres Lenard Liberman in a statement. The complaint noted Estrella TV’s stations were dropped in 3 markets last year, including Denver, Houston and Salt Lake City, as the companies failed to agree to a retrans deal. Comcast fired back, saying the complaint is just the latest attempt by Liberman to “extract carriage and fees from Comcast that are in no way justified based on the weak performance of Estrella TV.” “Liberman Broadcasting has no case based on the law or the facts. First, as a threshold matter, the program carriage rules simply do not cover broadcasters like Liberman. They do not apply to broadcast networks. Second, Comcast did not drop Estrella TV; Liberman pulled the broadcast stations in three markets, and Comcast continues to carry Estrella TV to about six million subscribers across the country,” the company said. Regarding the decision to pull the Estrella TV signals in the 3 markets, Comcast said it negotiated in good faith for months before and it offered to continue to carry the stations under the existing arrangements. The decision to drop the stations was “a reasonable business judgment in the interest of our customers—and one that has been confirmed over the past year given the absence of any demand for Estrella TV in these markets,” Comcast said.

Set-top Filing: The LGBT Technology Partnership (LGBT Tech) is the latest group opposing the **FCC’s** set-top proposal. In a filing with the agency Fri, the group said it’s “seriously concerned that the proposal permits third parties to gather, use and disseminate private information about viewers, including sensitive personal and aggregate information from members of the LGBT community.” In addition, allowing 3rd parties to decide how to bundle, promote and exhibit “niche” and minority content, such as LGBT content, while allowing these 3rd parties to “self-certify” their compliance with privacy rules, would “put at risk consumers who have come to rely on these rules for the protection of their private data.” LGBT Tech is also concerned the proposed regulations could have significant unintended consequences for minority and diverse programmers. “The FCC’s proposal would result in independent programmers losing control over how their content is presented, potentially resulting in diminished placement, exposure and revenues,” the group said, urging the Commission to use the apps-based model, an approach that cable generally supports. Chmn *Tom Wheeler* said the proposal is the start of an information gathering process, which will have a 60-day comment period.

Walkers Ratings: AMC’s “The Walking Dead” season 6 90-min finale Sun night scored 18.4mIn viewers and 11.5mIn adults 18-49 in **Nielsen** live+3 ratings. The ep is expected to generate more than a million additional digital views. The “Talking Dead” finale bagged 7.4mIn viewers in live+3 ratings, including 4.5mIn adults 18-49 (3.5 US RTG) and 4.7mIn adults 25-54.

AMC Campaign: AMC will launch a multiplatform campaign to promote the season 3 premiere of its war drama “Turn: Washington’s Spies.” The initiative takes on the current presidential election by adding George Washington to the mix of current candidates. A “Washington 1778” digital/social platform was launched Fri, where the net will “run” *George Washington* for pres, against the current candidates in the race. Other elements include the introduction of season 3 key art, appearing in select markets through outdoor billboards and on bus sides.

Cablefax Week in Review

Company	Ticker	4/08 Close	1-Week % Chg	YTD %Chg
BROADCASTERS/DBS/MMDS				
DISH:	DISH	43.45	(6.14%)	(24.01%)
ENTRAVISION:	EVC	7.13	(5.44%)	(7.52%)
GRAY TELEVISION:	GTN	11.64	(1.85%)	(28.59%)
MEDIA GENERAL:	MEG	16.60	(0.3%)	2.79%
NEXSTAR:	NXST	45.61	(0.48%)	(22.3%)
SINCLAIR:	SBGI	31.03	0.13%	(4.64%)
TEGNA:	TGNA	22.68	(0.61%)	(11.13%)

Company	Ticker	4/08 Close	1-Week % Chg	YTD %Chg
MSOS				
CABLE ONE:	CABO	441.03	(0.11%)	1.70%
CABLEVISION:	CVC	32.93	(0.09%)	3.23%
CHARTER:	CHTR	202.55	(0.45%)	10.68%
COMCAST:	CMCSA	61.60	(0.42%)	9.16%
GCI:	GNCMA	17.95	(3.39%)	10.19%
LIBERTY BROADBAND:	LBRDA	57.76	(1.42%)	11.83%
LIBERTY GLOBAL:	LBTYA	39.02	0.26%	(7.88%)
SHAW COMM:	SJR	18.95	(2.02%)	10.24%
SHENTEL:	SHEN	26.55	(4.15%)	(38.33%)
TIME WARNER CABLE:	TWC	204.46	(0.28%)	10.17%

Company	Ticker	4/08 Close	1-Week % Chg	YTD %Chg
PROGRAMMING				
21ST CENTURY FOX:	FOXA	28.59	0.00%	5.27%
AMC NETWORKS:	AMCX	64.45	(2.11%)	(13.7%)
CBS:	CBS	54.12	(1.9%)	14.83%
CROWN:	CRWN	5.09	(0.2%)	(9.27%)
DISCOVERY:	DISCA	28.17	(2.53%)	5.58%
DISNEY:	DIS	96.42	(2.67%)	(8.24%)
GRUPO TELEVISIA:	TV	25.61	(6.87%)	(5.88%)
HSN:	HSNI	51.73	(2.05%)	2.09%
LIONSGATE:	LGF	20.20	(4.45%)	(37.64%)
MSG NETWORKS:	MSGN	16.46	(4.36%)	(20.87%)
SCRIPPS INT:	SNI	65.18	(3.31%)	18.06%
STARZ:	STRZA	24.94	(6.17%)	(25.55%)
TIME WARNER:	TWX	73.61	0.88%	13.82%
VIACOM:	VIA	41.39	(7.76%)	(5.91%)
WWE:	WWE	16.21	(6.25%)	(9.14%)

Company	Ticker	4/08 Close	1-Week % Chg	YTD %Chg
TECHNOLOGY				
ADVANTAGE:	AEY	1.85	(1.09%)	2.19%
AMDOCS:	DOX	58.07	(3.87%)	6.41%
AMPHENOL:	APH	58.37	(0.21%)	11.76%
APPLE:	AAPL	108.66	(1.21%)	3.23%
ARRIS GROUP:	ARRS	21.73	(4.44%)	(28.92%)
AVID TECH:	AVID	5.98	(10.21%)	(17.97%)
BLNDER TONGUE:	BDR	0.38	0.00%	(5%)
CISCO:	CSCO	27.69	(3.49%)	1.95%
COMMSCOPE:	COMM	27.64	0.00%	6.76%
CONCURRENT:	CCUR	6.10	(1.13%)	23.23%
CONVERGYS:	CVG	26.47	(4.58%)	6.35%
CSG SYSTEMS:	CSGS	45.39	(0.98%)	26.15%
ECHOSTAR:	SATS	40.65	(7.49%)	3.94%
GOOGLE:	GOOG	739.15	(1.43%)	(2.6%)
HARMONIC:	HLIT	3.09	(6.08%)	(24.08%)
INTEL:	INTC	31.63	(2.53%)	(8.19%)
INTERACTIVE CORP:	IAC	46.84	0.45%	(22%)
LEVEL 3:	LVT	51.83	(2.32%)	(4.65%)
MICROSOFT:	MSFT	54.42	(2.07%)	(1.91%)

Company	Ticker	4/08 Close	1-Week % Chg	YTD %Chg
NETFLIX:	NFLX	103.81	(1.79%)	(9.24%)
NIELSEN:	NLSN	52.51	(1.76%)	12.68%
SEACHANGE:	SEAC	3.82	(30.29%)	(43.32%)
SONY:	SNE	26.07	4.66%	5.93%
SPRINT NEXTEL:	S	3.50	(3.58%)	(3.31%)
SYNACOR:	SYNC	1.42	2.90%	(18.86%)
TIVO:	TIVO	8.86	(1.88%)	2.67%
UNIVERSAL ELEC:	UEIC	62.18	(0.27%)	21.09%
VONAGE:	VG	4.52	(2.59%)	(21.25%)
YAHOO:	YHOO	36.07	(1.12%)	8.45%

Company	Ticker	4/08 Close	1-Week % Chg	YTD %Chg
TELCOS				
AT&T:	T	38.50	(1.41%)	11.89%
CENTURYLINK:	CTL	31.88	(0.93%)	26.71%
FRONTIER :	FTR	5.25	(4.02%)	12.42%
TDS:	TDS	29.00	(4.76%)	12.01%
VERIZON:	VZ	52.18	(3.41%)	12.89%

Company	Ticker	4/08 Close	1-Week % Chg	YTD %Chg
MARKET INDICES				
DOW:	DJI	17576.96	(1.21%)	0.87%
NASDAQ:	IXIC	4850.69	(1.3%)	(3.13%)
S&P 500:	GSPC	2047.60	(1.21%)	0.18%

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. SONY:	26.07	4.66%
2. SYNACOR:	1.42	2.90%
3. TIME WARNER:	73.61	0.88%
4. INTERACTIVE CORP:	46.84	0.45%
5. LIBERTY GLOBAL:	39.02	0.26%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. SEACHANGE:	3.82	(30.29%)
2. AVID TECH:	5.98	(10.21%)
3. VIACOM:	41.39	(7.76%)
4. ECHOSTAR:	40.65	(7.49%)
5. GRUPO TELEVISIA:	25.61	(6.87%)

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.

