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What the Industry Reads First

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Ratings Reckoning: Coalition Pushing for Changes on TV Ratings System

Decency and violence on TV is one of those issues that rear its head every few years—often around election time. And while some lawmakers who have been big players in this subject have retired—Sen *Jay Rockefeller* comes to mind—it never really disappears. The **Parents Television Council** has mounted a campaign to reform the TV content ratings system, writing the **FCC** commissioners with other groups Mon to ask them to take immediate steps to evaluate whether the current age-based ratings system is working. “Given the lack of family-appropriate content on broadcast television, many families turn to cable as offering some alternatives. But bringing cable into your home today is like opening Pandora’s box,” said the letter, signed by PTC, **American Family Assn** and 25 other groups. “Content on networks that are part of the basic cable programming bundle can rival that found on premium cable channels like **HBO**, **Showtime** or **Cinemax**, making a parents’ job of protecting their children from harmful media content much, much harder.” The ’96 Telecom Act called upon the industry to create a voluntary TV ratings system that works in conjunction with the V-Chip, a blocking device on TV sets. PTC specifically called out some broadcast fare, including **ABC’s** “The Real O’Neals” and **NBC’s** “Game of Silence.” The former is described as an excuse for a “barrage of explicit teenage sex talk,” including “humorous references to child molestation,” while it seemed to think NBC’s drama is worthy viewing for adults but questions the TV-14 rating. Mon’s letter asks the FCC to overhaul the **TV Oversight Monitoring Board**, which is comprised of 24 members—18 reps from broadcast, cable and creative communities, 5 public interest members and the chmn (currently **MPAA** chmn/CEO *Christopher Dodd*). “TVOMB is not accountable to anyone outside its own membership, nor is it transparent to the parents it supposedly serves. Most Americans don’t even know TVOMB exists. They don’t know that TVOMB is in charge of the ratings system, or how to contact its members,” the coalition wrote. TVOMB said the industry regularly reviews the TV ratings to ensure they continue to be useful to parents. “According to a survey conducted in 2014 by **Hart Research Associates**, almost 95 percent of parents say they are aware of the TV ratings system, while 72 percent of parents say they use the TV ratings and 84 percent of parents find the TV ratings system helpful,” said *Missi Tessier*, spokeswoman for the Executive Secretariat of the TV Parental Guidelines Monitoring Board. All of this comes on the heels of a group of academic researchers asking the FCC and Congress to hold hearings on the effectiveness of the ratings system. Their complaints include ratings being

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applied in an inconsistent manner and a ratings creep—with ratings becoming more lenient over time. Children's ratings are TV-Y for programming designed for all children and TV-Y7 for children 7 or older. For general audience categories: it's TV-G (appropriate for all ages), TV-PG (parental guidance suggested), TV-14 (parents strongly cautioned may be unsuitable for children under 14); and TV-MA (for mature audiences only, may be unsuitable for children under 17). When the TVOMB receives a complaint about the rating of a particular program, the chmn determines if it will be brought before the board for adjudication. If the complaints are widespread, the chairman notifies board members and calls a meeting to review the rating. If the majority determines a show is incorrectly rated and the producer or network agrees to change the rating on future airings, the issue is concluded. If they do not agree with the board's decision, TVOMB will make its views public.

Liberty on Charter: Greg Maffei said **Liberty Broadband**, whose principal assets consist of its interest in **Charter**, subsidiary **TruePosition** and a minority equity investment in **Time Warner Cable**, continues to be impressed with Charter's results. As for the concessions Charter gave in receiving approval from the **FCC** and **DOJ** on the TWC deal, they were "meaningful," according to Maffei. "Certainly, no one would like to be 7 years on either interconnect or usage-based pricing... No one wants to run their business with that lack of flexibility," the **Liberty Media** CEO said. "On the other hand, I don't think we had that built into our projections, so from a financial perspective, I don't believe it's totally harmful." The **CA PUC** is set to vote on the deal this week, with Maffei predicting that any concerns the body has can be met "relatively easy." -- A few financial tidbits from Mon's 1Q results: Liberty Media expects to get approx \$48mln in pre-tax proceeds from **Hallmark Cards'** purchase of **Crown Media** (it had 3% ownership in Crown); **Liberty SiriusXM's** rev increased 12% to \$1.2bln and adjusted OIBDA increased 9% to \$439mln. **Liberty Interactive** posted a profit of \$206mln vs \$237mln a year ago, while rev grew 22% to \$2.37bln.

Mobile Security Probe: With more content being consumed on mobile platforms, security has become a top concern. The **FCC** teamed with the **FTC** to examine mobile security issues. **Wireless Bureau** Chief *Jon Wilkins* wrote to mobile carriers asking questions regarding their processes for reviewing and releasing security updates for mobile devices. FTC, on the other hand, ordered 8 mobile device vendors to provide the agency with information about how they issue security updates to address vulnerabilities in smartphones, tablets and other mobile devices.

Comcast's Ad Tech Acquisition: **Comcast** reportedly acquired French ad tech firm **StickyAds** for more than \$100mln. The startup, founded in 2009, specializes in helping companies sell video advertising inventory, both online and on TV. Following the acquisition, the company will join the FreeWheel division, the ad tech platform Comcast acquired 2 years ago. StickyAds' customers include France's **TF1**, **Yahoo**, **Deezer**, **France Télévisions** and **Spiegel TV**.

MNF Change: It's a new era for Monday Night Football, with *Mike Tirico* leaving **ESPN** for **NBC Sports** come July 1. He'll lend his play-by-play expertise to a number of high profile events, including Sunday Night Football, Thursday Night Football and the Summer and Winter Olympics. Tirico called play-by-play for ESPN's MNF from '06-'15, making him 1 of only 4 announcers to work primetime **NFL** games for at least 10 seasons. ESPN tapped *Sean McDonough* as the new play-by-play announcer for MNF—making him only the 5th in the franchise's 46-year history. He's been with ESPN since 2000 and previously worked for the net from '89-95.

Comcast Teams with Billboard Music Awards: **Comcast** Xfinity is teaming with the "2016 Billboard Music Awards." As part of the partnership, Xfinity X1 customers can access Xfinity On Demand content, a live stream of the red carpet, an encore performance from Fifth Harmony, in addition to the live broadcast of the awards on **ABC**. Leading up to the Billboard Music Awards, Comcast will offer content to Xfinity subs including clips of the most memorable moments in BBMA history, profiles of finalists and performers, panel discussions around all things music, and an original red carpet fashion series, as well as behind-the-scenes content.

Fullscreen Rebrand: As part of **Fullscreen's** rebrand and restructuring, the company will become **Fullscreen Media**, which includes Fullscreen Creator Network, Fullscreen Entertainment and Fullscreen Brandworks. Fullscreen Creator Network provides services including audience development, programming support, distribution, content production, merchandising and management. Fullscreen Entertainment reaches social-first consumers through creator-driven experiences from Fullscreen Live, content from Rooster Teeth and Fullscreen Productions, and SVOD services "Rooster Teeth" and "Fullscreen." Launched on April 26, Fullscreen SVOD service is now available globally

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across platforms for \$4.99 a month. Fullscreen Brandworks is a team of content and marketing providers that will partner with brands to produce original entertainment content.

Golf Channel/Nationwide Deal:

Golf Channel and **Nationwide** formed a partnership to honor the legacy of *Jack Nicklaus*, who founded the Memorial Tournament 40 years ago. The partnership includes Golf Channel's Golf Central being produced live from the home of the Memorial Tournament, Muirfield Village Golf Club, and Morning Drive providing live content from onsite.

Sprint Enters Wireline Enterprise

Game: The enterprise market got a little crowded as **Sprint** launched its wireline business unit to offer IP-based services to business customers worldwide. The unit will partner with Sprint's wireless enterprise division to provide integrated communications services, including dedicated Internet access, global VoIP and media streaming services, unified communications, managed security, remote mobile access and Ethernet.

Programming: **Syfy** booked pilot "Krypton," the Superman prequel set generations before the destruction of Superman's home planet.

People: **TV One** promoted *Rahsan-Rahsan Lindsay* as evp, ad sales and marketing. Prior to joining TV One in 2011, Lindsay spent almost 8 years in ad sales for **MTV Networks**.

Cablefax Daily Stockwatch

Company	05/09 Close	1-Day Ch	Company	05/09 Close	1-Day Ch			
BROADCASTERS/DBS/MMDS								
DISH:	47.67	0.97	GOOGLE:	712.90	1.78			
ENTRAVISION:	7.94	0.09	HARMONIC:	3.32	0.02			
GRAY TELEVISION:	12.34	(1.3)	INTEL:	29.80	(0.24)			
MEDIA GENERAL:	17.60	(0.02)	INTERACTIVE CORP:	53.90	0.12			
NEXSTAR:	53.22	(0.12)	LEVEL 3:	51.36	(0.42)			
SINCLAIR:	32.09	(0.15)	MICROSOFT:	50.07	(0.32)			
TEGNA:	22.81	(0.12)	NETFLIX:	90.54	(0.3)			
MSOS								
CABLE ONE:	488.67	3.18	NIELSEN:	51.70	0.42			
CABLEVISION:	34.60	0.10	SEACHANGE:	3.41	(0.12)			
CHARTER:	213.48	0.56	SONY:	23.93	0.06			
COMCAST:	61.42	UNCH	SPRINT NEXTEL:	3.40	(0.14)			
GC:	17.41	(0.28)	SYNACOR:	3.15	(0.3)			
LIBERTY BROADBAND:	58.49	(0.1)	TIVO:	9.75	0.11			
LIBERTY GLOBAL:	37.36	0.10	UNIVERSAL ELEC:	63.86	(1.07)			
SHAW COMM:	18.31	(0.01)	VONAGE:	4.07	(0.02)			
SHENTEL:	30.29	0.02	YAHOO:	37.18	(0.05)			
TIME WARNER CABLE:	213.79	0.63	TELCOS					
PROGRAMMING								
21ST CENTURY FOX:	29.41	(0.1)	AT&T:	38.86	(0.13)			
AMC NETWORKS:	67.91	(0.56)	CENTURYLINK:	28.21	(0.33)			
CBS:	56.00	(1.68)	FRONTIER:	5.25	(0.02)			
DISCOVERY:	28.15	(0.13)	TDS:	27.57	0.81			
DISNEY:	105.34	(0.2)	VERIZON:	51.08	(0.04)			
GRUPO TELEVISA:	26.60	(1)	MARKET INDICES					
HSN:	50.39	0.10	DOW:	17705.91	(34.72)			
LIONSGATE:	21.03	(0.55)	NASDAQ:	4750.21	14.05			
MSG NETWORKS:	17.28	0.08	S&P 500:	2058.69	1.55			
SCRIPPS INT:	65.08	(0.65)	TECHNOLOGY					
STARZ:	27.39	(0.15)	ADVANTAGE:	1.80	0.05			
TIME WARNER:	74.16	(0.73)	AMDOCS:	58.16	0.75			
VIACOM:	43.35	(1.19)	AMPHENOL:	56.17	0.31			
WWE:	17.06	(0.07)	APPLE:	92.79	0.07			
TECHNOLOGY								
ARRIS GROUP:	23.39	0.01	ARRIS GROUP:	23.39	0.01			
AVID TECH:	5.62	0.24	AVID TECH:	5.62	0.24			
BLNDER TONGUE:	0.42	0.01	BLNDER TONGUE:	0.42	0.01			
CISCO:	26.51	(0.02)	CISCO:	26.51	(0.02)			
COMMSCOPE:	29.56	0.01	COMMSCOPE:	29.56	0.01			
CONCURRENT:	6.26	0.05	CONCURRENT:	6.26	0.05			
CONVERGYS:	26.80	0.56	CONVERGYS:	26.80	0.56			
CSG SYSTEMS:	42.12	0.08	CSG SYSTEMS:	42.12	0.08			
ECHOSTAR:	39.58	(0.2)	ECHOSTAR:	39.58	(0.2)			



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CFX TECH by Joyce Wang

Arris Talks DOCSIS 3.1, ActiveVideo JV

Arris execs shed more light on the company's DOCSIS 3.1 deployment in the US and abroad, as well as its **ActiveVideo** joint venture with **Charter** during the company's earnings conference call last week. "Interest in DOCSIS 3.1 continues to build with many customers defining strategies to support sustained gigabit speeds and provide the necessary infrastructure to support large scale IP video delivery," Larry Robinson, pres of customer premises equipment said. He said Arris scored a commercial agreement with a Tier 1 international operator to deploy DOCSIS 3.1 later this year. While deployment of 3.1 is still in early stage, it will gain momentum throughout the year as new CPE devices become available, said *Bruce McClelland*, pres of network & cloud. **Comcast** is one of the 1st US major ops that have announced its initial DOCSIS 3.1 deployment plans this year. Its 3.1 suppliers include **Technicolor**, which completed its acquisition of **Cisco's** Connected Devices unit last year. The unit makes cable set-tops, modems and other CPE devices. Technicolor said its TC4000 modem is part of Comcast's 3.1 rollout in Atlanta. Arris is the other supplier. Its E6000 Converged Edge Router is used by Comcast in 4 DOCSIS 3.1 markets. McClelland noted Arris is developing the 2nd generation of E6000 products, which will support the new distributed access architectures. The first of these upgraded products will begin field trials in 3Q, said McClelland. Chmn/CEO *Rob Stanzione* said "we are no in the early launch stage" of DOCSIS 3.1 and the acceleration towards all-IP networks. He also expects telco and satellite spending in both advanced DSL and video businesses to accelerate throughout the year. Meanwhile, **Cablevision** announced in April that it's now offering **Hulu** to TV subs through their set-tops. That's the 1st time the SVOD service

is available directly through a pay-TV platform as a dedicated channel. Arris and Charter's joint venture ActiveVideo's Cloud TV platform supports the launch. McClelland noted Cablevision has been a ActiveVideo customer for quite a under different applications. The Hulu implementation is "a great use case that many operators could implement, so we hope that gains more momentum with other operators," he said. The exec acknowledged "there seems to be quite a bit of interest in obviously virtualizing capabilities or functionality into the cloud," whether they are users interfaces or full program guide.

UXP Scores Vodafone Contract: Toronto-based multiscreen firm **UXP Systems**, which counts companies like **CenturyLink**, **Rogers**, and **Cable & Wireless** as customers, scored a deal with **Vodafone** to unify user-based access using its MINT Digital Experience Engine, and to set a foundation for cloud, OTT and connected life services. UXP technology is expected to enable Vodafone customers simpler access and better usability. Vodafone will initially launch the MINT Digital Experience Engine in Germany.

NEC/Netcracker Update: Network technology firm **NEC** and its subsidiary **Netcracker Technology** launched their Agile Virtualization Platform and Practice (AVP), a set of tools, platforms and services designed to accelerate and ease the adoption and commercialization of Software-Defined Networking (SDN) and Network Functions Virtualization (NFV). Through the offering, AVP is expected to help operator customers identify, build and launch new revenue-generating services more quickly, manage and integrate existing and virtualized network operations and create agile development environments to support IT and network requirements.

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

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