

Cablefax Daily™

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What the Industry Reads First

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To the Mattresses: Fox News Fighting Charter's Adoption of TWC Rates

Another programmer is hoping the courts will prevent **Charter** from adopting **Time Warner Cable's** rate card. On Tues, **Fox News** filed a suit in NY Supreme Court claiming—as **Univision** did earlier this month—that Charter is perpetuating a ruse by claiming TWC is the acquiring entity. While the argument is the same, the situations that brought the lawsuits are slightly different. Univision's beef arose as Charter's contract was expiring. Instead of entering into renewal talks, the MSO said it was unnecessary because TWC's contract applied. In the case of Fox News, the programmer sent a letter last month declaring that a Time Warner Cable agreement (which was struck in 2006) was terminated on the closing date of the merger and TWC systems would be covered by a 2014 Charter deal that doesn't expire until Aug 31, 2018. Charter responded saying that the former TWC systems and the Charter systems are owned and managed by Spectrum Management Holding, a Time Warner Company. In its suit, Fox News argued that "New Charter" which acquired TWC has the same name, same ticker and virtually same leadership as old Charter. It also pointed to Charter's public interest statement at the FCC, which said licenses were being transferred to New Charter—and that while TWC's license transfer was a substantial change in control requiring FCC approval, Charter's transfer of its own licenses were "at most, pro forma." Charter issued a statement that was essentially the same as its response to Univision's suit: "We have a contract with Fox News and expect them to honor it." The lawsuit comes at an interesting time for Fox News. *Roger Ailes* is battling sexual harassment claims. On Tues, conflicting reports emerged at press time about a possible departure of Ailes. **21st Century Fox** responded with: "Roger is at work. The review is ongoing. And the only agreement that is in place is his existing employment agreement." All of this also comes as Fox News pulls incredible ratings. Of the 50 most-watched shows on cable last week, Fox News was home to 31. Early **Nielsen** data for night one of the GOP convention have Fox outdelivering cable and broadcast with 5.5mln viewers and 1.3mln in the 25-54 category from 8-11pm ET. **CNN** averaged 3.6mln viewers/1.2mln in the demo, while **MSNBC** averaged 2mln viewers/ 469K 25-54s.

Sallet Moves to DOJ: The man who successfully argued the **FCC's** case for Open Internet rules against challenges from cable, wireless and others is stepping down. *Jonathan Sallet* will join the **Justice Dept's** Antitrust Division as deputy assistant attorney gen for litigation, with *Howard Symons* to step into the FCC gen counsel roll. Before being

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appointed to the FCC's Incentive Auction Task Force in 2014, Symons was chair of the communications practice at **Mintz, Levin, Cohn, Ferris, Glovsky and Popeo** and served as sr counsel for the **House Telecom** subcmte.

ACC Network: Multiple reports have **ESPN** launching a linear **ACC Network** in 2019 and a digital offering by this fall. An official announcement could come as soon as this week's ACC's football kickoff event in Charlotte. ESPN launched its **SEC Network** in Aug 2014, without a lot of push back from distributors. Even **DISH**, which isn't big on RSNs, carries SEC. But will ACC have the same draw—particularly at a time when more distributors are drawing lines in the sand on programming costs? There's time to hammer it out, and the digital-first launch may prove to be a good testing ground.

BDS Extension: **NCTA, USTelecom** and **ITTA** have asked the **FCC** for more time in its special access/business data services proceeding. They want the deadline to file reply comments to be extended by 21 days, saying it's warranted given the voluminous comments in the "complicated and extremely consequential rulemaking." The FCC is contemplating a new framework for evolving the business data services market (AKA special access market) so that regulations apply across the board, not just ILECs.

5G Ahead: It may not be exactly clear what 5G will look like, but it's not for lack of work. **CableLabs** has joined the 5G Innovation Centre, a UK-based research center dedicated to making the technology a reality. As part of CableLabs' membership, it will sponsor a PhD student while gaining access to the output of the center, which houses 170 researchers and is a testbed for trialing 5G ideas.

GOP Party Platform: If you made it past the headlines over *Melania Trump's* speech, you may have seen that the **Republican National Committee** released its final party platform Mon. And not surprisingly, the party doesn't like the net neutrality rules passed during the *Obama* administration. "The President ordered the chair of the supposedly independent Federal Communications Commission to impose upon the internet rules devised in the 1930s for the telephone monopoly," the platform says. In the tech section, the platform encourages public-private partnerships for connecting rural areas, claiming the current administration has done little to advance the goal of universal broadband coverage. "We intend to facilitate access to spectrum by paving the way for high-speed, next generation broadband deployment and competition on the internet and for internet services. We want government to encourage the sharing economy and on-demand platforms to compete in an open market, and we believe public policies should encourage the innovation and competition that are essential for an Internet of Things to thrive," the platform reads.

Carriage: Health-entertainment network **Z Living** snagged a carriage deal with **AT&T U-verse**. It will be offered in SD and HD in the U200 package. Z Living is now available to about 40mIn homes, including **DISH, Verizon FiOS, Frontier** and **Cablevision** households. -- The **Hispanic Information and Telecommunications Network** will be available on **CenturyLink Prism TV** starting Wed. HITN-TV will be part of CenturyLink's Paquete Latino offering, available in all its markets.

Ratings: Following a strong Season 3 premiere Sun, **Starz** has greenlit "Power" for a 4th and 5th season, marking the first multi-season pick-up for the drama. Power garnered 2.26mIn live+SD viewers Sun night—the most ever for a Starz original series. It's a 58% uptick compared to the Season 2 premiere telecast. It gives credence to the net's decision to move originals to Sun nights. The premiere also was #2 in **Nielsen** Twitter TV daily ratings all day Sun. -- The Season 2 premiere of **Nickelodeon's** animated preschool series "Shimmer and Shine" performed double-digit gains over its first-season levels with kids 2-5 (+38%) and total viewers (+64%). It was that day's #1 telecast across all TV among kids 2-5 and girls 2-5.

Programming: **Disney** will introduce exclusive previews of upcoming Disney feature films during the premiere of "Elena of Avalor" Fri at 7pm (ET). The special content includes a first look at the upcoming series "LEGO Frozen Northern Lights," a scene from the upcoming Aug 12 Disney film "Pete's Dragon," the TV premiere of the trailer for the upcoming 2017 Disney film "Beauty and the Beast," and a trailer for the summer 2017 film "Descendants 2." -- New daily morning show "Good Morning Football" debuts live from New York City on the **NFL Network**, Aug 1 at 7am ET. Hosts *Kay Adams, Nate Burleson, Peter Schrager* and *Kyle Brandt* will discuss NFL news during the 3-hour show, coupled with a podcast, newsletter and original content for social media and digital platforms. --

BUSINESS & FINANCE

AMC and comedian *Chris Hardwick* struck an extensive multi-year deal in which Hardwick will host and executive produce multiple programs for AMC for 3 years. Hardwick will host the current and new “Talking” live after shows “Talking Dead,” “Talking Dead: Fear Edition,” “Talking Saul,” and “Talking Preacher.”

On the Circuit: General and scholarship applications for the Oct 2016 session of the **NAMIC** Leadership Seminar in San Diego are now being accepted. This two-day development seminar is open to all eligible professionals across the multicultural media spectrum. The application deadline is Sept. 14, 2016. Visit namic.com/dev/leadership-seminar.

People: **Starz** promoted 6 executives in the Business & Legal Affairs and Business & Creative Affairs groups in its Beverly Hills and Denver offices. *Carrie Dolce*, *Todd Hoy* and *Gavin Wise* were all elevated to svp, business & legal affairs. *Deanne Bloch* moves to vp, business & legal affairs; *John Martin* was promoted to vp, business & legal affairs – production labor relations; and *Janine Scalise Boyd* is now vp, business & creative affairs. -- **Spike TV** promoted *Lauren Ruggiero* to vp, scripted original series, where she will continue to broaden the development slate and co-manage scripted show production. She will report to *Ted Gold*, svp, scripted original series.

Cablefax Daily Stockwatch

Company	07/19 Close	1-Day Ch	Company	07/19 Close	1-Day Ch			
BROADCASTERS/DBS/MMDS								
DISH:	52.09	(0.23)	INTEL:	35.15	0.10			
ENTRAVISION:	7.26	(0.06)	INTERACTIVE CORP:	59.91	0.70			
GRAY TELEVISION:	11.29	(0.09)	LEVEL 3:	56.51	(0.22)			
MEDIA GENERAL:	17.69	0.02	MICROSOFT:	53.09	(0.87)			
NEXSTAR:	53.70	0.20	NETFLIX:	85.84	(12.97)			
SINCLAIR:	30.25	(0.26)	NIELSEN:	54.38	0.35			
TEGNA:	24.35	(0.18)	SEACHANGE:	3.25	0.06			
MSOS								
CABLE ONE:	525.15	3.28	SONY:	30.27	(0.03)			
CHARTER:	232.01	(2.33)	SPRINT NEXTEL:	4.52	(0.23)			
COMCAST:	67.09	0.23	SYNACOR:	3.12	0.11			
GCI:	15.97	(0.24)	TIVO:	10.37	(0.07)			
LIBERTY BROADBAND:	61.23	(0.47)	UNIVERSAL ELEC:	72.54	(0.69)			
LIBERTY GLOBAL:	31.62	(0.49)	VONAGE:	5.87	(0.21)			
SHAW COMM:	19.45	(0.06)	YAHOO:	38.17	0.22			
SHENTEL:	41.60	0.01	TELCOS					
PROGRAMMING								
21ST CENTURY FOX:	27.75	(0.27)	AT&T:	42.77	(0.08)			
AMC NETWORKS:	56.81	0.25	CENTURYLINK:	30.49	(0.43)			
CBS:	54.98	0.29	FRONTIER:	5.02	(0.18)			
DISCOVERY:	25.17	(0.13)	TDS:	31.14	(0.2)			
DISNEY:	99.47	(0.68)	VERIZON:	55.70	(0.23)			
GRUPO TELEVISIA:	27.10	0.10	MARKET INDICES					
HSN:	51.10	(0.56)	DOW:	18559.01	25.96			
LIONSGATE:	20.28	(0.19)	NASDAQ:	5036.37	(19.41)			
MSG NETWORKS:	16.25	(0.01)	S&P 500:	2163.78	(3.11)			
SCRIPPS INT:	65.89	0.06	TECHNOLOGY					
STARZ:	30.17	(0.1)	ADDVANTAGE:	1.84	0.01			
TIME WARNER:	78.08	0.17	AMDOCS:	57.65	(0.36)			
VIACOM:	48.97	(0.22)	AMPHENOL:	58.56	(0.52)			
WWE:	19.68	(0.49)	APPLE:	99.87	0.04			
TECHNOLOGY								
ARRIS GROUP:	25.10	0.13	AVID TECH:	6.21	(0.18)			
BLNDER TONGUE:	0.46	(0.05)	BLNDER TONGUE:	0.46	(0.05)			
CISCO:	29.92	0.01	CISCO:	29.92	0.01			
COMMSCOPE:	31.56	(0.11)	COMMSCOPE:	31.56	(0.11)			
CONCURRENT:	5.29	(0.01)	CONCURRENT:	5.29	(0.01)			
CONVERGYS:	26.65	0.11	CONVERGYS:	26.65	0.11			
CSG SYSTEMS:	41.20	(0.18)	CSG SYSTEMS:	41.20	(0.18)			
ECHOSTAR:	38.75	(0.43)	ECHOSTAR:	38.75	(0.43)			
GOOGLE:	736.96	3.18	GOOGLE:	736.96	3.18			
HARMONIC:	2.98	(0.1)	HARMONIC:	2.98	(0.1)			

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