

Cablefax Daily™

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What the Industry Reads First

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Olympic Measurement: NBC Sports Execs Pitch Total Audience Delivery Metric

Though primetime ratings on **NBC** for the Olympics in Rio are down compared to London in 2012, **NBC Sports** execs are focusing on the total picture of viewership. In a conference call with reporters Thurs, it presented a metric with which it intends to measure the Olympics moving forward: the Total Audience Delivery metric (TAD), consisting of an average minute measurement of Olympic content viewed in primetime across 3 buckets: broadcast, cable and streaming platforms. "Overall, our ratings consumption is meeting our expectations; the mix is just a little different. Cable and digital are continuing to grow at a fast rate," said NBC Sports Group chmn *Mark Lazarus*. "Along the way we're crossing a bridge on how to measure all this... NBC broadcast is not the only way people are consuming the Olympics." "It's a brand new way to develop true Olympic consumption," said NBCU pres of research & media devel *Alan Wurtzel*. Every day the company will provide a primetime total audience delivery number. "What makes this different is that we've converted all the digital usage measurement into a **Nielsen-like** metric," Wurtzel said. "The average audience is what Nielsen reports, but the problem has been when you try to measure digital consumption there are different metrics. What we've tried to do is harmonize it so it's all the same thing. I do think that this is not only valid, but far more accurate," he said. Without this new metric, NBC Sports is still reporting impressive streaming numbers. On Wed the Games surpassed 1bln live streaming minutes, which is a first. And in a few days, Rio numbers will top all Olympic streaming numbers combined, Lazarus said. Wurtzel noted that in partnership with **Tivo** the company is following 800 people during the Games to better understand how they consume the content. So far a few learnings have surfaced: 80% use TV and at least 1 other device when consuming content, up from 61% in Sochi; and 54% of respondents have used social media simultaneously during the first 3 days. The Games have had 153.8mln social media engagements over 3 days and 131.4mln video views across social. The latter is 10x the number of total engagements during the entirety of March Madness, and it also beat out the World Cup. Speaking of the Games' economics, Lazarus said it will be the company's most economically successful Games and the most successful in history for the US The company sold \$1.2bln in national advertising before the event started and sold another \$30mln after the Games began. Lazarus doesn't anticipate much more coming in, however. Addressing whether NBC Sports has had to provide advertising makegoods as a result of the primetime ratings shortfall, Lazarus said that

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advertisers want to buy the Olympics as an event, so that's what they're selling. "We build in inventory into what we have left or we build it into marketers' plans to make sure we deliver what we promised them. So if there is a small shortfall, we put it into inventory in the Games, with every advertiser getting what we promised." Depending on the advertiser, a percentage goes to broadcast, cable and digital. "In the case of the broadcast it's down a little bit, but cable and streaming are up—it all comes together and mitigates that difference."

Retrans: More channels went dark on **DirecTV** Wed night: **Heartland Media** stations WKTV-CBS/NBC/CW in Utica, NY, WTVA-ABC in Columbus and Tupelo, MS, KEZI-ABC in Eugene, OR, and KDRV-ABC in Medford-Klamath Falls, OR. The channels had been alerting viewers for the past week about the expiring contract, with some now suggesting that consumers watch the channels for free over the air, stream them live or switch service providers. Heartland pres/CEO **Bob Prather** said that DirecTV has demanded rates that are "totally out of the ballpark" of market value. "They gave us a take-it-or-leave-it offer," he said. **AT&T**-owned DirecTV provided the following statement: "We want to get the Heartland and **USA Television** stations back into our customers' line-ups and share their frustration. The stations owners are prohibiting their signals from reaching their homes unless they receive a significant increase in their current fees just to let the same families keep watching shows that remain available for free over-the-air and often online. Most Columbus, Tupelo and Utica customers can continue to watch NBC's Olympics coverage by streaming it live on NBCOlympics.com or using the NBC Sports Live Extra app for desktops, mobile devices, tablets and connected TVs. We appreciate their patience as we work to get these stations back and attempt to resolve this matter quickly and reasonably." Meanwhile, DirecTV continues to negotiate with WHDC-NBC and WLVI-CW in Boston to resolve an ongoing dispute with Sunbeam Television. An agreement was reached with WSVN-FOX in Miami last Fri.

Research: The 10-year cable outlook is looking rosy, according to **SNL Kagan** research, with the industry's broadband advantage and bundling tactics expected to enhance revenues. In a revised forecast it said residential revenues are projected to increase from \$108.38bln in 2016 to \$117.7bln in 2026, an uptick of \$9.32bln over 10 years. Adding in commercial services, the total revenue will reach \$140.99bln. Other insights include: broadband subscriber growth is expected to grow more than 8mln to 71mln, more than 1.6x the number of video subscriptions. Video subs are declining, though at a slower rate—by an annual compounded growth rate (CAGR) of 1.5% to 45.4mln by 2026, which is slower than the 1.7% CAGR in last year's 10-year outlook. Net advertising revenue is forecast to grow at 4.3% CAGR to \$6.3bln. And amid cord-shaving worries, the revenue for the combination of basic cable and advanced services will fall at a CAGR of -0.5% over 10 years, to \$55bln.

Digital Investment: **Turner** and **Scripps Networks Interactive** have made a combined equity investment of \$45mln in digital content company **Refinery29**, which will use the funds to develop original video content, new channels and formats, accelerate global growth, and develop new product and services for its female-focused demographic. Turner and Refinery29 will collaborate on content creation and cross-platform ad sales. Pres/gm of **Cartoon Network**, **Adult Swim** and **Boomerang** **Christina Miller** will take a seat on Refinery29's board. Some company stats: It gets 27mln unique website visitors and reaches 225mln users across other platforms. Turner has also invested in **Mashable** and **iStreamPlanet**.

DirecTV in Health Centers: **AT&T** and **HealthTrust** agreed to make DirecTV service available to more than 24,000 HealthTrust member healthcare facilities, including HealthTrust-exclusive continuing care retirement facilities. AT&T predicts the deal will double its business at HealthTrust properties. HealthTrust members can opt for AT&T in-room DirecTV Residential Experience (DRE), with nearly 100 HD channels and sports programming such as NFL Sunday Ticket.

AT&T Gigabit: **AT&T** launched its 1 gigabit per second internet speeds for parts of the St. Louis, St. Charles and University City areas in MO, with additional locations to be announced by the end of 2016. Available via the AT&T GigaPower and Business Fiber Networks, the 1Gbps speeds can be accessed in homes, apartments and businesses. The company plans to make GigaPower available in parts of 29 more areas, at least 56 metros in total.

Sling TV: **NFL Network** and **NFL Redzone** are now available on **Sling TV**. Sling Blue customers will automatically receive the NFL Network, while the NFL RedZone is part of the "Sports Extra" add-on pack for an additional \$5 per month.

Suddenlink Outage: Approx 3,000 **Suddenlink** subs were without service on Thurs morning after a substation in Kanawha County, WV, was presumably vandalized. "We are working closely with local authorities as they investigate this

BUSINESS & FINANCE

incident, which is suspected to be an act of vandalism, and working as quickly as possible to restore service in the affected area,” said Suddenlink owners **Altice USA** in a statement. At press time, some services had been restored. Reports say estimated damages are \$1mln.

100th Ep: WE tv's “Braxton Family Values” celebrated its 100th episode Thurs. Said WE tv pres *Marc Juris* about the milestone, “The Braxtons are authentic and engaging, which is why, even after 100 episodes, WE tv viewers keep coming back for more. We are very proud that ‘Braxton Family Values’ is not only one of the longest-running family reality franchises in the history of the medium, it was also the first diverse ‘family’ reality show.”

People: Former **FCC** legal advisor *Rebekah Goodheart* will join law firm’s **Jenner & Block’s** communication, internet and technology practice as a partner. Goodheart brings with her 8 years experience at the FCC, as well as her time as a trial lawyer at the **US Dept of Justice’s** antitrust division.

Programming: **ESPN.com** launched a new **WWE** vertical to serve the world of professional wrestling with comprehensive results, features, profiles, rankings, videos and more. -- **FYI** greenlit the new original series “Downtown Shabby,” where design experts renovate deceivingly older homes into modern gems. The 8 1-hour eps will premiere this fall.

Cablefax Daily Stockwatch

Company	08/11 Close	1-Day Ch	Company	08/11 Close	1-Day Ch			
BROADCASTERS/DBS/MMDS								
DISH:	51.01	0.14	INTEL:	34.68	0.15			
ENTRAVISION:	7.79	0.07	INTERACTIVE CORP:	59.72	(0.76)			
GRAY TELEVISION:	11.39	0.36	LEVEL 3:	50.14	(0.11)			
MEDIA GENERAL:	17.69	0.27	MICROSOFT:	58.30	0.28			
NEXSTAR:	52.47	1.95	NETFLIX:	95.89	1.96			
SINCLAIR:	29.40	0.72	NIELSEN:	52.76	(0.11)			
TEGNA:	21.15	0.22	SEACHANGE:	3.20	(0.05)			
MSOS								
CABLE ONE:	533.39	10.21	SONY:	33.04	0.19			
CHARTER:	258.06	3.99	SPRINT NEXTEL:	6.10	(0.06)			
COMCAST:	67.68	0.46	SYNACOR:	2.88	0.01			
GCI:	13.25	(0.1)	TIVO:	10.59	0.02			
LIBERTY BROADBAND:	65.99	0.76	UNIVERSAL ELEC:	76.90	(0.07)			
LIBERTY GLOBAL:	31.59	0.31	VONAGE:	5.63	(0.1)			
SHAW COMM:	20.47	0.29	YAHOO:	41.27	1.34			
SHENTEL:	28.10	(1.18)	TELCOS					
PROGRAMMING								
21ST CENTURY FOX:	26.16	0.58	AT&T:	43.39	0.19			
AMC NETWORKS:	53.91	0.16	CENTURYLINK:	30.42	0.08			
CBS:	52.92	0.87	FRONTIER :	4.85	(0.03)			
DISCOVERY:	26.10	0.34	TDS:	29.91	(0.22)			
DISNEY:	97.77	(0.09)	VERIZON:	53.86	0.05			
GRUPO TELEVISA:	27.13	0.71	MARKET INDICES					
HSN:	45.23	0.61	DOW:	18613.52	117.86			
LIONSGATE:	22.01	0.70	NASDAQ:	5228.40	23.81			
MSG NETWORKS:	15.76	0.38	S&P 500:	2185.79	10.30			
SCRIPPS INT:	63.50	1.39	TECHNOLOGY					
STARZ:	31.80	0.39	ADDVANTAGE:	1.81	UNCH			
TIME WARNER:	80.42	0.56	AMDOCS:	59.12	0.81			
VIACOM:	47.26	0.89	AMPHENOL:	60.38	0.27			
WWE:	20.90	0.53	APPLE:	107.93	(0.07)			
TECHNOLOGY								
ARRIS GROUP:	27.46	0.10	ARRIS GROUP:	27.46	0.10			
AVID TECH:	8.69	0.35	AVID TECH:	8.69	0.35			
BLNDER TONGUE:	0.63	UNCH	BLNDER TONGUE:	0.63	UNCH			
CISCO:	30.95	0.10	CISCO:	30.95	0.10			
COMMSCOPE:	28.54	(0.35)	COMMSCOPE:	28.54	(0.35)			
CONCURRENT:	5.23	0.02	CONCURRENT:	5.23	0.02			
CONVERGYS:	29.31	0.03	CONVERGYS:	29.31	0.03			
CSG SYSTEMS:	40.88	0.02	CSG SYSTEMS:	40.88	0.02			
ECHOSTAR:	37.19	(1)	ECHOSTAR:	37.19	(1)			
GOOGLE:	784.85	0.17	GOOGLE:	784.85	0.17			
HARMONIC:	4.06	0.11	HARMONIC:	4.06	0.11			

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PROGRAMMER'S PAGE

Joining the OTT Circus...

To be sure, the media & entertainment landscape has morphed into a chaotic swamp of PeakTV hashtags and cacophonous content noise. But **Showtime** pres/CEO *David Nevins* likes the net's chances despite the constant turmoil swirling around the fast-changing TV ecosystem. "The fact is that viewers are consuming more voraciously... The only people who actually complain about too much TV seem to be burned out TV executives and you guys who are obliged to cover it all," he told critics at the last network session during TCA on Thurs. "Yes there are more comedy and drama options, but that's a good thing." Among those options is the net's new OTT venture Showtime Now, which Nevins noted now has more than 1mln subs. "It's a whole new business for us," he said. "We're significantly ahead of where we thought we would be... We're learning a lot. It's affecting how we market ourselves. It's affecting how we program. It's transformed us, so we're pretty bullish." One surprise is that the OTT product seems to have buoyed the net's political doc series "The Circus," which Nevins said "has thrived in an over-the-top environment." Meanwhile, success of "The Circus," which follows this year's unusual presidential race, apparently has Showtime execs thinking about a *Stephen Colbert* special for election night on Nov 8. Nevins said he thinks Showtime will be able to borrow the late-night host from its sister net **CBS** for a 10-11pm ET block (He's off from CBS that night). "It will be interesting to see what Colbert does with no commercial breaks, no language restrictions," said Nevins during an after-panel gaggle. "He's kind of excited about it. He's never done that before." - *Michael Grebb*

Reviews: "Roadies," Sunday, 10pm, **Showtime**. Loyal readers will recall we weren't high on this series during our first look. Yet we caught the 3rd episode, where *Rainn Wilson* guested, and thought it had a chance (**CFX**, July 8). We went back for next week's ep, and we're glad we did. The series goes off the rails, concentrating on a story told by one of the ensemble's best, *Ron White* as Phil. The road warrior regales all with a touching story about his favorite band. It's brilliant. and told during an all-night bus ride. -- "Hitchcock/Truffaut," Saturday, 1:45pm, **HBO**. In 1962 a young director named *Francois Truffaut* sat down with *Alfred Hitchcock*, who was a success, but not critically acclaimed. Truffaut thought this was an injustice and interviewed Hitchcock about filmmaking for eight days. *Kent Jones* has expertly adapted Truffaut's book about those conversations into this terrific film that mavens and casual fans will enjoy. -- "Dream Killer" Sunday, 8pm, **Investigation Discovery**. An absolutely captivating story about a young man, *Ryan Ferguson*, wrongly accused and jailed for murder. One of the heroes of the film is his father Bill, who wages a relentless campaign to free Ryan. The bad guys include judges, prosecutors and the justice system. Ryan will host a docu series, "Unlocking the Truth," on **MTV** Aug 17. - *Seth Arenstein*

Basic Cable Rankings (8/01/16-8/07/16)			
Mon-Sun Prime			
1	FOXN	1	2259
2	USA	0.6	1349
2	HGTV	0.6	1343
4	TBSC	0.5	1299
4	HIST	0.5	1260
4	MSNB	0.5	1226
4	DSNY	0.5	1222
4	TNT	0.5	1116
4	DSE	0.5	112
10	DISC	0.4	1040
10	CNN	0.4	986
10	ADSM	0.4	952
10	NAN	0.4	855
10	ID	0.4	839
10	FX	0.4	838
16	FOOD	0.3	763
16	HALL	0.3	762
16	ESPN	0.3	684
16	AMC	0.3	677
16	LIFE	0.3	669
16	NBCS	0.3	651
16	TLC	0.3	649
16	BRAV	0.3	646
16	A&E	0.3	640
16	SPK	0.3	631
16	SYFY	0.3	585
16	NKJR	0.3	584
16	TVLD	0.3	568
16	OWN	0.3	567
16	DSJR	0.3	562
16	HMM	0.3	442
32	VH1	0.2	549
32	APL	0.2	501
32	FRFM	0.2	500
32	LMN	0.2	488
32	NGC	0.2	443
32	EN	0.2	439
32	WETV	0.2	435
32	CMDY	0.2	429
32	INSP	0.2	428
32	GSN	0.2	421
32	TRU	0.2	404
32	TRAV	0.2	396
32	MTV	0.2	380

*Nielsen data, supplied by ABC/Disney, is based on coverage area of individual networks

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