

Cablefax Daily™

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What the Industry Reads First

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Adobe Update: Live, Dynamic Ad Insertion, Analytics Upgrades, VR Plans

The Rio Olympics were the most digitally consumed Games ever, with more than 3.4bln minutes streamed to more than 50mln viewers across 10 platforms—more live streams than those from every previous Olympics combined. So ahead of IBC 2016 in Amsterdam, **Adobe** unveiled the new capabilities of its Adobe Primetime product that provided the assist behind that TV Everywhere tentpole event. Using live-linear ad replacement across screens, Primetime now allows media companies to replace broadcast TV commercials with dynamically-targeted ads over IP in order to personalize the ad experience for consumers who stream content digitally. Data points include device type, audience behavioral characteristics, **Nielsen** segments and psychographic data. “It’s pretty easy to do in an on demand environment,” marketing director *Campbell Foster* told **Cablefax**. “But what we’ve done that’s different is 3 things: being able to reach every single device (over 10 platforms), being able to do it in a live broadcast, and being able to do it with millions of viewers all at the same time.” Replacing an ad in an on demand setting doesn’t produce scaling issues, Foster noted, “but with a live broadcast, when you go to the ad break and there’s 2 million people all watching at the same time, which was roughly the audiences we were seeing at the Olympics, 2 million ads have to be inserted all at the same time.” That doesn’t happen, of course—it’s more like 5 or 6 different ads—but they are nonetheless more personalized than the linear broadcast feed’s ad. Meanwhile, a Q2 ’16 TVE report from Adobe Digital Insights cited TV-connected devices (TVCDs) as the fastest growing category for TVE consumption. “It’s a little bit counterintuitive, because TV Everywhere was originally conceived as the way to let viewers watch pay-TV outside the home, but we’re finding that more than half of TV Everywhere consumption happens at home,” Foster said. Looking at share of time spent across platforms, TVCDs saw 149% growth YOY, beating out browsers, Android and iOS. Adobe also unveiled its newest Adobe Analytics for Video release Tues, highlighted by a new second-by-second stream analysis of engagement, or time spent, with an ad or content stream. The product was originally designed to provide quartile reporting, so you would know if the viewer watched 25% or 50% or 75% of an ad or a stream, with smaller intervals of reporting unavailable. “That just wasn’t granular enough for the content provider or for the advertiser. They want more data than that. So we re-architected to provide second-by-second analytics of both the ads and the content feeds,” Foster said. The intervals have decreased to 10 seconds during a video playback or live event. Each “heartbeat measurement” is

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sent to a new processing layer after the initial server call, which aggregates the information until the viewer session ends. It “eliminates the blind spot, and offers a much more thorough view of how content is being consumed,” said Adobe’s Analytics Solution sr dir, product management *Chris Wareham* in blog post. Further down the road, expect more Virtual Reality capabilities from Adobe Primetime. The focus is on 3 main areas of functionality: VR dynamic rights management (currently available) for both 180-degree and 360-degree cinematic experiences, DAI for VR environments (expected to launch early next year with 2 launch partners), and dynamic object replacement, which, though years out, will allow brands to monetize through object replacement in the VR world. “The goal is the make the branded object organic and not feel forced, or that it’s product placement,” Foster said. “But it requires a lot more processing power, more powerful software, and more powerful devices and chips. We’re working with consumer electronics partners to make that a reality.”

ACA on Set-Top Rules: ACA met with FCC chmn *Tom Wheeler’s* staff and commish *Jessica Rosenworcel* last Thurs to discuss relief for smaller MVPDs from new set-top box rules. The assn’s amended proposal requested in an ex parte dated Sept 6 that “the CableCARD consumer support rules set forth in Section 76.1205(b) shall continue to apply to all MVPDs with 1mln or fewer subscribers as of the effective date of the order that were subject to such rules as of Jan 14, 2013”; that “the new navigation device rules shall apply to MVPDs with more than 400,000 subscribers and fewer than 1 million subscribers as of the effective date of the order, but the compliance date for such MVPDs shall not begin until three years after the date that MVPDs with more than 1 million subscribers shall comply with the new rules”; and 3rd, it requested that the navigation device rules “shall not apply” to MVPDs with 400K or fewer subs. The key phrase? “Shall not apply.” ACA said adoption of the proposal is within the FCC’s statutory authority and urged the Commission to state in the order that its new rules “shall not apply” to MVPDs with 400K or fewer subs, as opposed to describing its relief for these ops as an exemption. As such, ACA said such action would preempt the possibility that this relief would be subject to legal challenge in courts.

Zero-Rating: AT&T-owned **DirecTV** launched its latest app update on iOS Wed, and it includes a data free plan for watching TV using AT&T’s mobile Internet service. The DirecTV app (and the **U-verse** app as well, according to an AT&T blog post) gives subs access to live and recorded fare anywhere there is a mobile or WiFi Internet connection, without counting against users’ mobile data. Available programming includes live TV and local content (up to 315 channels), with users able to restart shows in progress or watch shows that aired in the last 72 hours, whether or not they were recorded. The app allows access to content recorded on a home DVR via a mobile device and lets users download content from their home DVRs. Note: restrictions were mentioned but not defined. The app also has more than 20K movies and shows on demand. To get these features subs need a Select DirecTV package or above, the app on iOS (with Android coming soon) and the Genie HD DVR 44 or above with a home Internet connection. The data cap exemption is also used by **Verizon Wireless**, which has exempted its own mobile video service **go90** from data caps, and **T-Mobile** has its own Binge On zero-rating plan. Such plans are not popular with groups such as **Fight For the Future**, the **Center for Media Justice** and **Free Press**. The latter said Wed that “AT&T is using its latest data-cap exemptions to prop up its satellite-TV business by disfavoring the competitive and diverse video choices people have online,” and warned against “anti-competitive implications” for the video market. “AT&T seems intent on favoring its own video content under the DirecTV brand. That harms both diverse content creators and internet users who already pay so much for their wireless service. This isn’t really free data. It’s a way for AT&T to keep you paying for two services instead of one, and a roadblock designed to prevent you from using your data on any content AT&T doesn’t own,” said Free Press policy dir *Matt Wood* in a statement.

Evolution Digital: **Evolution Digital** has shipped 12mln digital set-top boxes to cable ops around the world, including **Comcast, Cox, Mediacom**, the company reported Wed. The milestone marks a company shift to a focus on providing software-based products, such as eVUE-TV, a fully managed content delivery system, and eGUIDE, an interactive guide.

Incognito: **Incognito Software Systems** on Wed announced its newest version of Broadband Command Center, an end-to-end device provisioning and management software that provides multi-platform support from a single platform. It allows for quicker roll out services, streamlined operations and more. The new version ensures network security with the following added features: DOCSIS 3.1 support to guarantee the correct configuration file, DHCPv6 enhancements to allow for IPv4 and IPv6 management, and lawful interception reporting.

EMMA Winners: **NAMIC** announced the winners of its Excellence in Multicultural Marketing Awards, which will be recog-

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nized at a lunch at the Annual NAMIC Conference in NYC on Sept 21. The winners are highlighted in the upcoming Most Influential Minorities in Cable issue of **Cablefax: The Magazine**. A record number 137 entries were received for this year's competition, a 17% increase over 2015. Check out the full list of winners at NAMIC.com.

People: *Patrick Moran* advances to pres, **ABC Studios** where he will continue to report to *Ben Sherwood*, co-chmn of **Disney Media Networks** and pres of **Disney|ABC Television Group**. -- *Kathleen Charapata* was named to the newly created position of vp, legal for **Crown Media Family Networks**. She will support the affiliate sales team in negotiating agreements for **Hallmark Channel** and **Hallmark Movies & Mysteries** across cable, satellite, telco and new media platforms. -- *Sarah Tomassi Lindman* was named svp, content planning and strategy for **Freeform**. Before Freeform, Lindman founded **Refractant Media Consulting** and was svp of program strategy at **Oxygen** for **NBCUniversal**. -- **Charter** announced 2 new appointments in their govt affairs organization. *Alex Hoehn-Saric* was appointed to the newly created position of svp, policy and external affairs, where he will lead Charter's public policy efforts. Previously at the FCC for 10 years, *Elizabeth Biley Andrion* was named svp, regulatory affairs, where she will lead Charter's interests before federal agencies.

Cablefax Daily Stockwatch

Company	09/07 Close	1-Day Ch	Company	09/07 Close	1-Day Ch			
BROADCASTERS/DBS/MMDS								
DISH:	50.79	0.34	INTEL:	36.46	(0.11)			
ENTRAVISION:	7.76	0.04	INTERACTIVE CORP:	59.55	(0.12)			
GRAY TELEVISION:	11.10	0.02	LEVEL 3:	50.12	(0.04)			
MEDIA GENERAL:	17.97	(0.09)	MICROSOFT:	57.66	0.05			
NEXSTAR:	54.27	(0.29)	NETFLIX:	99.15	(0.94)			
SINCLAIR:	29.03	(0.17)	NIELSEN:	53.37	0.33			
TEGNA:	21.81	1.79	SEACHANGE:	2.95	0.06			
MSOS								
CABLE ONE:	559.52	0.57	SONY:	33.44	(0.08)			
CHARTER:	277.56	2.89	SPRINT NEXTEL:	6.63	0.29			
COMCAST:	66.35	0.01	SYNACOR:	2.80	(0.06)			
GCI:	13.77	0.22	TIVO:	11.34	0.08			
LIBERTY BROADBAND:	71.29	0.76	UNIVERSAL ELEC:	76.68	0.19			
LIBERTY GLOBAL:	32.74	(0.2)	VONAGE:	5.84	(0.05)			
SHAW COMM:	20.34	(0.12)	YAHOO:	44.35	(0.36)			
SHENTEL:	25.46	(0.09)	TELCOS					
PROGRAMMING								
21ST CENTURY FOX:	24.38	(0.04)	AT&T:	41.27	0.04			
AMC NETWORKS:	53.21	0.35	CENTURYLINK:	28.40	0.23			
CBS:	52.62	1.05	FRONTIER:	4.73	0.05			
DISCOVERY:	25.07	(0.02)	TDS:	28.39	0.63			
DISNEY:	93.71	(0.09)	VERIZON:	53.71	0.20			
GRUPO TELEVISA:	27.21	(0.03)	MARKET INDICES					
HSN:	42.00	0.09	DOW:	18526.14	(11.98)			
LIONSGATE:	20.72	0.30	NASDAQ:	5283.93	8.02			
MSG NETWORKS:	17.88	0.54	S&P 500:	2186.15	(0.33)			
SCRIPPS INT:	63.33	0.15	TECHNOLOGY					
STARZ:	31.24	0.27	ADVANTAGE:	1.92	(0.01)			
TIME WARNER:	78.72	0.33	AMDOCS:	61.12	0.15			
VIACOM:	45.34	1.13	AMPHENOL:	62.87	0.21			
WWE:	21.18	0.22	APPLE:	108.38	0.68			
TECHNOLOGY								
ARRIS GROUP:	28.23	0.01	AVID TECH:	8.53	(0.25)			
CONCURRENT:	5.69	0.07	BLNDER TONGUE:	0.58	UNCH			
CONVERGYS:	30.78	0.18	CISCO:	31.79	(0.08)			
CSG SYSTEMS:	44.62	0.46	COMMSCOPE:	29.95	0.11			
ECHOSTAR:	39.31	0.25	CONCURRENT:	5.69	0.07			
GOOGLE:	780.35	0.27	CONVERGYS:	30.78	0.18			
HARMONIC:	5.14	0.06	CSG SYSTEMS:	44.62	0.46			
TECHNOLOGY								



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Think about that for a minute...

Respect Your Customer

Commentary by Steve Effros

Who is your customer? That should be a pretty simple thing to answer, but actually it's not. You have lots of different customers, using your product for many different reasons and in many different ways. If you're going to be successful, the trick is to know those differences and respect them.



By respect, I mean that you should not only provide them what they want, but in the best form possible for them to use it the way they want. That's been the source of a big argument in the cable industry for a while now, since the government, in the form of the FCC, seems to be saying it knows better than we do who our customers are, what they want and how they want it. They apparently think they're all computer power users their 20s. Not true.

Sure, we all know that everyone wants "more/better/faster/cheaper." But that's not what I'm talking about. There are more subtle and difficult issues to be addressed when it comes to our customers. We would be wise to make sure we understand them.

Let's get away from video/broadband for a moment to appreciate the challenge. I recently got my weekly copy of *Bloomberg Businessweek*. I've been reading that publication for years, along with many others. This one was headlined "The Interview Issue" and had page upon page of interviews with very interesting people. I never wound up reading them. The graphics arts folks at BB went crazy. There were lines of copy snaking all over the page, different type faces, little boxes with information presumably related to the interview and a lot of other graphic detritus. It made it impossible for me, using my reading glasses and my limited patience with nonsense to even want to read it. That's not being considerate of

the customer!

Much of this broken-up page, lots of graphics boxes and non-contiguous print started in the *USA Today* model of newspapers. But it went crazy with the "new" graphics of magazines like *Wired*, which took it to such a point that I simply gave up subscribing at all. When you start losing customers because you've become so trendy, or so focused on one cohort of your audience that you alienate the others, you're making a big mistake. I would simply ask the BB or *Wired* folks who they think has the most disposable income these days? Yes, I know they want the 24 year-olds, but jettisoning the rest of us in the process is foolish.

So how does that apply to us? Well, you all know that I think navigation is critical. Check out the remote control for Roku or Apple TV to get a hint! Folks like Comcast have heard the message, that's why they're gaining customers; the X1 system allows folks to find what they want and view it easily. That's being respectful of the customer.

I would ask for even more of that: how about letting me control the font size on the search screen, just like I do with my computer? That way I can actually read all that stuff from the average of 6 to 8 feet away from the screen that most folks watch TV. Sure, I know, the teenagers can read it just fine. So can the 20-something-year-olds who are the graphics folks. But the customers who actually write the checks and pay the bills most of the time have more trouble. It's silly not to be respectful of them, too.

Steve

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(Steve Effros was President of CATA for 23 years and is now an advisor and consultant to the cable industry. His views do not necessarily reflect the views of Cablefax.)

Cablefax TV Innovation Summit **Featured Session:**

The OTT Economy: Seeking Order in the Chaos

We'll sit down with one of the industry's top researchers and analysts, MoffettNathanson's Craig Moffett, to explore the business strategies driving the new TV ecosystem—and which ones are likely to survive.

After our discussion with Craig Moffett, we'll delve even deeper into these issues with a panel of experts prepared to put their own spin and perspective on these vital industry topics.



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