

# Cablefax Daily™

Wednesday — September 21, 2016

What the Industry Reads First

Volume 27 / No. 182

## Diversity Week: NCTA's Powell Takes on Election, Disruption

As the U.S. Presidential candidates continue to sling mud, **NCTA** pres/CEO *Michael Powell* isn't about to predict a winner on Nov 8. "I don't predict, I prepare," he told us in an onstage Q&A at a Tues breakfast in NYC to celebrate **Cablefax's** Most Influential Minorities as part of the annual **NAMIC** conference. One problem this year, of course, is that *Donald Trump's* positions diverge from traditional, laissez-faire Republicanism. So if he wins, "how that translates into communications policy, I don't know," Powell confessed. And while he acknowledged the industry is at least more familiar with *Hillary Clinton's* telecom views, a new FCC chmn isn't likely top of mind for either candidate. "That's what we don't know yet, and neither do the campaigns," he said. "While the [FCC] chairman is important, it's not the Secretary of State." As for the overall tone of this election, Powell said he's "saddened by the discourse" but noted the rise of multiculturalism, LGBT rights and other societal shifts over the last decade (not to mention 2 terms for America's first black President) has "become somewhat disconcerting in pockets of our country... I'm saddened that it's become politically acceptable without consequence to refer to people as pronouns, 'the this,' 'my that,'" he said. "It's become sad to me that we've provided cover and an umbrella to the most extremist segments of our society, some of whom find violence to be a natural element of their expression." But even as the election barbs fly, "I still believe in the goodness of Americans," he said. "We should not interpret this as somehow we have not made progress... progress is always accompanied by backlash." Beyond the election, Powell addressed the NCTA's "brand refresh" this week to become **The Internet & Television Association**, saying the move repositions the industry to amplify its own passion. "Great armies march under a flag that they're proud of," he said. "And I've always wanted a flag that reflects the excellence of the team that marches under it." Powell cautioned that "this should not be seen as a way to run away from a proud history, noting the decision to keep the NCTA acronym as "a homage to the history and to cable." But consumer habits are changing rapidly. "You better really keep your eye on the consumer," he said. "The evolution of the human being is really significant at this point in history." And Powell said it's actually because of all that disruption that diversity must remain top of mind. "Diversity is a tool of disruption," he said. "It's the transformative power of including what heretofore was not included. It's the transformative power of the synergistic bump you get from including views and perspectives that weren't there before."

**WELCOME TO  
A WORLD WHERE  
CONNECTIVITY  
IS UNLEASHED  
FOR ALL.**



We see the industry's complexities, and every angle, allowing us to make connections that forge consensus and advance innovation.

**WE ARE NCTA – THE INTERNET & TELEVISION ASSOCIATION.**

DISCOVER  
ALL THAT WE DO AT  
[ncta.com](http://ncta.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

**Wirelessly Comcastic:** Comcast used its appearance at **Goldman Sachs Communacopia Conference** to tease its wireless strategy. CEO **Brian Roberts** said a team of more than 150 people are getting ready to launch a WiFi and **Verizon Wireless** MVNO-integrated product next year (probably around mid-year). “The concept would be that our very best customers, of which we’ve got 28mln customers and well over 70% or 80% buy some sort of multi-package bundle from us, we can sell them more products,” Roberts said. “If that product can be the Verizon Wireless product, maybe improved with our WiFi 15mln hotspots where it’s more seamless, and we are able to give you a good value proposition if you are one of our better customers, we believe there will be a big payback with reduced churn, with more stickiness, with better satisfaction, more product purchasing from us.’ He said it’s too early to talk much about it, but he wanted to be transparent. The Comcast chief also used his appearance to show off the beta **Netflix** app on Xfinity, which he expects to be launched across the entire footprint by Thanksgiving. Results from the OTT service are integrated into the X1search. “I give [Netflix CEO **Reed Hastings**] a lot of credit for helping make it happen,” he said. “And I think our organization has made a conscious decision that we’re going to aggregate other people’s content, some of which we sell directly and some that we don’t. We’ve got to be the best for our customers as possible.” Roberts’ show-and-tell presentation also included the Xi5, a WiFi-based, 4K-capable box that launched last week. The tiny device would be for 2nd and 3rd TVs, but eventually would be targeted to primaries. The other toy he showed off was the XB6, a DOCSIS 3.1 router 5x faster than other Comcast modems.

**Diversity Notebook:** Despite the cord cutting stats we all know about, paid OTT subscription services aren’t really replacing TV. “They actually complement each other,” according to **Horowitz Research** marketing and business development svp **Adriana Waterston**. Citing a 2016 Horowitz study of multicultural audiences she said during a session at **NAMIC’s** annual conference Tues that 51% of the group surveyed had both SVODs and pay-TV subscriptions, with 38% pay-TV only and just 5% SVOD only. Furthermore, among millennials, 75% said they have both a pay-TV subscription and an SVOD offering. But just 13% of millennials said they have pay-TV only and 9% had SVOD only. **Univision Comm** product & technology, distribution svp **Scott Levine** perceives streaming and pay-TV working together as well. Take the 2015 FIFA World Cup, for instance, which enjoyed an “all boats were lifted” scenario due to the massive amounts of streaming that occurred. **Cooking Channel** svp & gm **Michael Smith** added that the technology available now allows viewers to find new experiences within 1 event and also narrow down the subject matter. The result is “hyper coverage of existing things and hyper niche coverage of smaller things,” he said. Disruption always creates a hiccup, but once the multiplatform measurement question is figured out, “it’s going to be really great for advertising, because it’s going to be more accurate,” he said. “Measurement is actually the big thing we’re still trying to catch up with,” Levine agreed. But also, it’s about “true insight,” which he defined as the ability to have a closer relationship with partners, viewers, etc. -- In a NAMIC panel on how govt relations relates to the

**JEAN OF THE JONESES**  
DEATH HAS A FUNNY WAY OF BRINGING PEOPLE TOGETHER

GLORIA REUBEN    SHERRI SHEPHERD    TAYLOUR PAIGE    MICHELLE HURST    ERICA ASH

A TV ONE ORIGINAL MOVIE  
**SUNDAY OCTOBER 23 • 7/6C** **TV ONE**  
REPRESENT.

industry, **AMC Networks** legal & business affairs svp *Madhu Goel Southworth* revealed a legal issue **AMC Studios** may be broaching in the future: drone regulation. AMC's "The Walking Dead" films in Georgia, as all super fans know, but that's actually the problem: Super fans know. Some of them—too impatient to wait for the episodes to air and the drama unfold—have been flying drones over closed, confidential sets. They then put that footage on the Internet, much to the network's chagrin. At issue, Southworth said, is the fact that regulating body the FAA doesn't deal with privacy, nuisance or trespassing issues relating to drones. You just need the right licenses to fly them, she said. So AMCN spoke with some FAA experts in DC. "They said lobbying local legislatures is your best bet," Southworth said. No movement on it yet, but it we may see some action soon on the matter.

**AT&T's Future:** With **DirecTV NOW's** launch drawing near, **AT&T** continues to announce distribution renewals. The latest is with **Turner**, which features continued carriage on DirecTV and **U-verse** along with the upcoming OTT service. DirecTV NOW debuts in 4Q with more than 100 channels, including **HBO** as well as nets from **NBCU** and **Discovery Comm**. Meanwhile, it looks like AT&T is phasing out the U-verse brand—at least in some instances. *DSL Reports* first reported the move after a business class customer received notification services would be renamed "AT&T Internet" and "AT&T Phone." The changes only apply to Internet and voice—with video continuing to use the U-verse moniker. "For simplicity, we're updating the product names of our high-speed internet and digital voice services," AT&T said.

**WICT Out:** **WICT's** closing gen session featured numerous pearls of wisdom from folks within the industry and beyond. **Science Channel** host and physicist *Deborah Berebichez* spoke of how a mentor during her Mexico City upbringing helped her overcome pressure to take on more "feminine" interests. "No matter what discipline you're in... learning how to think for yourself is the best gift you could give to yourself and teach another young person... Each one of us can plant the seed of growth in somebody around us." **Diversity by Design** partner *Simon Fanshawe* stressed that diversity "is not an event, it's not a destination—it's a constant challenge." You want a team of people with a "complementary, diverse set of skills," he said. And training doesn't change people's minds. Rather, "you have to change behavior first." **CNBC** "Fast Money" anchor *Melissa Lee* told the room to "always find that white space, that room for opportunity," even if it's not visible in front of you. We also learned some fascinating little nuggets about **A + E Nets** chmn emeritus *Abbe Raven's* rise to the top. She got her first gig in TV after seeing a promotional ad for an event for a women's network called "Daytime." It was held in the Macy's lingerie department, of all places, and included an opportunity to meet the programming execs. "There, among bras and panties, I began my career in television," she joked. Some words of wisdom from the TV veteran: Have a mantra. When time is of the essence, volunteer for projects and do them happily. Mentor young women coming up. Don't focus on being the only woman in the room, if that happens to be true: "It's distracting." And lastly, some advice given to her from fmr **ESPN** pres *George Bodenheimer* when she ascended to the CEO role of AETN: "Start to think about your legacy."

**More Cord-Cutting:** The number of consumers who said they were "very likely" to cut the pay TV cord has grown to 5.7%, up from 3.8% last year, according to the annual **Magid Media** Future survey. Millennials were even more likely at 9%. The #1 reason to cut the cord—the amount of content available via SVOD and OTT services. The majority of respondents were also interested in skinny bundles, which they would pay \$48 per month, on average. The national online survey of 2400 sample consumers matched the US Census for key demographics.

**Ratings:** Already riding high from its record Emmy wins, **FX** has more to celebrate. To date, the premiere of "American Horror Story: Roanoke" has delivered more than 10.9m total viewers (linear and non-linear). The premiere of the 6th installment of the franchise notched 8.3m total viewers and 5.6m 18-49s on a L+3 basis—making it the 5th most-watched telecast among 18-49s and 7th in total viewers in FX Networks history.

**Charter Diversity:** **Charter** has fulfilled its pledge to hire a chief diversity officer following the closing of its **Time Warner Cable** and **Bright House** transactions. *Rhonda Crichlow*, most recently **Novartis Pharmaceuticals'** vp, head of US diversity and inclusion and **Novartis US Foundation** pres, has joined the MSO. She reports to sr evp *David Ellen* and will oversee Charter's diversity and inclusion initiatives. As part of an MOU with diversity groups related to the acquisitions, Charter agreed to create the chief diversity post and appoint at least 1 African American, 1 Asian American and 1 Latino to its board within 24 months of the deals' closing. Crichlow's hiring wraps up those obligations.

**CHTRA Awards:** **Time Warner Cable** may be gone, but its legacy lives on. **CHTRA** named TWC's HR team as MSO Innovator of the Year for its 2016 Excellence in HR Awards. The HR assn was impressed by the company's authentic communications, programs and initiatives with employees during the company's challenging period of 2013-2016, which included 2 planned mergers. The Program Team Innovator of the Year award goes to **ESPN's Diversity Inclusion and Wellness** team for its interactive program "Diversity and Inclusion Playbook" that focuses on the positives of diversity and inclusion in the workplace. *Walter Landry*, director of learning strategy at **Cox Comm**, receives the Aspiring Leader award

# BUSINESS & FINANCE

that recognizes an emerging HR professional whose innovative ideas have positively affected company culture. The honorees will be presented with their awards during the Excellence in HR Awards Luncheon at CTHRA's HR Symposium on Nov 2 in Philadelphia.

**Programming:** The previously online-only reality series "Los Cowboys" will air on cable television via **Galavision** beginning this week. "Los Cowboys" follows the lives of bicultural Latinos in their pursuit of the American dream. Seasons 1 and 2 will air weekly on Wed at 10:30pm this fall through Mar 2017. -- **Nick** started production this week on an original TV movie based on the national best-selling children's book "Escape from Mr. Limoncello's Library." Set to premiere in 2017, the 90-min live-action TV movie follows a group of friends whose overnight stay in their town's new library turns into a dangerous adventure.

**People:** *John Rood* has returned to **Disney** as svp, marketing for **Disney Channels Worldwide**, effective immediately. He succeeds *Richard Loomis*. Rood will report to *Gary Marsh*, pres and chief creative officer of Disney Channels Worldwide, where he will lead creative marketing. -- **Comcast Cable** pres/CEO *Neil Smit* was elected chmn of **C-SPAN** board's exec committee. He succeeds Cox pres *Pat Esser*, who served 3 consecutive 1-year terms as chmn. The board also elected **Midco** pres/CEO *Pat McAdaragh* to a seat on the executive cmte.

## Cablefax Daily Stockwatch

Company	09/20 Close	1-Day Ch	Company	09/20 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
DISH:	52.33	0.04	INTEL:	37.14	(0.02)
ENTRAVISION:	7.29	(0.1)	INTERACTIVE CORP:	60.60	2.40
GRAY TELEVISION:	10.00	(1.04)	LEVEL 3:	48.09	(1.05)
MEDIA GENERAL:	17.70	(0.32)	MICROSOFT:	56.81	(0.12)
NEXSTAR:	52.03	(2.35)	NETFLIX:	98.25	0.19
SINCLAIR:	25.98	(2.7)	NIELSEN:	52.40	0.09
TEGNA:	20.54	(0.81)	SEACHANGE:	2.81	(0.02)
<b>MSOS</b>					
CABLE ONE:	570.07	6.68	SONY:	32.46	0.57
CHARTER:	264.56	1.63	SPRINT NEXTEL:	6.21	(0.44)
COMCAST:	66.23	0.38	SYNACOR:	2.96	(0.04)
GCI:	13.43	(0.06)	UNIVERSAL ELEC:	73.69	0.74
LIBERTY BROADBAND:	68.88	0.26	VONAGE:	6.28	(0.16)
LIBERTY GLOBAL:	33.05	0.26	YAHOO:	43.19	UNCH
SHAW COMM:	19.91	0.28	<b>TELCOS</b>		
SHENTEL:	26.26	(0.18)	AT&T:	39.96	(0.1)
<b>PROGRAMMING</b>					
21ST CENTURY FOX:	23.89	(0.04)	CENTURYLINK:	26.75	(0.29)
AMC NETWORKS:	50.95	(0.51)	FRONTIER :	4.21	(0.09)
CBS:	49.97	(1.11)	TDS:	26.70	(0.29)
DISCOVERY:	24.27	(0.28)	VERIZON:	51.25	0.05
DISNEY:	92.95	0.32	<b>MARKET INDICES</b>		
GRUPO TELEVISIA:	24.39	(0.02)	DOW:	18129.96	9.79
HSN:	38.12	(2.38)	NASDAQ:	5241.35	6.33
LIONSGATE:	20.41	(0.2)	S&P 500:	2139.76	0.64
MSG NETWORKS:	18.08	(0.17)			
SCRIPPS INT:	59.67	(0.44)			
STARZ:	31.16	0.01			
TIME WARNER:	75.39	(0.32)			
VIACOM:	40.49	(0.74)			
WWE:	19.38	(0.02)			
<b>TECHNOLOGY</b>					
ADVANTAGE:	1.82	0.10			
AMDOCS:	58.95	(0.38)			
AMPHENOL:	64.12	0.36			
APPLE:	113.57	(0.01)			
ARRIS GROUP:	28.49	0.25			
AVID TECH:	7.38	(0.26)			
BLNDER TONGUE:	0.55	(0.01)			
CISCO:	31.10	0.08			
COMMSCOPE:	30.83	(0.24)			
CONCURRENT:	5.53	(0.02)			
CONVERGYS:	29.14	0.04			
CSG SYSTEMS:	42.84	0.47			
ECHOSTAR:	39.67	(0.19)			
GOOGLE:	771.41	5.71			
HARMONIC:	4.65	0.01			

**OVERACHIEVERS**  
**UNDER 30** PRESENTED BY  
**Cablefax**

Enter Today! Final Deadline: September 25

Who are cable's rising stars?

It's your turn to decide—enter your favorite young cable professionals for consideration in Cablefax's second-annual Overachievers Under 30 List. This program honors budding young cable leaders from all walks of business.

Enter at [www.cablefax.com/awards](http://www.cablefax.com/awards)