

# Cablefax Daily™

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What the Industry Reads First

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## Set-Top Drop: Wheeler Says Dems Intend to Get Order Done

Anyone who took FCC chmn *Tom Wheeler's* decision to drop the set-top vote from Thurs' open meeting agenda as a victory, better think again. He's made it clear he wants to move on this ASAP. That could mean the item is voted on circulation instead at next month's open meeting. With members of Congress on both sides of the aisle suggesting a need for more transparency and comments on the proposal, such an approach won't go down well. But if the chmn has the needed 3 votes, he can do it. The question is what will have to change to get those 3 votes, with *Jessica Rosenworcel* expressing concern over the FCC's role in licensing. Asked today when he hoped to have the issued voted, he said "very soon." "This is a timing issue," Wheeler said, declaring that the item was pulled so that commissioners would have enough time to do the diligence and have the necessary dialogues. "It's clear from the statement of three of us that we intended to get something done." Those other 2 commissioners—Republicans *Ajit Pai* and *Michael O'Rielly*—said they weren't party to any conversations on the proposal last night or this morning. Pai said he found out the item was pulled at around 10am, which is around the same time a notice went out to reporters. "The proposal doesn't need more time behind closed doors. It needs the public's input for both legal and policy reasons," Pai told reporters after the meeting. "That input can only happen if the Commission considers the proposal in the context of a further notice, and that's why I believe the majority should release the red line that was circulated at 9pm last night." The red line he mentions is literally all the changes made to the original document in red. It's unclear what those red changes were, though O'Rielly said his understanding is that it didn't change the licensing construct "too much," with the Commission still having a role in the equation. "It is different than previous versions, but it's still involved in my opinion," he said. It was hardly surprising the 2 Republicans voted against an independent programming NPRM (see below), but that wasn't the only 3-2 vote of the day. The pair voted against a series of personnel matters approved by the majority. Pai wouldn't elaborate on the specifics of the items, but put the fault at the process. "The chairman unilaterally and without consultation changed the process, and that at least informed my decision," he said.

## Cablefax THE MAGAZINE

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**INTX Aftermath:** Industry associations, companies and individuals were left Thurs ripping up plans that involved **NCTA's** now-canceled trade show, which was to have taken place in April in DC. The fate of INTX had been long debated, apparently coming to a head over the summer. The final vote to kill the 65-year tradition came during NCTA's board meeting last week. It's the beginning of likely more change for the lobbying group, which renamed itself earlier this month as **NCTA - The Internet & Television Association**. A topic of discussion ahead includes possibly opening up membership to other companies beyond the traditional cable crowd. As for other events tied around the show, groups are assessing their plans. The Cable TV Pioneers just celebrated its 50th anniversary with a gala in Boston at INTX. The group also hosted a reception at **NCTC** and **ACA's** The Independent Show in Orlando in July, and even gave some remarks at that event's Chairman's Dinner. It seems feasible that the Pioneers dinner could move there, a notion that neither Pioneer chairwoman *Susan Bitter Smith* nor ACA chief *Matt Polka* dismissed Thurs. Smith said the Pioneers are looking at future options, including the Indy Show as well as **SCTE/ISBE's** Cable-Tec Expo. Expo just wrapped in Philly this week with more than 10K attendees. That's a 21% uptick from last year's show in New Orleans. Being in **Comcast's** hometown probably didn't hurt, but international attendance was up 14% to 1300. **The Cable Center** brought its annual Cable Hall of Fame dinner to **NCTA's** Cable Show in 2010, a tradition that has continued over the last 6 years (including after the event was rechristened INTX in 2015). "The Cable Center will move forward with The 2017 Cable Hall of Fame celebration. Date and location will be released along with the names of the illustrious inductees in the coming weeks," the Center said in a statement. It's an especially noteworthy year as it marks the 20th anniversary of the Cable Hall of Fame. **NAMIC** is making an assessment and re-evaluating plans for its 2017 Annual Awards Breakfast, which includes the Mickey Leland Humanitarian Achievement Award and the Next Generation Leadership Awards. Similarly, **WICT** is considering the WICT Signature Luncheon held during INTX. "The WICT Signature Luncheon is a powerful diversity and inclusion platform that showcases progress and inspires action. We are working creatively and collaboratively with our board of directors and other stakeholders to explore our options to ensure we continue to thoughtfully deliver on WICT's mission," WICT pres/CEO *Maria Brennan* said.

**Indie Programming NOI:** With a 3-2 vote, the **FCC** approved a Notice of Proposed Rulemaking aimed at fostering independent programming. The proposed rules would prevent pay TV providers from including "unconditional" most-favored nation and "unreasonable" alternative distribution method clauses in their contracts with indie programmers. The FCC described an "unconditional" MFN clause as entitling a pay TV provider to receive favorable contract terms that a programmer has given to another programming distributor, without requiring the pay TV provider to assume any corresponding obligations from the other distribution agreement. An ADM clause generally prohibits or limits a programmer from putting its programming on alternative video distribution platforms, with the FCC seeking comment on the specific kinds of ADM clauses that it should prohibit as unreasonable. Notably, the FCC is seeking comments in the NPRM on the practice of bundling—something it hasn't done since *Kevin Martin* headed the agency. Media Bureau chief *Bill Lake* described the bundling questions as "very broad" and covering such ground as what effect bundling practices may have in eliminating the opportunity for programmers to get carriage. The GOP commissioners voted against the NPRM, with *Ajit Pai* complaining it's "an order masquerading as a notice." The NPRM has been the a priority for commissioner *Mignon Clyburn*. "You've been dropped!" ... These are 3 of the most paralyzing words a small or independent programmer could ever hear," she said. Clyburn noted that **DOJ** imposed conditions on the **Charter-Time Warner Cable** merger prohibiting the company from entering into ADMs with programmers as well as MFNs in some instances. Pai reminded everyone that's one of the reasons he voted against approving the Charter deal—he was concerned conditions like those would be applied industry-wide. "Less than 5 months after that vote, here we are," he said.

**Spectrum's Reach:** In the first appearance to the NY ad market as an integrated company, **Charter** chmn/CEO *Tom Rutledge* and Charter evp/pres Spectrum Reach *David Kline* made the pitch to advertisers to buy cable. "The cable television platform is really the most sophisticated platform out there if well used and well managed,"

Rutledge said at a breakfast in NY. Post-merger, the advantage is twofold: the company is now able to “take the cable business and run it like a digital business, a sophisticated business,” and leverage “the scale that goes with that,” he said. “With this scale that we have now, we have the ability to really invest in some of these new platforms,” Kline added. By the end of this year and through 2017 the investments in innovation will bear fruit. So what’s coming? Rutledge said the plan is to “put a 2-way interactive box, or application, on every outlet that we serve.” That will determine who the customer is and what device they’re on, allowing the company to deliver interactive product to them directly. “The kinds of things you can do as an advertiser changes what you can do dramatically,” Rutledge said. Over the next 24 months, Spectrum Reach will have addressability, and a programmatic platform “built and ready to go” locally, regionally and nationally by the middle of next year. The crowd also got wind of a new product in the works, tentatively named Engage TV. It’s a form of interactive TV that allows advertisers to embed in their linear TV ad offers such as coupons and product videos that consumers can respond to with their cell phones. There’s capability to create an overlay for a client’s existing ad that promotes the offer and includes an SMS code consumers can access with their cell phones. It will give advertisers the flexibility to try different offers without changing their existing :30 spot, according to a Charter rep. It’s being tested in Q4 in a few markets and will be offered more broadly in 2017. Addressing the rollout of addressable advertising, which has been discussed industry-wide for years, Kline said “it’s already underway.” The company is launching its first deployment in Reno, NV, later this year and will roll out from there, he said. He estimated that across all MVPDs there are about 35mln addressable households and that number could possibly double in the next 24 months. Commenting on **Time Warner Cable’s** not-so-great service reputation in NYC, Rutledge quipped, “That’s why we’re changing the name.” He added that more than that has to be done: “we can’t pretend that it didn’t happen... we can run this business much better than it’s been done... It’s worth investing in people that know what they’re doing, and giving them the proper training, and paying them well.”

**Interconnect Reconnect:** At the Spectrum Reach breakfast, *David Kline* also referenced a possible reunion between TWC Interconnect and local cable advertising group the **New York Interconnect**—currently a partnership between **Comcast Spotlight** and **Cablevision**—after 18 years apart. Talks are in the works, with both companies exchanging data during the early stages of the due diligence, according to a Charter rep. The goal is to get the market back together and make it easier for buyers to not only buy linear TV but also integrate the new, advanced services both companies have today. “It’s going to be so much better for us to be together, finally after all this time,” Kline said. “We’re already working on putting it back together,” though there are no guarantees, he said.

**Advertising Week:** As the traditional media model collapses, content creators and advertisers need to determine how to create content on a cost for minute that’s dramatically different from the industry’s current model, according to *Kelly Day*, chief digital officer for **AwesomenessTV**. She spoke at a panel during Advertising Week NY. The relationship between content creators and their audiences is now one of “digital intimacy,” as *Mike Mikho*, CMO for **Laundry Services** and **Cycle**, puts it, yet the industry is struggling to figure out the best economic plan to stay afloat. Brands are now creating direct lines to their fans via mobile platforms. “What Snapchat is doing is amazing,” said Mikho. However, the audience and how they engage differs for every platform, Day said. With this variety comes the need for personalization yet standardization, a combination that Day believes can be achieved through subscription services. With services such as **Amazon Prime**, **Netflix** and **Hulu**, “consumers have made it clear that they are willing to pay for what they care about,” Day said. However, for these services, ads need to be more relevant and targeted to their subscriber, said **Rich Greenfield**, media futurist and managing director for media and technology for **BTIG**. While the economics of each platform might change, they all share one thing in common: an “essence of awesome,” Day said.

**Landgraf Roast:** It’s tough to roast the mayor of television... or is it? *Louis C.K.*, **AMC Nets** CEO *Josh Sapan* and others took to the task Thurs at the **Center for Communication** lunch in NYC honoring John Landgraf with the Frank Stanton Award for Excellence in Communication. The amount of Landgraf fascination in the media today is “simply unsustainable” joked exec dir *J. Max Robins*. And contrary to popular belief that his life has been fearless and peppered with achievements, in truth it’s been “a series of disappointments and accidents,” according to Sapan. Read more jabs at **Cablefax.com**.

**Soccer Talk:** **ESPN** will cover more than 475 NCAA Division I men’s and women’s soccer games across **ESPN**, **ESPN3**, **SEC Network**, **Lone Star Network** and **ACC Network Extra**. Beginning Sun, **ESPN** will air 13

# BUSINESS & FINANCE

regular season games. SEC Net will kick off 8 consecutive weeks of soccer on Sept 8 and feature more than 60 matches along with its digital extension SEC Network +. Longhorn will air 12 home games, while the newly launched ACC Network Extra channel will cover more than 150 men's and women's ACC games, ESPN3 will feature games from 12 conferences, and more than 250 additional matches will be available via WatchESPN and the ESPN app. -- **NBC Sports** will debut a new "Gold Rush" product this Sat at 10am via the NBC Sports app and NBCSports.com, featuring live look-ins, important stories, graphics and stats surrounding 6 Premier League soccer matches airing simultaneously on either NBCSN or the Premier League Extra Time digital product. Hosted by *John Dykes*, the show focuses on one match, the first being Watford v. Arsenal, and also features live look-ins from the other matches.

**People: Bravo & Oxygen Media** promoted *David Brewer* to svp, program strategy and acquisitions where he will continue to report to *Jerry Leo*, evp of program strategy, Lifestyle Networks, **NBCU** Cable Entertainment. In his elevated position, he will oversee Bravo and Oxygen's strategic program planning of original series, acquisitions, specials and library content.

## Cablefax Daily Stockwatch

Company	09/29 Close	1-Day Ch	Company	09/29 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
DISH:	55.04	0.11	INTEL:	37.32	(0.12)
ENTRAVISION:	7.40	(0.01)	INTERACTIVE CORP:	62.90	(0.68)
GRAY TELEVISION:	10.01	(0.32)	LEVEL 3:	46.43	(1.23)
MEDIA GENERAL:	18.13	0.03	MICROSOFT:	57.40	(0.63)
NEXSTAR:	55.45	0.33	NETFLIX:	96.67	(0.81)
SINCLAIR:	28.39	(0.13)	NIELSEN:	53.47	(0.18)
TEGNA:	21.55	(0.21)	SEACHANGE:	2.97	(0.11)
<b>MSOS</b>					
CABLE ONE:	582.14	0.68	SONY:	33.24	(0.34)
CHARTER:	271.83	(4.74)	SPRINT NEXTEL:	6.66	(0.12)
COMCAST:	66.25	(0.43)	SYNACOR:	2.94	0.02
GCI:	13.98	0.07	UNIVERSAL ELEC:	74.79	(1.27)
LIBERTY BROADBAND:	70.46	(1.2)	VONAGE:	6.52	(0.22)
LIBERTY GLOBAL:	32.82	(1.03)	YAHOO:	42.57	(1.12)
SHAW COMM:	20.40	0.27	<b>TELCOS</b>		
SHENTEL:	27.60	0.34	AT&T:	40.73	(0.12)
<b>PROGRAMMING</b>					
21ST CENTURY FOX:	24.04	(0.27)	CENTURYLINK:	27.52	(0.03)
AMC NETWORKS:	51.29	(0.33)	FRONTIER :	4.25	(0.09)
CBS:	54.57	0.42	TDS:	27.36	(0.34)
DISCOVERY:	26.81	0.01	VERIZON:	52.12	0.06
DISNEY:	91.80	(0.4)	<b>MARKET INDICES</b>		
GRUPO TELEVISA:	25.73	(0.58)	DOW:	18143.45	(195.79)
HSN:	39.20	(0.05)	NASDAQ:	5269.15	(49.39)
LIONSGATE:	20.31	(0.34)	S&P 500:	2151.13	(20.24)
MSG NETWORKS:	18.44	0.03			
SCRIPPS INT:	63.94	1.31			
STARZ:	31.32	(0.2)			
TIME WARNER:	78.61	0.05			
VIACOM:	42.52	1.60			
WWE:	20.85	(0.19)			
<b>TECHNOLOGY</b>					
ADVANTAGE:	1.75	0.01			
AMDOCS:	57.78	(0.42)			
AMPHENOL:	64.68	(0.3)			
APPLE:	112.17	(1.78)			
ARRIS GROUP:	28.37	0.05			
AVID TECH:	7.60	(0.26)			
BLNDER TONGUE:	0.52	(0.07)			
CISCO:	31.39	(0.11)			
COMMSCOPE:	30.06	(0.4)			
CONCURRENT:	5.48	(0.07)			
CONVERGYS:	30.16	(0.17)			
CSG SYSTEMS:	41.42	(1.15)			
EHOSTAR:	42.50	0.38			
GOOGLE:	775.01	(6.55)			
HARMONIC:	5.88	0.05			



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# PROGRAMMER'S PAGE

## Captivating Elegance

A period drama with glamour, culture and fashion infused with modernity that leaves viewers wanting more? **Ovation's** newest series, "Versailles," delivers. "This show is all the things we are as a network," said *Scott Woodward*, evp of programming and production for **Ovation**. The net acquired the US rights from **Zodiak Rights** in April of this year, which Woodward said was a no-brainer. "*David Wolstencroft* and *Simon Mirren* [exec producers of "Versailles"] were completely astonished by it after reading the first 10 pages. They chased it from then on." The most expensive series ever produced in France has seen widespread acclaim from viewers there as well as England and around the world. Woodward believes it will translate well to the US audience. "It pairs up with all the other content we have on the network—fashion, art, etc." The net's research found that "Versailles" experienced success with younger audiences—a perfect fit with Ovation's recent acquisition "The Tudors," which follows King Henry VIII's path to power in 16th century England. For "Versailles," with love comes betrayal and with trust comes deceit. Set in 17th Century France, the cold-blooded King Louis XIV is determined to build Europe's most beautiful palace—a prison of wealth, beauty and power. "Not only is it a great dramatic story, it tells a great story of the time," Woodward told **CFX**. "This is a tent pole event for us—a big fourth quarter play." To market Versailles, Ovation has held events in NYC and DC in addition to a dedicated series website, contests, on-and-off-air promotions and more. In addition, encore performances of the previous week's ep will air prior to the newest ep to continue promotion throughout the season. "It'll have a long life on the net," he said. Be prepared for gorgeous art, fashion, scenery and more during the 2-hour premiere on Oct 1 at 10pm. — *Sarah Plombon*

**Reviews:** "The Bureau," Mon, **SundanceNow Doc Club**. Viewers are overloaded with too many great series in this golden age of TV, right? Now **AMC Networks'** SVOD service piles on, importing French hit "The Bureau." Many series' first eps experience pacing problems as they introduce characters and storylines. The Bureau suffers little from these, jumping quickly into the story of *Malotru Debailly* (*Matthieu Kassovitz*), who appears to be a teacher in Syria. Actually he's a French intelligence officer. Soon he's recalled to HQ in Paris, where he's not been in years. Assigned to train spies, he begins re-connecting with his former life. This look inside a spy's life is terrific television. -- "America Divided," Fri, 9pm, **EPIX**. Even in TV's golden age, viewers should welcome a garden-variety docu series about difficult issues. They've got one here as *Norman Lear*, 94-years young, teams with *Shonda Rhimes* and *Common*. The opener has Lear looking at housing, Common delving into police shootings, while *Rosario Dawson* examines water in Flint, MI. It's lean-in TV, as the filmmakers avoid many gotcha moments, preferring to allow the viewer's blood to boil quietly. -- "Blunt Talk," Season 2 premiere, Sun, 8:35pm, **Starz**. How far can Sir *Patrick Stewart* stray from his Shakespearian training? He goes far weekly in this hoot of a comedy with Stewart as a news anchor. — *Seth Arenstein*

Basic Cable Rankings (9/19/16-9/25/16) Mon-Sun Prime			
1	ESPN	1.4	3320
2	FOXN	1	2377
3	TNT	0.7	1734
4	TBSC	0.6	1394
4	HGTV	0.6	1305
4	DSE	0.6	127
7	USA	0.5	1306
7	MSNB	0.5	1074
9	CNN	0.4	998
9	DSNY	0.4	994
9	HIST	0.4	982
9	ADSM	0.4	889
9	ID	0.4	859
14	LIFE	0.3	816
14	FOOD	0.3	773
14	FX	0.3	764
14	DISC	0.3	728
14	NAN	0.3	707
14	HALL	0.3	672
14	AMC	0.3	657
14	SYFY	0.3	632
14	A&E	0.3	615
14	TVLD	0.3	603
14	NFLN	0.3	601
14	NKJR	0.3	589
14	OWN	0.3	543
14	DSJR	0.3	520
28	FRFM	0.2	573
28	CMDY	0.2	573
28	TLC	0.2	569
28	VH1	0.2	564
28	BRAV	0.2	560
28	SPK	0.2	533
28	APL	0.2	478
28	LMN	0.2	426
28	HMM	0.2	424
28	INSP	0.2	419
28	EN	0.2	413
28	NGC	0.2	406
28	TRAV	0.2	393
28	WETV	0.2	375
28	GSN	0.2	374
28	MTV	0.2	367
28	FXX	0.2	348

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



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