

Cablefax Daily™

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What the Industry Reads First

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Charter's Enterprise: MSO Looking to Business and Wireless

Enterprise: the final business frontier. These are the voyages of **Charter's** Starship Enterprise. Its 5-year mission to take a bigger chunk of a \$20bln universe and to boldly go where no MSO has gone before. With Charter well into its integration of **Time Warner Cable** and **Bright House**, the company's turning a hungry eye to the enterprise space. CEO *Tom Rutledge* estimates that Charter's capturing less than 10% of the approximate \$20bln annual enterprise spend in its addressable footprint today. During Thurs' 3Q earnings call, he pledged increasingly sophisticated and advanced products for the space, but he didn't elaborate. "I think that we can change the definition of the product set that works in the marketplace—coming at it from a non-incumbent perspective," he said. Boosting Charter's confidence is its larger footprint, which opens up the opportunity for mass media and regional targets. Addressable advertising is another frontier flagged by Rutledge, who said the company will start selling data-infused advertising next year. Wireless continues to be the big question, with Rutledge providing few insights. "We've had fruitful discussions with **Verizon**, but I don't want to characterize them beyond that," he said. He said that it won't be an immediate launch as Charter goes down the path of an MVNO, suggesting nothing substantial happening in terms of a rollout until the end of 2017 and following into 2018. Charter has asked the **SEC** for the right to experiment with millimeter wave technologies in several markets. Rutledge said 5G-type, small cell or millimeter wave technologies are the sort of products Charter will develop (they may or may not be connected to an MVNO). **Wells Fargo Securities** analysts said the market appears worried that a substantial rollout would come at the expense of share repurchases, but they did not have that sense. "It sounds like this is similar to **Comcast's** plans to augment the bundle," said a note to clients. As for Time Warner and Bright House, Charter started deploying a marketing strategy in TWC's TX and CA footprint in late Sept that includes new pricing, packaging and the Spectrum brand. Rutledge said Charter's already seeing better sales in those markets, with NYC and FL to see the strategy launch later this month. Over 50% of Charter's service area should be Spectrum branded by year-end and all of the former TWC and BH markets should have the brand by spring "with customer and financial growth benefits following over time like they have at pre-deal Charter." In the meantime, as analyst *Craig Moffett*, phrased it: it's messy. Legacy TWC lost 61K video subs in the Q vs 7K a year ago, while 174K residential broadband subs were added vs 232K a year ago. Legacy Charter

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video subs grew by 19K, up from 11K last year; broadband was similar to last year at 121K adds. All told, residential HSD subs grew by 30K in the quarter, while video subs decreased by 47K. Management says to be patient as Charter moves TWC to its practices. "Legacy Charter is doing very well. Legacy TWC is doing less well," Moffett wrote. "In aggregate, the numbers were good, with revenue very (very) slightly ahead, EBITDA more solidly ahead and subscriber metrics (with the exception of phone) more or less in line." Charter expects to complete digital transitions at TWC and BH over the next 2 years. When it comes to synergies from the acquisitions, Charter's feeling pretty good. "This quarter, we are confirming that it is \$700mln at the end of year one run rate and that we're going to significantly exceed the \$800mln original target for the run rate at the end of 3 years," CFO Christopher Winfrey said, though he didn't spell out what the new figure would be. Charter's overall 3Q profit was ahead of analyst expectations with \$189mln in profit (69 cents share). Total revenue of \$10.037mln beat **Zacks** Consensus Estimate of \$10.020mln.

Intel's VR Purchase: Intel has its eyes on more sports virtual reality content. Following its recent move to create a new business unit, **Intel Sports**, Intel said it's acquiring VR firm **Voke**. Founded in 2004, Voke specializes in live event VR coverage. Its VR platform can be accessed across devices and can be integrated into existing broadcaster and league channels, Intel Sports gm *James Carwana* said in a release. In March, Intel acquired **Replay Technologies**, which owns proprietary freeD technology that uses high-resolution cameras to let viewers see sporting events from any angle. Intel CEO *Brian Krzanich* repeatedly emphasized the importance of what he called "immersive sports," a new category for sports entertainment attracting the attention of leagues, content providers and broadcasters.

TiVo-Samsung Agreement: TiVo and **Samsung** made peace, following more than a year of legal battles over patents. The companies inked a broad intellectual property agreement that will provide certain rights under TiVo's patent portfolio for Samsung's mobile, consumer electronic and set-top box businesses. As part of the agreement, the companies will seek an immediate stay of all pending litigation and patent challenges between the two and, "upon satisfaction of certain conditions in Q4 2016, will seek dismissal thereof," they said in a release Thurs. TiVo sued Samsung in 2015 over alleged patent infringement.

Biennial Telecom Regulation Review: The **FCC** is in the process of conducting its 2016 biennial review of telecom regulations as required by the Communications Act. The agency issued a Public Notice Thurs seeking input on what rules should be updated or repealed as part of the review. Comments are due Dec 5.

Broadband Privacy: The **FCC** released its 219-page broadband privacy order Thurs, which detailed new rules passed last week along party lines, as well as effective dates. The agency said that while swift implementation will benefit consumers, compliance takes time. It noted some of the new rules will require revised information collection approval from the Office of Management and Budget pursuant to the Paperwork Reduction Act and it is difficult to predict the exact timeline for PRA approval. The Notice and Choice rules will become effective around 12 months after the publication of the summary of the order in the Federal Register, while the data security rules will go into effect 90 days after publication in the Federal Register. The data breach notification rules will become effective 6 months after publication in the Federal Register.

NFL Goes VR: The **NFL** is stepping up its virtual reality game with a partnership expansion with **Google**. Under the arrangement, NFL Films will produce a 9-part series featuring 360-degree view of life in and around NFL players, coaches, execs, cheerleaders and fans. The first ep of the VR series will be available to watch via the NFL channel on YouTube on Thanksgiving Day. Later this year, episodes will be available via the NFL VR app designed for Daydream, Google's mobile VR offering, along with other content platforms. The move marks NFL's first foray into producing VR content. NFL said the series will also be the 1st episodic sports program in VR.

Carriage: FidoTV, which caters to dog lovers, is scheduled to launch on **AT&T U-verse TV** on Fri. The net features content including original productions as well as shows from around the world.

ACC Joining CTAM: The **Association of Cable Communicators** (formerly the **Cable Television Public Affairs Association**) is being integrated into **CTAM**. The two associations have reached an agreement in principle, with the integration expected to be complete by the end of the year. ACC executive director *Steve Jones* will depart once

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the deal is finalized, with CTAM not planning at this point to bring on any additional staff to handle functions of the group focused on the cable industry's communications and public affairs professionals. More details on the move and an interview with CTAM pres/CEO *Vicki Lins* at Cablefax.com.

WICT Heads to SCTE: With INTX out of the picture, **WICT** is moving its annual Signature Luncheon to **CES**. The event will be held Jan 6 from 11:30-1pm at the ARIA Hotel, home to the show's C Space—a program at CES for the advertising, content, entertainment and marketing communities. By the way, the final numbers are in for WICT's record membership (**CFX**, 10/31). The organization closed 2016 with 10,168 members, an all-time high and the first time it has surpassed the 10K member mark.

Trade Winds: Join us in wishing **Cablefax** and Screenster editor *Kaylee Hultgren* well as she heads out on her next venture as social medial manager and assistant project manager at **TAG Creative**, a boutique agency/production house in NYC that works with beauty and luxury clients. And congratulations to our own *Kate Schaeffer* and *Alex Virden* who will take on new roles. Schaeffer's role has expanded with her serving as dir, event operations & logistics for Cablefax and sister brands *PR News* and *min*. Virden was promoted to marketing manager for Cablefax.

Cablefax Daily Stockwatch

Company	11/03 Close	1-Day Ch	Company	11/03 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DISH:	54.86	(0.24)	INTEL:	33.90	(0.44)
ENTRAVISION:	6.45	0.05	INTERACTIVE CORP:	65.53	3.56
GRAY TELEVISION:	8.13	(0.03)	LEVEL 3:	51.23	(1.82)
MEDIA GENERAL:	16.77	0.08	MICROSOFT:	59.14	(0.3)
NEXSTAR:	47.18	(0.53)	NETFLIX:	122.04	(0.3)
SINCLAIR:	25.48	0.63	NIELSEN:	43.72	(0.96)
TEGNA:	18.25	(0.22)	SEACHANGE:	2.49	(0.06)
MSOS					
CABLE ONE:	574.57	(1.17)	SONY:	31.37	UNCH
CHARTER:	246.41	(6.5)	SPRINT NEXTEL:	6.07	0.12
COMCAST:	60.91	(0.57)	SYNACOR:	2.75	UNCH
GCI:	14.80	(0.38)	UNIVERSAL ELEC:	68.90	(0.1)
LIBERTY BROADBAND:	62.46	(1.78)	VONAGE:	6.16	(0.11)
LIBERTY GLOBAL:	31.43	(0.45)	YAHOO:	40.29	(0.4)
SHAW COMM:	19.66	0.04	TELCOS		
SHENTEL:	24.43	0.33	AT&T:	36.60	0.23
PROGRAMMING					
21ST CENTURY FOX:	27.66	1.83	CENTURYLINK:	22.96	(1.23)
AMC NETWORKS:	51.43	2.03	FRONTIER :	3.13	(0.27)
CBS:	55.72	0.57	TDS:	24.98	(0.06)
DISCOVERY:	25.73	0.53	VERIZON:	46.81	(0.13)
DISNEY:	93.25	1.34	MARKET INDICES		
GRUPO TELEVISIA:	24.16	0.14	DOW:	17.00	400.00
HSN:	36.60	(0.15)	NASDAQ:	5058.41	(47.16)
LIONSGATE:	18.99	(0.8)	S&P 500:	2088.66	(9.28)
MSG NETWORKS:	18.78	(0.03)			
SCRIPPS INT:	64.65	1.11			
STARZ:	30.47	(0.49)			
TIME WARNER:	86.81	(0.47)			
VIACOM:	42.35	(0.15)			
WWE:	17.46	0.10			
TECHNOLOGY					
ADVANTAGE:	1.74	0.02			
AMDOCS:	58.48	(0.7)			
AMPHENOL:	64.81	(0.3)			
APPLE:	109.79	(1.24)			
ARRIS GROUP:	26.19	(0.41)			
AVID TECH:	6.04	(0.34)			
BLNDER TONGUE:	0.55	UNCH			
CISCO:	30.28	(0.12)			
COMMSCOPE:	31.88	1.62			
CONCURRENT:	5.91	(0.04)			
CONVERGYS:	28.28	0.43			
CSG SYSTEMS:	41.64	5.05			
ECHOSTAR:	45.22	(0.05)			
GOOGLE:	761.10	(7.6)			
HARMONIC:	4.94	0.19			



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PROGRAMMER'S PAGE

Crime TV

From **Netflix's** popular "Making a Murderer" and **FX's** "The People v. O.J. Simpson" to **HBO's** "The Jinx" and **Discovery's** "Killing Fields," there's no shortage of true crime TV series these days. What sets **A&E's** docu-series "The Killing Season" apart is "active storytelling, which is extremely difficult in unsolved case," documentarian *Joshua Zeman* said. The 8-ep series, premiering Nov 12 at 9 pm ET, features one of the most bizarre unsolved serial killer cases of our time: The death of 10 sex workers discovered on Gilgo Beach, Long Island over a period of nearly 20 years. "We really went down the rabbit hole in looking at the Gilgo Beach Murders, looking at all the suspects and the theories... So, in that sense, it has a similar vibe to The Jinx and Making of Murder," Zeman said. The difference is "this is one unsolved case that led to another, which led to another, until we had uncovered this horrific nightmare that was unfolding in cities all across America." The goal is to show the truth behind these cases, to "delve behind the headlines, to show the gritty reality," he said. While Zeman and his fellow documentarian *Rachel Mills* initially acted as filmmakers, documenting what they saw, they eventually found it necessary to come out from behind the camera in order to tell the story. "We had unscripted moments where, because of what was happening, the emotion would be more impactful if we were on camera and the audience could see our reaction... Ultimately, we believe that will benefit, humanize and make people care about these cases," said Zeman. Regarding the increasing demand for true crime content, Zeman said nets have learned from the popularity of Making of a Murderer and "Serial" that audiences are into slower storytelling. "Audiences like getting into the nitty-gritty details and they are willing to accept that some clues just don't add up. They know that solving a crime is a lot more complicated than 'Law & Order' might suggest," he said. — *Joyce Wang*

Reviews: "Tracey Ullman's Show," Fri, 11pm, **HBO**. Look up "tour de force" in the dictionary or on **Google**, or watch a few minutes of *Tracey Ullman's* new sketch show. This week she nails *Camilla Duchess of Cornwall* and *Dame Judi Dench* to hilarious effect. And Ullman certainly gets much right in her impression of *Dame Maggie Smith*. The makeup team, the perruquiers and Ullman's attention to detail in these celebrity impressions deserve attention and praise. Yet also enjoyable is knowing that Ullman resides beneath layers of prosthetics and makeup as she spoofs a socially awkward app maker whose office is a Starbucks-type coffee shop. This HBO co-production with **BBC** is decidedly British and may prompt yankees to lean in and consult Wikipedia. But is there anything wrong with learning a bit so you can laugh more? — "Deep Water," available Mon, **Acorn TV**. No, it's not *Mark Wahlberg's* "Deep Water Horizon" or *Deepwater* (2005), but it's a fine thriller with *Yael Stone* (Lorna Morello of **Netflix's** "Orange Is The New Black"), nearly unrecognizable, in her native Australia playing a dedicated, idealistic detective who refuses to make a murder case an open-and-shut affair. For viewers who love mysteries where the locale, the coastline near Sydney, plays a vital role, tuning to this 4-part series will be a wise move. — *Seth Arenstein*

Basic Cable Rankings (10/24/16-10/30/16)			
Mon-Sun Prime			
1	ESPN	1.3	2877
2	FOXN	1.2	2768
3	AMC	0.6	1406
3	TNT	0.6	1356
3	MSNB	0.6	1333
6	USA	0.5	1271
6	TBSC	0.5	1215
6	HGTV	0.5	1193
6	HALL	0.5	1098
6	DSE	0.5	96
11	CNN	0.4	1073
11	DSNY	0.4	1061
11	DISC	0.4	1040
11	FOOD	0.4	945
11	HIST	0.4	896
11	ADSM	0.4	862
11	ID	0.4	813
11	NFLN	0.4	762
19	FX	0.3	776
19	FRFM	0.3	758
19	TLC	0.3	667
19	NAN	0.3	659
19	LIFE	0.3	636
19	NKJR	0.3	607
19	A&E	0.3	604
19	SYFY	0.3	600
19	BRAV	0.3	598
19	TVLD	0.3	586
19	SPK	0.3	571
19	DSJR	0.3	551
19	OWN	0.3	521
19	HMM	0.3	505
19	FOXD	0.3	215
34	VH1	0.2	473
34	LMN	0.2	470
34	NGC	0.2	449
34	TRAV	0.2	417
34	APL	0.2	413
34	WETV	0.2	413
34	CMDY	0.2	404
34	ESP2	0.2	400
34	BET	0.2	398
34	INSP	0.2	358
34	GSN	0.2	343

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

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