

Cablefax Daily™

Monday — December 12, 2016

What the Industry Reads First

Volume 27 / No. 238

ADVERTISEMENT

OVERACHIEVERS UNDER 30 PRESENTED BY Cablefax

CELEBRATE

Wednesday, December 14

4:00 - 6:00PM | The Standard, High Line | NYC

CONGRATULATIONS

- Miles Aghajanian, *Destination America, American Heroes Channel*
- Michael Baireuther, *The Agency, Discovery Communications*
- Michael Benjamin, *TV One*
- Christian Blauvelt, *BBC Worldwide North America*
- Rachel Brenner, *Investigation Discovery*
- Jasmine Clennon, *Turner Broadcasting Systems*
- Briana Currier, *TiVo*
- Christina Douglas, *Investigation Discovery*
- Nichole Earl, Manager, *Sony Pictures*
- Lauren Elias, *Viacom Velocity*
- Julie Feinerman, *EPIX*
- Charlotte Fletcher, *Investigation Discovery & Destination America*
- Gaige Flint, *Comcast*
- Isaac Holub, *Lucky 8 TV*
- Brittany Kayton, *Discovery Communications*
- Yong Kim, *NBC Entertainment & Universal Television*
- Eric Kuhn, *Layer3 TV*
- Jessica Lee, *Discovery Communications*
- Samantha Lee, *SundanceTV*
- Marshall Lipman, *Jewelry Television*
- Ben Litvinas, *Comcast*
- Michelle Lochmus, *Crown Media Family Networks*
- Adam Lynch, *Viamedia*
- Elias Lyons, *Investigation Discovery*
- Whitney Marshall, *TV One*
- Danielle Matlin, *TLC*
- Matthew McConnell, *Food Network & Cooking Channel*
- Nicole McIntyre, *Showtime Networks Inc.*
- Andrew Mearns, *SNL Kagan*
- Neeve Nikoo, *Cisco*
- Brian O'Toole, *Viacom*
- Danielle Phillips, *Comcast Spotlight*
- Monica Revare, *Layer3 TV*
- Alex Ryan, *UM*
- Donovan Sharp, *Comcast Business*
- Jaunice Sills, *REVOLT Media & TV*
- Evan Smith, *Comcast*
- Luke Snyder, *Discovery Communications*
- Regina Sommese, *Discovery Communications*
- Katya Troyky, *Viamedia*
- Danielle Wager, *A+E Networks*
- Monica Walsh, *Discovery Communications*
- Kate Warburton, *CMT*
- Tyler Zlotnick, *BBC America*

Register at www.cablefax.com/events

Cablefax Daily™

Monday — December 12, 2016

What the Industry Reads First

Volume 27 / No. 238

Verizon's Take: Trump, M&A, Zero-rating

Like other ISPs, one thing **Verizon** looks forward to in a *Trump Administration* is a potential infrastructure package that could encourage broadband deployment. There could be subsidy for fiber buildout across the country, the company's general counsel/evp for public policy *Craig Silliman* said during **C-SPAN's** Communicators series, which airs Sat at 6:30pm EST and again on Mon on **C-SPAN2** at 8am and 8pm EST. The potential subsidy could be for markets where economic incentives to build out fiber are low, according to Silliman. "The economics of fiber will get harder and harder as you move to less and less dense areas. The more dense population based you have, the more economics of fiber make sense," the exec said. A cost-effective way to bring connectivity to rural areas is combining fiber with wireless. Instead of building fiber all the way to the premise, service providers can build fiber to the node and deploy wireless capabilities at the end of those nodes. The exec noted that increasingly cable MSOs are looking to enter the wireless market through MVNO arrangements. And as the two sectors come together, he said things like broadband privacy and cybersecurity have become common issues for the communications industry, regardless of transport technology. Another issue that is likely to be revisited in a Trump Administration is net neutrality. While Verizon has always supported net neutrality, it's against Title II reclassification. **AT&T** CEO *Randall Stephenson* made the same point during an exchange with Sen *Al Franken* (D-MN) at Wed's Sen Judiciary hearing over the proposed **Time Warner** acquisition. Net neutrality is still important as the country moves to a new administration, Silliman said, but "we can do net neutrality in a much smarter and more efficient way." Does the AT&T-Time Warner deal put pressure on Verizon to pursue similar transactions? Not really. "To a large degree, what you see is AT&T buying a couple of very good assets in **DirectTV** and now with Time Warner that are some of the traditional winners in the particular content distribution or content creation parts of the ecosystem," Silliman said. For Verizon, he said the strategy is more about looking at where the content consumption, content distribution and content production is going. The telco's go90 service is an example of that approach, with it focusing on highly personalized OTT type of short-form video. A lot of Verizon's investments, whether it's **AOL**, **Yahoo**, **AwesomenessTV** or **Complex Media**, are about "saying this is where we think the puck is going and we are going to skate to where we think the puck is going as opposed to the current distribution and content creation model," said the exec. The half-hour discus-



Cablefax's
DIGITAL AWARDS

Call for Entries
Final Deadline
December 16, 2016

Cablefax's Digital Awards is the industry's top honor in the digital space, recognizing outstanding websites, digital initiatives, and people among programmers, operators, and industry professionals.

Enter At: www.cablefaxdigitalawards.com

Questions: Mary-Lou French
301.354.1851 • mfrench@accessintel.com

Sponsorships: Rich Hauptner
203.899.8460 • rhauptner@accessintel.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 ● 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 M. 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

sion also touched on letters the FCC sent to Verizon and AT&T asking them to explain why zero rating practices aren't violations of net neutrality rules. "I have been a little amused when I see advocates opposing zero rating," which has been around for years, Silliman said. He offered up **Amazon's** free shipping policy for certain products as a zero-rating practice. For consumers, generally when they get something for free, they are happy, he said.

Viewer Protection Act: Senate Commerce released a discussion draft to the Viewer Protection Act, introduced earlier this year in the House. The bill is aimed at ensuring broadcast viewers don't lose any signals as a part of the Broadcast Incentive repacking process. "From the beginning, I have said that this should be a bi-partisan effort. That's why I'm grateful to see a broad coalition of Senators agree and have circulated a companion to my bill. I look forward to working with all of them to pass this important legislation in the next Congress," said bill sponsor *Frank Pallone* (D-NJ).

Deal Alerts: 21st Century Fox said it has an agreement in principle to acquire all the shares in **Sky** it doesn't own for \$14bln. It's not a done deal, but Sky's independent directors have indicated to Fox that they're willing to recommend the offer. 21CF currently has a 39.1% stake in the British pay-TV company, which provides satellite service to about 22mln customers in the UK, Ireland, Italy and Germany. -- **Starz** stopped trading Thurs with **Lionsgate** closing its \$4.4bln cash and stock acquisition. The companies noted that integration planning is substantially complete in a number of areas. Starz's home entertainment and television distribution operations are being consolidated into Lionsgate's worldwide home entertainment and television distribution businesses, respectively. Lionsgate is operating Starz as a wholly-owned subsidiary with Chris Albrecht continuing to serve as pres/CEO. He reports to Lionsgate CEO *Jon Feltheimer*, and will also join Lionsgate's Executive Management Committee. Before the closing, each share of Lionsgate single-vote common stock was reclassified into 0.5 share of LGF.A, the voting class, and 0.5 share of LGF.B, the non-voting class. STRZA shareholders received \$18/share in cash and 0.6784 shares of LGF.B non-voting stock. STRZB shareholders received \$7.26 in cash, 0.6321 shares of LGF.A and 0.6321 shares of LGF.B.

Still Going: Stage 4 reverse auction clock bidding will begin Tues, with the **FCC** setting a clearing target of 84 Megahertz. Two rounds are planned for each day of bidding through Dec 16. It will move to 3 rounds the following week, if necessary. Bidding will be suspended after the 2nd round on Dec 23 and won't resume until Jan 3. The base clock price has been reset to \$900 per unit of volume for Stage 4 of the reverse auction.

Educational Streaming: The George Lucas Foundation launched "Edutopia," a free streaming channel focused on K-12 education. It's available for download on **Roku**, **Amazon Fire TV**, and **Apple TV**. Edutopia features more than 200 original and curated short-form HD videos, including stories of schools doing incredible things to help students learn.

NATPE Preview: **NATPE** organizers said NATPE Miami (Jan 17-19) said the show is pacing well ahead of last year's conference. New this year is a membership tier dubbed NATPE Next Gen aimed at those looking to enhance their burgeoning careers. There will be a strong representation of international buyers, with new China and Brazil pavilions in place, according to NATPE COO and managing dir *JP Bommel*. This is Bommel's first NATPE Miami conference at the helm of the organization. With last year's show "a miss"—Bommel's word—for broadcast TV, a Station Group Summit track of sessions has been added that includes **Fox TV Stations** CEO *Jack Abernethy*, **Sinclair** programming COO *Arthur Hasson* and other senior broadcast execs. Bommel said that some cable execs will be part of the Station Group Summit and that NATPE has a "growing relationship" with **NCTA**, which has canceled its annual convention. "We have invited their members to attend NATPE," he said.

People: Comedy Central hired *Kellyn Parker* as vp, original programming and development, West Coast. He joins from **Funny or Die**. -- **Comcast** division vp, customer experience *Dana Crandall* has joined the West Division Senior Leadership team, reporting division pres Steve White. The company said the move is part of its commitment to transforming the customer experience.

Obituary: *Darrell Ewalt*, **AXS TV's** vp and exec producer of event programming and production, passed away Dec 4 at the age of 58. The 15-year vet of the programmer is fondly remembered by many. "AXS TV is forever indebted to Darrell's tireless service," said *Mark Cuban*, CEO of AXS TV. "He left his imprint on every aspect of this company, both as a producer, engineer and as a person. We send his family our sincerest condolences during this difficult time." The family has designated CO's **Craig Hospital Foundation** and **Freedom Service Dogs of America** for memorial contributions.

16th Holiday
ROCK & ROLL
 Bash



DECEMBER 14, 2016

AT **TAO**
 DOWNTOWN

A BENEFIT FOR THE LUSTGARTEN FOUNDATION FOR PANCREATIC CANCER RESEARCH

PRESENTED BY



OUR SPONSORS



GIBSON DUNN

KASOWITZ
KASOWITZ BENSON TORRES & FRIEDMAN LLP

SULLIVAN & CROMWELL LLP



CRAVATH, SWAINE & MOORE LLP



Hughes Hubbard & Reed LLP



LATHAM & WATKINS LLP



Cablefax



Multichannel

Thanks to private funding, 100% of every dollar donated to The Lustgarten Foundation goes directly to pancreatic cancer research. Learn more at lustgarten.org

For more information call 914-579-1000 or email holidaybash@buckleyhallevnts.com.

Cablefax Week in Review

| Company | Ticker | 12/09 Close | 1-Week % Chg | YTD %Chg |
|------------------------------|--------|-------------|--------------|----------|
| BROADCASTERS/DBS/MMDs | | | | |
| DISH: | DISH | 59.00 | 6.21% | 3.18% |
| ENTRAVISION: | EVC | 6.80 | 2.26% | (11.8%) |
| GRAY TELEVISION: | GTN | 10.90 | 7.92% | (33.13%) |
| MEDIA GENERAL: | MEG | 19.05 | 3.98% | 17.96% |
| NEXSTAR: | NXST | 64.90 | 9.63% | 10.56% |
| SINCLAIR: | SBGI | 33.90 | 4.15% | 4.18% |
| TEGNA: | TGNA | 23.13 | 3.68% | (9.37%) |
| MSOS | | | | |
| CABLE ONE: | CABO | 611.18 | (0.02%) | 40.94% |
| CHARTER: | CHTR | 278.81 | 4.55% | 52.36% |
| COMCAST: | CMCSA | 69.45 | 0.97% | 23.07% |
| GCI: | GNCMA | 18.49 | 6.02% | 13.51% |
| LIBERTY BROADBAND: | LBRDA | 70.54 | 4.46% | 36.57% |
| LIBERTY GLOBAL: | LBTYA | 30.14 | 1.58% | (28.85%) |
| SHAW COMM: | SJR | 20.22 | 2.80% | 17.63% |
| SHENTEL: | SHEN | 30.00 | 11.32% | (30.31%) |
| PROGRAMMING | | | | |
| 21ST CENTURY FOX: | FOXA | 28.21 | 2.96% | 3.87% |
| AMC NETWORKS: | AMCX | 52.40 | (1.32%) | (29.83%) |
| CBS: | CBS | 62.56 | 3.95% | 32.74% |
| DISCOVERY: | DISCA | 29.10 | 9.40% | 9.07% |
| DISNEY: | DIS | 104.86 | 6.46% | (0.21%) |
| GRUPO TELEVISIA: | TV | 20.74 | 3.65% | (23.78%) |
| HSN: | HSNI | 36.75 | (0.54%) | (27.47%) |
| MSG NETWORKS: | MSGN | 21.30 | 2.90% | 2.40% |
| SCRIPPS INT: | SNI | 71.72 | 4.75% | 29.90% |
| TIME WARNER: | TWX | 95.23 | 1.52% | 47.26% |
| VIACOM: | VIA | 42.45 | 5.20% | (3.5%) |
| WWE: | WWE | 20.27 | 11.43% | 13.62% |

| Company | Ticker | 12/09 Close | 1-Week % Chg | YTD %Chg |
|-------------------|--------|-------------|--------------|----------|
| TECHNOLOGY | | | | |
| ADVANTAGE: | AEY | 1.66 | (4.6%) | (8.29%) |
| AMDOCS: | DOX | 60.57 | 3.20% | 11.00% |
| AMPHENOL: | APH | 68.51 | 1.74% | 31.17% |
| APPLE: | AAPL | 113.86 | 3.64% | 8.17% |
| ARRIS GROUP: | ARRS | 29.75 | 6.10% | (2.68%) |
| AVID TECH: | AVID | 4.57 | 12.29% | (37.31%) |
| BLINDER TONGUE: | BDR | 0.51 | 6.25% | 27.50% |
| CISCO: | CSCO | 30.06 | 2.77% | 10.68% |
| COMMSCOPE: | COMM | 36.53 | 2.07% | 41.10% |
| CONCURRENT: | CCUR | 5.58 | 3.91% | 12.73% |
| CONVERGYS: | CVG | 25.44 | 4.26% | 2.21% |
| CSG SYSTEMS: | CSGS | 48.16 | 8.79% | 33.85% |
| ECHOSTAR: | SATS | 52.92 | 4.19% | 35.31% |
| GOOGLE: | GOOG | 789.29 | 5.17% | 4.01% |
| HARMONIC: | HLIT | 5.15 | 6.19% | 26.54% |
| INTEL: | INTC | 35.76 | 4.68% | 3.80% |
| INTERACTIVE CORP: | IAC | 68.24 | 4.10% | 13.64% |
| LEVEL 3: | LVT | 56.24 | 0.75% | 3.46% |
| MICROSOFT: | MSFT | 61.97 | 4.59% | 11.70% |
| NETFLIX: | NFLX | 122.88 | 1.71% | 7.43% |
| NIELSEN: | NLSN | 42.72 | 1.55% | (8.33%) |
| SEACHANGE: | SEAC | 2.64 | (0.75%) | (60.83%) |
| SONY: | SNE | 29.40 | 4.78% | 19.46% |
| SPRINT NEXTEL: | S | 8.48 | 6.27% | 134.25% |

| Company | Ticker | 12/09 Close | 1-Week % Chg | YTD %Chg |
|-----------------------|--------|-------------|--------------|----------|
| SYNACOR: | SYNC | 3.10 | 3.33% | 77.14% |
| UNIVERSAL ELEC: | UEIC | 68.40 | 8.06% | 33.20% |
| VONAGE: | VG | 6.84 | 4.11% | 19.16% |
| YAHOO: | YHOO | 41.76 | 4.22% | 25.56% |
| TELCOS | | | | |
| AT&T: | T | 40.38 | 4.58% | 17.35% |
| CENTURYLINK: | CTL | 24.12 | 0.84% | (4.13%) |
| FRONTIER: | FTR | 3.67 | 5.46% | (21.41%) |
| TDS: | TDS | 29.26 | 5.86% | 13.02% |
| VERIZON: | VZ | 51.49 | 3.37% | 11.40% |
| MARKET INDICES | | | | |
| NASDAQ: | IXIC | 5444.50 | 3.59% | 8.73% |
| S&P 500: | GSPC | 2259.53 | 3.08% | 10.55% |

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

| COMPANY | CLOSE | 1-WK CH |
|---------------|-------|---------|
| 1. LIONSGATE: | 26.09 | 14.83% |
| 2. AVID TECH: | 4.57 | 12.29% |
| 3. WWE: | 20.27 | 11.43% |
| 4. SHENTEL: | 30.00 | 11.32% |
| 5. NEXSTAR: | 64.90 | 9.63% |

THIS WEEK'S STOCK PRICE LOSERS

| COMPANY | CLOSE | 1-WK CH |
|------------------|--------|---------|
| 1. ADVANTAGE: | 1.66 | (4.6%) |
| 2. AMC NETWORKS: | 52.40 | (1.32%) |
| 3. SEACHANGE: | 2.64 | (0.75%) |
| 4. HSN: | 36.75 | (0.54%) |
| 5. CABLE ONE: | 611.18 | (0.02%) |

Cablefax Daily is THE Place to Advertise

Launching a new product? Let the industry know!

Premiering a new show? Let the industry know!

Celebrating an anniversary? Let the industry know!

Deliver your message with impact and influence the industry's elite.

Advertise in Cablefax Daily today!

Rates & More Information: Rich Hauptner at rhauptner@accessintel.com or 203-899-8460 | Olivia Murray at omurray@accessintel.com or 301-354-2010