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What the Industry Reads First

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NATPE Notes: Can Reality TV Survive?

It sounds like we're on the precipice of change with reality TV. "The costs have risen dramatically over the last five or so years. It's not sustainable, even for big businesses," said **A+E Networks** pres/CEO *Nancy Dubuc* during NATPE Miami's opening session Tuesday. She called on unscripted producers to focus more on creation and less on business models. Expect the topic to be front and center at next week's Realscreen conference in DC, a gathering that attracts unscripted producers. She complained that creating four versions of a hit unscripted show on different networks ultimately doesn't serve the consumer. What's more, unscripted has taken a hit as TV consumption has changed. Dubuc pointed to a comment made by **NBCU's Bonnie Hammer** in which she declared that cable created binge watching. "You could put a show on and repeat it five times," Dubuc said, but that the repeat model is not holding up in a world of timeshifted and SVOD. She cautioned that despite A+E's investments in the studio side, she's not advocating pulling programming in-house, but she wants to look at different ways and carefully consider the cost structure. Speaking of unscripted, **A&E** recently yanked a series on the KKK before it premiered following controversy and allegations that some participants were compensated. Dubuc briefly addressed it, saying the show was greenlit a year and a half ago—long before the current environment the country is in—and she said it follows A&E's reputation for going to the "edge" and looking at places others "don't want to look." An independent investigation into what happened is still going on which may result in a stricter protocol for documentaries, she said. -- How competitive is it to buy content in today's age of peak TV? For **WGN America**, being smaller often means it's not in the running for those huge "Game of Thrones" like shows, said *Jon Wax*, evp, scripted programming. "In some ways, it's OK because we're looking for fringier things," he said during a scripted TV panel in the afternoon. With so many looking for programming, one of the fallacies is that it's easily sold, said **United Talent Agencies** partner *Dan Erlij*. Though he admits it is easier to sell now than 10 years ago, it can be difficult because "even with all the buyers, there is much specificity of voice," he said. A seller might think they can take a project to 15 places, but 12 might be nonstarters based on material. Where does broadcast fit in? Erlij said talent often wants to do streaming and cable based on what's perceived as "cool," adding that broadcast networks are hampered by giving network notes. "They think they know how to do a show better than creators," he said. For now, we're seeing broadcasters stick to their knitting. "They are not looking to compete with **HBO** and



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Netflix. They're looking at how do we maintain the audience we have," said Erlj, describing that as CBS doubling down on procedurals or ABC sticking with a giant in-house producer like *Shonda Rhimes* that appeals to its upscale female audience. As for competing with Netflix, Wax copped to a "healthy dose of jealousy," saying it feels like the streaming service pumps out a show a week. That said, he gives WGN credit in the promotion department. "I think we do a real rollout for our shows," he said. "We do more old-fashioned day and date prepping and ramping up to it," while a Netflix show could enter the ecosystem and the service not care if it's watched now or 10 days from now. "It used to be all about launch. Now it's a sustained campaign," said *Marie Jacobson*, evp, programming and production, networks for **Sony Pictures TV**. "We have to literally and perpetually remind our viewers where to go." A question asked repeatedly at NATPE is will the peak TV bubble burst soon. *Lori Rovner*, svp of business and legal affairs for **Skydance Media**, was doubtful. "I think markets work themselves out," she said. "I haven't seen it slowing down—only more platforms for more content."

To Binge or Not to Binge: The cultural impact of some shows may be hindered by the **Netflix** all-you-can eat approach, **United Talent Agency** founding partner & board member *Peter Benedek* said during **NATPE's** closing Day 1 session. He lamented that every episode of "The Crown" was available at once, saying it robbed the series of a "Game of Thrones"-like experience that builds each week. "It seems to me for shows of that caliber that is truly an audience loss—that they don't have the opportunity to digest it like a great meal over time," Benedek said. Along those lines, there are a lot of question marks over Netflix stepping into the talk show space with shows like "Chelsea." Longtime TV exec *Rod Perth*, who played a key role in bringing *David Letterman* to **CBS** from **NBC**, said it's an experiment without a verdict yet. "I would think being topical for Netflix would be very difficult, but having said that, I wouldn't underestimate them at all," he said. **EPIX's** solution to combatting binge viewing has been to use technology to its advantage. President/CEO *Mark Greenberg* pointed to the VR 360 experience for "Berlin Station" that lets the audience find engagement and play along, finding clues each week. When evaluating the equation, don't discount social media, warned *Peter Blacker*, evp, digital media & emerging business for **NBCU Telemundo Enterprises**. Even the most Luddite viewer tells us in research they are hearing about shows in social, he said. While Telemundo has put full eps up on social sites before, he's suggesting storytelling should try new things. "What if we use the same studios to create special content just for those platforms? We need to change our thought process," he said. In the end, though, if the core talent isn't there, it won't prevail no matter the platform, said Perth.

From AT&T CEO: AT&T chmn/CEO *Randall Stephenson* said his company's \$85bln takeover of **Time Warner** is a vertical merger and that as more information on the deal emerges, opposition would go away. Speaking during an interview on **CNBC**, Stephenson dismissed speculation that AT&T might have to spin off **CNN** in order to get the transaction approved. "I don't know why we'd even talk about that... It doesn't seem relevant to approving a deal like this. What would be the competitive issue that you're remedying with spinning off CNN? There are not competitive issues with owning CNN," the exec said.

FCC Revamp Bill: New **House Communications Subcmte** head *Marsha Blackburn* (R-TN) didn't waste any time to launch efforts to update **FCC** rules. She introduced a bill Tuesday which would direct the agency to revoke certain "unnecessary and burdensome" changes to the ownership reporting requirements for non-commercial educational broadcast stations. The Commission last year voted to overhaul its ownership requirements to improve minority ownership of broadcast stations. The legislation would repeal the new reporting requirements for NCE board members but will continue to require NCEs to report basic ownership information. GOP FCC commish *Ajit Pai*, who reportedly met with *President-elect Trump* on Monday, quickly lent support of the bill. "This is one of many FCC-created problems that I hope we can solve quickly this year, either through legislation or our own review," said Pai. He was expected to be the interim FCC chmn.

OpenTV vs NFL: Add **NFL** to the list of companies the **Kudelski Group's OpenTV** is suing over patent infringement. The lawsuit alleged that NFL infringed 7 patents owned by OpenTV. Products and services involved include NFL's streaming, interactive video content provided on NFL.com and other platforms, such as **NFL Network/NFL Redzone**, NFL Now, etc. The suit was filed in the US District Court for the Eastern District of Texas. NFL wasn't immediately available for comment.

Charter Joins NAN: Charter joined with **National Action Network** to open a Spectrum Learning Lab at NAN's House of Justice in Harlem, which will focus on workforce development and youth engagement with specific concentration on digital literacy and e-learning programs. Charter has committed more than \$100K, which will be used to cover Spectrum Internet and TV services, computer equipment and software, HDTVs and other furnishings.