

# Cablefax Daily™

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What the Industry Reads First

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## That's a Wrap: The Sell, Sell, Sell World of NATPE

"It's a sellers' market." Those words were uttered over and over again over NATPE Miami's three days, and sellers were in full force, hustling to make deals. **Ovation** announced it had picked up Season 2 rights to "Versailles" at the show. **Z Living** touted a new distribution deal with **Cincinnati Bell**. Organizers declined to release attendance numbers, but said it's an increase over last year with the growth coming from new sectors, such as music and OTT, as well as international. Cable had several big names at the gathering—from newly minted **Viacom** president/CEO *Bob Bakish* to **A+E Networks** chief *Nancy Dubuc* to **AMC Networks** CEO *Josh Sapan*, who was honored at the Brandon Tartikoff Legacy Awards. Appearing on a panel with "The Walking Dead" executive producer *Gale Anne Hurd*, Sapan talked about the balance of managing the financials while giving creative room to do their thing. "We revere the bottom line," he said, explaining that AMC Nets has benefited because in so many instances the talent it was going after worked out "beyond our commercial expectations." And Hurd said that the creative community can learn a thing or two from the business side, pointing to AMC companion series "Talking Dead." "When AMC told us there would be a talk show, we honestly all said, 'You're kidding. That's absurd! It goes to show how stupid we are,'" she said. The conference was set with the beautiful backdrop of Miami Beach, but it wasn't all sunshine. News of **NBCU** taking **Esquire** from a linear channel to a digital network broke as a panel was underway titled "Cable Survival Guide: Breathe Deep and Tend to Your Brand." Programming consultant Ben Zurier made a case for brand still being super important, despite the argument that viewers watch shows not networks. For cable, that means well-defined linear channels that are organized around some principle or some audience. "Mr Robot has transformed how people think of USA. Not much of a rating, but that's what I love about cable," he said, explaining that there are a lot of ways to define success. For AMC, it "wasn't really a brand until the shows defined that brand," said *Eliot Goldberg*, svp of nonfiction and alternative programming at AMC Networks. That brand is great storytelling—the thread running through shows such as "The Walking Dead," "Better Call Saul," "Mad Men," etc, and it shows up in unscripted series like "Comic Book Men" and "Talking Dead." Another NATPE panel offered a glimpse of the push-pull between networks and independent producers. "We know that a lot of the success of our business is based on the continuing viability of the independent production companies. It behooves



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us for the business to be healthy,” said *Marc Graboff*, **Discovery Communications**’ president, global business & legal affairs, production management and studios. At the same time, networks were paying a half billion five or six years ago for content; now they’re spending \$2-3 billion, he said, echoing Dubuc’s concerns in her opening keynote about rising costs. Some of the tension rises when networks don’t cover all the costs in developing a program and producers take it on themselves because they believe it will make it better and sell. *John Ford*, a former Discovery and **Nat Geo** exec who is now gm for the Nonfiction Producer Association, pointed to a Bloomberg interview with Discovery CEO *David Zaslav* in which he said 2016 was our best year ever. “It’s hard because producers hear that, and it’s hard for them to say, ‘oh, we need to suck it up,’” he said. Graboff noted that with the increasing number of scripted series, Discovery doesn’t necessarily own 100% of them, like it does with much of unscripted. “There are situations in the unscripted space where we are open to that,” he said. “We’re open if a company wants to put some skin in the game” by covering some “legit” line item expenses. Meanwhile, there’s always the OTT players. “We get to sell to Netflix and Amazon. They don’t care about ratings and they don’t care about profits yet,” said **ITV America** CEO *Brent Montgomery*. It is a seller’s market, after all...

**FCC to Comcast:** The FCC’s enforcement bureau is pleased that **Comcast** has recently completed all the steps needed to authenticate its subscribers for access to the **HBO** Go and WatchESPN TV Everywhere services on PlayStation devices, bureau chief *Travis LeBlanc* said in a letter to Comcast this week. He said the authentication was done following several discussions with the bureau and further negotiations with relevant third parties. “This action is consistent with Comcast’s asserted long-standing commitment to ‘providing content to consumers where and when they want it, on all possible devices, and for those devices to be innovative platforms for new applications’ and the company’s assurances that Comcast is ‘pursuing other innovations to expand further consumers’ device options,’” said LeBlanc. The bureau supports any action that will enhance competition, programming diversity, consumer choice and innovation, he said. The letter is part of the bureau’s ongoing dialogue on such matters and “we encourage Comcast to continue to take steps towards these ends,” he said. Here’s Comcast’s response: “Our authentication of HBO and **ESPN** on PlayStation devices is the most recent example of our continued efforts to expand the number of programmer apps and device platforms we authenticate, and we are proud of our strong support for TVE authentication. The marketplace is working to deliver consumers an array of choices, and we will continue to invest in and develop new ways to provide consumers the content they want -- where, how, and when they want it.” The Commission received complaints back in 2014 about not being able to access HBO Go on PlayStation devices via Comcast.

**NATPE Notebook:** Hey Madison Avenue. Stop calling 18-to-34-year-olds “millennials.” “That’s not a generation. It’s a demographic,” said *Jason Dorsey*, a highly entertaining millennials and Gen Z expert for **The Center for Generational Kinetics**. One of the nuggets he dropped in a NATPE closing keynote that felt more like a standup routine is that “technology is only new if you remember it the way it was before.” So for, Gen Z (born 1996-present), they are coming of age without any expectation that content will be tied to a TV. Put another way, he said they’d view the TV show “The Jetsons” as a cartoon about the past. And with machine learning getting better at recommendations, Gen Z will expect everything to be completely predictive. This generation, whose oldest members are about 20, are entering the workforce with lower expectations than millennials, according to Dorsey. He said their philosophy is ‘We’ll take whatever job you have, just give me a chance.’ “That’s great for America, great for the economy, ... terrible for millennials,” he said. As for millennials, they are actually splitting into 2 different generations—one that’s going to school, getting a job and the other less productive sector that gets all the media attention. “Around 30, you self-select into one part of the generation or the other, and you can no longer relate to the other part of your generation,” said Dorsey, himself a millennial. Millennials actually are the largest generational workforce in the US today. A few predictions he laid out: Millennials will outspend baby boomers in the US this year; the Center predicts the average age for marriage for Millennials will exceed 30; and Millennials aren’t techy savvy; they’re tech dependent and just expect the technology to just work. Gen X is tech savvy generation because they were there when hardware and software came together, he said. “They can plug a printer into a computer! They’re geniuses!”

**Carriage Deal:** **Univision Communications** scored a long-term renewal with **Comcast**. The agreement includes

distribution of **Univision Network**, **UniMás** and **Galavisión**. It also includes Univision's O&O local stations.

**MLBAM's New Deal:** MLBAM inked a deal with **NBC Sports Regional Networks** to stream local market MLB games, as well as pre- and postgame shows, starting with the 2017 regular season. The new streaming offering will be free for pay-TV subs of NBC Sports Group's CSN regional sports networks. NBC Sports said the local initiative would beef up NBCUniversal's implementation of TV Everywhere. The latest addition of MLB authenticated in-market streaming completes the local streaming portfolio for the NBC Sports Regional Networks, which also includes local **NBA** and **NHL** live streaming. During the 2017 MLB season, all in-market MLB games will be streamed on the respective local CSN regional network site across platforms.

**ZoneTV's London Deal:** ZoneTV inked a deal with London-based **BigBalls Media** to carry sports programming from 2 of its soccer networks, **KICK** and **Copa90**. Copa90 was launched in 2012 and targets the global soccer community, while KICK was created to focus on the North American market.

**Research: Parks Associates'** latest research found that the percentage of US broadband households that use only antennas to receive TV programming has steadily increased since 2013 to reach 15%. The increase coincides with a drop in pay-TV subscriptions and an increase in Internet-only video subscriptions, the research firm said. "Pay-TV subscriptions have dropped each year since 2014, falling to 81% of U.S. broadband households in Q3 2016. Several factors have played a part in this decline, including growth in the OTT video market, increasing costs for pay-TV services, and consumer awareness of available online alternatives," said *Brett Sappington*, senior director of research in a release. Despite its rapid expansion, OTT providers still face the challenge of offering live broadcast of high-profile events, Sappington said.

**X1 Readies for Inauguration:** Comcast revamped its X1 News' "Politics Central" to prepare for the upcoming inaugural content. Among the features is the X1 voice remote. Saying "Politics Central" into the remote will give viewers access to every US inaugural address dating back to President Eisenhower in 1953. On inauguration day, the platform will feature live tune-in tiles that will allow X1 users to watch President-elect Trump's speech – and the rest of the day's events – on their preferred network. It will also include real-time access to highlights from events and both web-based and on demand news, interviews and analysis.

**Super Bowl Streaming:** Fox Sports will offer a live, non-authenticated stream of Super Bowl LI on Fox Sports Go, the programmer's streaming platform that showcases all of Fox Sports' live events and studio programming. The offer allows viewers to stream the event at FoxSportsGo.com across platforms, including **Apple TV**, **Roku**, Android TV, **Google's** Chromecast, **Amazon** Fire and **Microsoft's** XBOX One. Users won't need a pay-TV subscription to view the stream. In addition, the live stream will feature local advertisement integration for the first time. The net said more than 170 Fox affiliates have agreed to partner with it to program local digital ads. Participating affiliates will have access to same ad inventory for both the linear and digital broadcasts of the February 5 game.

**Shentel Gives:** Shentel's annual holiday initiative, "The Big Give," broke a record number of donations this year, with employees raising \$25K and helping more than 700 individuals in communities served by Shentel in VA, WV, PA, MD and KY.

**Ovation-FiOS Deal:** Ovation scored a multiyear renewal with **Verizon FiOS**, which will continue carriage of the net on the telco's Extreme HD and Ultimate HD tiers. The deal also includes VOD, TVE and OTT rights, as well as rights to feature Ovation content on the Go90 mobile streaming platform.

**SCTE Reorg:** SCTE eliminated the position of svp and general counsel, held by *Lindsay Johnston*, as part of its realignment. Johnston, who joined the group in 2014, will be departing. Prior to joining SCTE, Johnston was svp of HR for **Comcast Programming Properties** and division svp, HR for **Comcast Cable**. "We are very appreciative of all of her hard work on behalf of the industry, and offer our best wishes for her continued success in the future. She will be missed." Said *Mark Dzuban*, SCTE pres/CEO.

**People:** Data and analytics company **605** announced 5 senior executive appointments. *Ray Casazza*, most recently vp of financial planning and analysis at **Cablevision** and **Altice USA**, will be svp of finance and administration. *Colleen Moraghan*, the new svp of data solutions, was previously vp of audience measurement at Cablevision. *Chris Frommann*, group vp of technology, currently serves as a consultant at the **White House** for the **US Digital Service**. He was most recently founder and vp of engineering for **AMG**. *Peter Foley*, group vp of analytics, was previously director of analytics at AMG. *Gaurav Shirole*, group vp of product and client solutions, was founder and vp at AMG. 605 was launched by former Cablevision execs *Kristin Dolan* and *Ben Tatta*.

# PROGRAMMER'S PAGE

## Motoring Mickey

When your child is ready to graduate from “Mickey Mouse Clubhouse,” **Disney Junior**’s newest animated series has you covered. “Mickey and the Roadster Racers” (premiered Jan 15 with eps available on the channel, app and VOD) takes Mickey, Donald, Minnie and the rest of the gang to the world of car racing. It keeps the vivid animation of clubhouse, but skews a bit older (up to about age 7) thanks to less of a focus on learning shapes and numbers, some funny jokes and even some famous cameos. **NASCAR** drivers *Jimmie Johnson*, *Danica Patrick* and *Jeff Gordon* are regulars on the series, while *Jay Leno*, *Tim Gunn* and *Gordon Ramsay* are among the slate of guest stars who lend their voices. With the Emmy-nominated creative team behind Mickey Mouse Clubhouse at the wheel, it’s a smooth ride. It helps that executive producer *Rob LaDuca* and co-exec producer *Mark Seidenberg* love all things **Disney** and are car aficionados. “These are the cars that they had in Clubhouse, but they transform into hotter, cooler cars,” said LaDuca. “Mickey has a classic, very American kind of hot rod made from a Model T. Minnie, being kind of elegant and worldly, has a French car from the 1920s called a Delahaye that always reminded me of a bow. And Goofy, of course, would have to have the goofiest car, so let’s put a bathtub on wheels and give it a working shower.” Donald Duck naturally has a boat on wheels, while Daisy has a dragster with a flower design. When Mickey and friends aren’t racing, they’re working their side business, “Handy Helpers,” helping anybody in Hotdog Hills with any kind of job whether they know how to do it or not. The series “has a little bit more of a flavor of the old Mickey cartoons. They’re still sweet and they’re still fun,” Seidenberg said. – *Amy Maclean*

**Reviews:** “Baskets” Thurs, 10pm, **FX**. *Jerry Seinfeld* said his series was about nothing. “Baskets” is about small things: a smile, a kindness. Not that Baskets is uplifting. It’s beautifully depressing, with co-creator *Louis C.K.* tropes infused throughout. It’s also unlike anything on television, but thank FX for it. Ep 2 of season II, next Thurs, needs almost no set-up. The viewer quickly acclimates to the desperation of *Chip Baskets* (*Zach Galifianakis*), a rodeo clown who loves deeply although unrequitedly. Baskets wreaks of Leoncavallo’s “Pagliacci” and Galifianakis’s performance channels Jackie Gleason’s under-appreciated lead in “Gigot,” the mute clown (1962). And then there’s Louie Anderson, whose portrayal of Chip’s distracted yet fiercely loyal mother is tremendous. – “Beaches,” Saturday, 9pm, **Lifetime**. The elephant in the room is why a remake of “Beaches,” the tear-fest film (1988) starring *Bette Midler* and *Barbara Hershey*. Watching this film is pleasant enough; *Nia Long* is good and *Idina Menzel* has her moments, particularly when singing (although her “Wind Beneath My Wings” can’t compare to Midler’s). And props to Lifetime for keeping the water works largely in check. In fact, the film’s biggest fault is a lack of chemistry between leads Long and Menzel. Fortunately, child actors Grace Capeless and Gabriella Pizzolo have loads of it. In the end, the only answer to the remake question: ratings. -- *Seth Arenstein*

Basic Cable Rankings (1/09/17-1/15/17) Mon-Sun Prime			
1	ESPN	1.8	4094
2	FOXN	1.1	2555
3	HGTV	0.7	1618
3	USA	0.7	1587
5	TBSC	0.6	1358
5	DISC	0.6	1354
5	CNN	0.6	1345
5	MSNB	0.6	1341
9	FX	0.5	1235
9	ID	0.5	1190
9	HIST	0.5	1185
9	DSNY	0.5	1082
9	DSE	0.5	102
14	FOOD	0.4	958
14	HALL	0.4	857
14	TLC	0.4	851
14	TNT	0.4	845
14	TVLD	0.4	801
14	NKJR	0.4	672
14	HMM	0.4	653
21	ADSM	0.3	789
21	A&E	0.3	784
21	NAN	0.3	764
21	LIFE	0.3	718
21	AMC	0.3	695
21	BRV	0.3	683
21	SPK	0.3	623
21	DSJR	0.3	545
29	FRFM	0.2	565
29	SYFY	0.2	514
29	VH1	0.2	513
29	APL	0.2	488
29	TRAV	0.2	486
29	EN	0.2	478
29	INSP	0.2	477
29	ESP2	0.2	466
29	OWN	0.2	431
29	GSN	0.2	421
29	NGC	0.2	412
29	LMN	0.2	410
29	MTV	0.2	406
29	WETV	0.2	401
29	BET	0.2	400
29	TRU	0.2	385

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

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