

Cablefax Daily™

Thursday — April 6, 2017

What the Industry Reads First

Volume 28 / No. 065

Live in Five: YouTube Launches Video Service in Five Markets

YouTube's promised live TV service launched in NYC, LA, San Fran Bay, Chicago and Philly Wednesday, with more US markets to come soon. Take a look at the offerings, and you'll see that the big broadcasters and their affiliated channels are featured—**ABC, CBS, FOX, NBC**. The only non-broadcast affiliated group of cable channels to be announced as part of the service at launch is **AMC Networks**, whose nets will be added soon. "We've invested a lot of money to get to the point where we are today, and we're very careful about where our content is placed. We think YouTube offers a unique opportunity to get to a very important part of our passionate fan base," AMC Nets distribution president *Bob Broussard* told **CFX**. "We do think a lot of our YouTube customers are mobile first. We like to be whenever and wherever they want to consume our content." So far, AMC Nets has deals with all the existing virtual MVPDs. One question mark is whether its portfolio will be part of **Hulu's** upcoming live video service. YouTube TV is offering a free one-month trial, with membership costing \$35/month and the ability to cancel at any time. It's also offering up a free Google Chromecast dongle after the first month's payment. Subs get 6 accounts per household with a cloud-based DVR. Channels featured include **ESPN**, the **Fox Sports** and **Comcast SportsNet** RSNs as well as **FX, Freeform, SEC Network** and **USA**. No **Turner** nets or **HBO** at this point, but more channels are said to be coming soon. YouTube does offer the opportunity to add Showtime for an additional charge of \$11/month. Other upcharges are AMC's SVOD service **Sundance Now** (\$7/month), horror service **Shudder** (\$5) and Fox Soccer Plus (\$15). YouTube's hoping to differentiate itself by including its YouTube Red Original series and movies in the YouTube TV app. How should traditional MVPDs feel as their long-time partners link up with virtual MVPD offerings? Don't press the panic button. "It's early days... it's unclear where things are going to go. I think we're uniquely suited for the new emerging platforms, but I do think the traditional distributors are extremely well positioned for the future," Broussard said. "They offer a tremendous consumer proposition."

Economics Office Coming to FCC: News that **FCC** chmn *Ajit Pai* is creating an Office of Economics and Data at the Commission was met with a warm reception Wednesday. In a speech at **The Hudson Institute**, Pai lamented that staff economists aren't always given a seat at the policy-making table. Appropriately, he was introduced and later interviewed on stage by *Harold Furchtgott-Roth*, the only economist to ever serve as a Commissioner at the agency.



Cablefax TV Innovation Summit

JUNE 8 | NYC

The TV Innovation Summit provides a unique opportunity to connect your brand with television and broadband executives. Join us June 8 in NYC at the TV Innovation Summit as a sponsor to power your brand and the future of the industry.

CONTACT YOUR CFX REPRESENTATIVE TODAY!

Rich Hauptner | rhauptner@accessintel.com
Olivia Murray | omurray@accessintel.com
Jo Ben-Atar | jbenatar@accessintel.com

www.CFXTVSummit.com

29319

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 ● Dir. of Bus Dev.: Rich Hauptner, 203.899.8460, rhauptner@accessintel.com ● Acct. Exec: Olivia Murray, 301.354.2010, omurray@accessintel.com ● VP Marketing: Amy Jefferies, 301.354.1699, ajefferies@accessintel.com ● Marketing Manager: Alex Virden, 301.354.1619, avirden@accessintel.com ● Production Manager: Joann Fato, jfato@accessintel.com ● Diane Schwartz, SVP Media Comms Group, dschwartz@accessintel.com ● Group Subscription or Subscription 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

One of his questions was whether Pai sees more clearly infusing the public interest standard with cost-benefit analysis. “I do think we need to infuse some economic rigor into those standards. It’s not simply a question of putting your finger in the wind and trying to figure out what you think might be the best policy based on this or that preference of the day,” Pai said. “I think certainly cost-benefit analysis is a core part of that public interest standard. It’s hard to think of something that would be in the public interest, but the net benefits are actually negative.” Outside of major rules, he said the FCC performs cost-benefit analysis of proposed rules occasionally and seldom does it consider the distributional impact of these costs and benefits. He pointed to the Title II order as an example, saying the former FCC chief economist at the time said a fair amount of economics in it was “wrong, unsupported or irrelevant.” The new OED will combine economists and other data professionals from around the Commission. The chairman’s goal is to have it running by year-end.

SVOD Watch: ICYMI, **Amazon** signed a 1-year deal with the **NFL** that lets its live stream 10 Thursday Night Football games to its Prime members. Reports have the deal pegged at about \$50mln, with the company beating out Twitter and Facebook for the rights. These are the games that will be carried by **NBC** and **CBS** and simulcast on **NFL Network**. -- Doctor Who fans take note. **BritBox**, the SVOD service from **BBC Worldwide** and **ITV**, is now the home of the largest collection of classic “Doctor Who” eps on a streaming service.

New Menu at Food: **Food Network** and **Cooking Channel’s** programming and development team has been added to **Travel Channel** programming head *Courtney White’s* oversight. *Didi O’Hearn*, svp of programming for Food and Cooking, will depart under the restructure. White will lead the newly merged programming teams, which are based in both NYC and Knoxville. The change-up fits with **Scripps Networks Interactive’s** efforts to bring its six networks together under a single programming and content strategy.

Privacy Follow-Up: Dems have sent a letter to the largest ISPs, including **Comcast, Charter, Sprint, Verizon, AT&T, T-Mobile** and **CenturyLink**, wanting to know how they will protect consumer data following the repeal of FCC broadband privacy regs. The rules, part of the 2015 Open Internet order, never actually took effect. They weren’t approved until late 2016 and then were stayed by the new Commission. Questions include details on opt-in and opt-out consent, whether data is maintained from former subs and how/when customers are notified about info collected. ISPs are asked to respond to the more than one dozen questions by May 1. The Dems, which include Senators *Ed Markey* (D-MA) and *Al Franken* (D-MN), also want to know of any changes that have been made to privacy practices since Trump signed the resolution into law.

More Channels for Sling: **Sling TV** users can now add eight **Showtime** channels for \$10/month, marking the first time an OTT service has offered content from all four major premium nets. The deal also includes nearly 2K Showtime Networks on demand titles. Sling also announced the launch of the Heartland Extra package (\$5/month), featuring six new channels: **PixL, Family Net, Sportsman Channel, Outdoor Channel, World Fishing Network** and **RFD-TV**. The service also added **Estrella TV, Vme Kids** and **El Financiero|Bloomberg TV** to its “Best of Spanish TV” offering (\$10/month as a standalone service or \$5/month when paired with Sling Orange or Blue).

Herring Scores Carriage: **AWE** and **One America News Network** will now be in front of 30mln-35mln homes, thanks to deals with **DirecTV**. The nets launched on DirecTV Wednesday and will be available on DirecTV Now in the coming weeks.

NBCU’s Upfront Press: In a first, **NBCU** will go beyond the traditional trade media and run 15- to 60-second spots on its portfolio of nets through the company’s May 15 upfront event. Additional campaign creative will run on NBCU digital sites and the platforms of the company’s strategic partners including **Apple News, BuzzFeed, Snap Inc.** and **Vox Media**.

Programming: *Patti Stanger* seems to have settled into her new home, with **WE tv** announcing that it has renewed “Million Dollar Matchmaker” for a 2nd season. Ten eps will debut later this year. -- **UP TV** acquired *Roma Downey* and *Mark Burnett’s* feature film “Son of God” for its cable premiere. The film will debut Sunday at 7pm ET as part of the net’s annual “Easter Lives Here” slate of inspirational movies, which include “The Passion of the Christ,” “The Ten Commandments” and “God’s Not Dead.”

Think about that for a minute...

Try It and See

Commentary by Steve Effros

Many years ago, while I was still President of the Cable Telecommunications Association and attempting to support the “Independent” cable operators around the country, I walked into the offices of one of those operators in upstate New York. The thing you couldn't help but notice before entering the front door was the small, brand new “DBS” earth terminal on the front lawn.

This was at the time when MVPD satellite service was brand new. We were in a full scale battle over how it would develop. One thing we knew for sure: it was going to be one heck of a competitor, especially for smaller cable systems in more rural areas. This new “DBS” thing, after all, was delivering a digital signal. If you got it at all, it was perfect. The pictures undeniably blew away what many of my members were delivering.

Of course we focused on things like the delivery of local broadcast signals, which DBS couldn't do at the time, and the fact that if you were on the “wrong side” of the mountain, the apartment complex, or the trees you couldn't get that satellite signal. We published cartoons around the country about turning satellite dishes into birdbaths and the like. But while all that was going on, we also knew that a major new competitor had arrived and we had better do something about it.

That dish on the front lawn was part of the effort. The owner of that cable company wanted all his employees to actually see, actually experience, the service and the quality of our new competitor. The DBS signals was piped all through the building so the folks in customer service, the folks in billing, the folks in the engineering department as well as the sales folks could all see what they were up against.

Sure, it was an unfair comparison in some ways. The en-



gineers didn't have the option, yet, of delivering a digital signal. The billing and customer service folks were at the mercy of old systems, and old answers. DBS only had to deal with the people who were getting a good (perfect) signal. The others didn't sign up in the first place. And while launching a satellite isn't cheap, it certainly is less expensive than building an entire wireline infrastructure and maintaining it with local offices, local engineers and lots of trucks and so on. DBS didn't do any of that. But still, all you had to do was look at that picture coming in from the dish on the lawn and knew you had to do better.

Fast-forward to today. We have weathered the DBS storm. We have gone digital, we have solved a lot, but not all of our engineering challenges, and more important, we have been able to keep up with technology and deliver broadband, something the DBS folks can't do. But if I were the CEO of that cable system today I'd have a telephone on the front lawn, or more likely insist that all my employees use their own telephones and make calls to our own customer service and billing lines.

That's where the competition is moving to, and once again, we are not anywhere near as good at delivering that part of our service as we need to be. Improvement starts, however, just like that old DBS demonstration, with a true appreciation for the problem and an understanding of the challenge.

Call your own customer service department. Try it yourself and see, then get to work.

Steve

T:202-630-2099
steve@effros.com

(Steve Effros was President of CATA for 23 years and is now an advisor and consultant to the cable industry. His views do not necessarily reflect the views of Cablefax.)



SCREENSTER Reach Your Key Audience!

SCREENSTER IS:

- The Convergence of Online Content and Traditional Media
- Community Building and Audience Aggregation
- Social and Digital Communication
- Monetization Efforts Across Multiple Sectors
- ...And Much More!

www.cablefax.com/screenster | Special Advertising Packages Available!

For more information contact: Olivia Murray: omurray@accessintel.com or 301-354-2010