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What the Industry Reads First

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All-Around Player: CNN's 360 Video Push Evolves Beyond Experimental Stage

CNN says it is beginning to see its investment in 360-degree video pay dividends. CNN vp, premium content video *Jason Farkas* during a panel at the **VR Society's** Art of VR conference Thursday said the company's VR play has moved beyond the experimentation phase. "This is actually starting to gel into a business with a model, a distribution plan, revenue," he said. While many media outlets struggle to efficiently create and widely distribute immersive content, CNN's pre-existing infrastructure has given it an edge. Farkas noted CNN sources 360 video from its 43 news bureaus worldwide. In terms of distribution, the net is incorporating 360 videos into its recently relaunched mobile app, which boasts an install base of more than 70mln devices. Farkas said that reach makes CNN the "third-largest mobile-enabled 360 platform after **Google** and **Facebook**." The VR experience that CNN offers isn't the most advanced use of the technology, but it has scale and doesn't require viewers to own high-end hardware to engage with it. "As you're reading about Aleppo, you can virtually go there in a lite experience—a cardboard sort of way—but it also cues the people who are VR advocates and early adopters to watch us on a real, legitimate headset," Farkas said. In addition, Farkas countered the idea that 360 video is "old hat" now that more immersive VR experiences are available, noting most consumers haven't even experimented with the content in headsets. Other news operations represented on the panel—*USA Today* and the *New York Times*—seemed to take a similar approach to CNN in terms of focusing on 360 video and using it within online articles. *USA Today* director of 360/VR news *Robert Pidavick* stressed that even when the outlet creates an experience for higher-end headsets, it makes sure to leverage that content on non-interactive platforms, as well. Farkas said CNN has plans to launch its first room-scale VR experience later this fall utilizing the **Oculus Rift** headset, but didn't share specifics. He also noted CNN is planning an elaborate live-streaming 360 experience around the total eclipse on Aug 21. On the non-news side, **Syfy/USA Network** senior director of emerging platforms *Matt Romano* said Syfy's VR play is important for the brand, regardless of scale or business return, simply because its fans expect the net to be on emerging platforms based on the intersection between science-fiction and technology. He also revealed that the net is planning an augmented reality (AR) offering around the early August premiere of "Sharknado 5."



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Altice IPO: Altice USA went public on Thursday, pricing its IPO of 63.9mln shares of Class A common stock at \$30 per share and raising \$1.9bln. The deal marks the largest IPO in the telecom sector since 2000 and values the company at about \$20bln. Altice USA shares closed at \$32.71 for its first day of trading, a nice 9% uptick. Parent company **Altice N.V.** will own 70.3% of Altice USA's outstanding common stock following the offering, which will account for 98.3% of voting power. The operator on Thursday began trading under the symbol "ATUS." Investment newsletter Bullseye Brief's Adam Johnson in an early-morning appearance on Fox Business said, "I wouldn't touch this thing with a 10-foot pole. This is like the **T-Mobile** of the cable business. They're the fourth largest. This is a tough market. I'm not sure admittedly why anyone wants to get into this market with people cutting." Clearly, not everyone agrees, with many expecting Altice USA to get bigger. After all, it marked the second-largest IPO of the year behind **Snap**. **Pivotal Research** initiated the stock with a "Buy," citing an experienced management team that's operated in some of the most competitive markets in the world and the company's FTTH upgrade. "While a **Cox** deal is a long shot we see smaller non-overbuilder cable systems available that could increase the size of the company 70% and potentially create significant additional value not in our current forecasts," said a Pivotal note. Cox reiterated for the umpteenth time Thursday that it's not for sale, following a *NY Post* piece that said **Charter** has eyes for it.

Optimum Modem Lease Fee & Speed Increase: Altice USA-owned **Optimum** is working on getting all of its customers on the same page when it comes to modem rentals. Starting July 17, customers who previously had not been charged a modem lease fee will be hit with a \$4.95 monthly fee. They can, of course, avoid it by using a compatible modem of their own instead of renting. The upcoming fee is a significant discount to the current \$10 lease fee. The modem fee also comes with a speed increase. Affected customers on the 25 Mbps and 50 Mbps tiers are being permanently upgraded to 60 Mbps at no additional costs. Those with the 60 or 100 Mbps service will receive a boost to either 100 or 200 Mbps download for the next six months at no additional cost. Altice USA also is throwing in at no additional cost its service protection plan (valued at \$40/month). Other billing changes planned for next month include the addition of a \$3.99 broadcast TV surcharge for new basic residential and commercial customers (existing basic subs aren't impacted and non-basic already have the fee).

FCC Opens NOI on Multi-Tenant Units: Items approved by the three-member **FCC** commission at Thursday's meeting include a notice seeking comment on ways to increase broadband deployment and innovation for multi-tenant environments, such as apartments or shopping malls. While it was approved unanimously, Republican commish **Mike O'Rielly** raised some concerns about ideas in the Notice of Inquiry, saying he doesn't believe the agency has authority to regulate marketing practices such as the placement of brochures in a building or welcome packs for new residents. Some of the concerns raised in the item, including about unfair or deceptive acts and practices may be better addressed by the FTC, he added. The commissioner suggested the entire discussion could be moot if the FCC adopts the pending proposal to reclassify broadband as information service. FCC chmn **Ajit Pai** later told reporters that it's all about developing a record on the issue. "We will see what folks say on that point and make the appropriate judgment," he said.

White House on 5G, Broadband: Before the **FCC's** meeting began at 10:30am ET Thursday, chmn **Ajit Pai** joined President **Trump** and tech leaders for a meeting on 5G and the Internet of Things. For the record, Pai told reporters the subject of Title II did not come up. He characterized it as a "fruitful conversation" about spectrum and infrastructure. Asked by a reporter about balancing the FCC's role as an independent agency with discussing potential policy initiatives with the White House, Pai said it can be independent and still collaborate with the Administration, giving the example of conferring with Dept of Ag to see what can be done to boost rural prosperity. As a commissioner, Pai was critical of then-chmn Tom Wheeler's relationship with the White House. On Wednesday, Trump vowed that his proposed \$1 trillion infrastructure package will include a provision to "enhance broadband access for rural America." It remains to be seen how they money will be doled out. Pai said he hopes existing FCC mechanisms would be put to use. "We look forward to working with our elected counterparts, and hopefully we can make a dent in the digital divide in the future," he said.

More FCC Meeting Minutes: Thurs' meeting also included unanimous OK for **OneWeb** to have access to US

markets for its proposed new broadband satellite constellation—with multiple conditions. The action is conditioned on the outcome of a larger rulemaking on non-geostationary-satellite orbit systems as well as a future MVDDS proceeding. The **FCC** is examining additional applications for other satellite broadband offerings. OneWeb proposes to access the US market for its global network of 720 low-Earth orbit satellites using the Ka (20/30 GHz) and Ku (11/14 GHz) frequency bands to provide global Internet connectivity. The satellite system will be authorized by the UK, but needs FCC approval to provide service in the US. Next month's FCC meeting includes an order to expand the availability of video described programming on broadcast and non-broadcast nets. The Commission will vote on whether to increase the number of hours that covered networks must provide description for by 75% to 87.5 hours per quarter starting Jan 1.

VR Views: **HTC Vive** had a slight edge over **Oculus Rift** in a new survey from professionals involved in the AR/VR space. When asked which hardware professionals were targeting for their current work, 56% said HTC Vive, followed closely by Oculus Rift at 49%. The **Virtual Reality Developers Conference** survey features responses from more than 600 professionals. When respondents were asked to choose all the platforms their next project would be released on, 52% identified HTC Vive and 50% noted Oculus Rift.

DISH Music: **DISH** on Thursday launched its DISH Music mobile app, which gives customers the ability to sync music throughout their home using one control, for iOS, Android and **Amazon** devices. The system uses TV audio systems connected to connected set-top boxes, as well as DTS Play-Fi-enabled speakers, to play tunes from personal mobile libraries and streaming services like Amazon Music, **iHeartRadio**, **Pandora** and **Tidal**. Users can sync the same music across rooms or play different content in different areas of the home.

Ratings: The first six games of the College World Series averaged 899K viewers on **ESPN** (five games) and **ESPN2** (one game). The audience through six games is the highest since 2011 and the third-best ever on record dating back to 1994. It is worth noting, however, that the first six games last year aired across ESPN (one game), ESPN2 (three games) and ESPNU (two games). The New Orleans market leads the way thus far with a 7.1 local HH rating—including a 14.4 and 14.0 for LSU's two games—followed by Louisville (2.8) and Portland (2.1).

Programming: **Outdoor Channel** picked up the exclusive cable syndie rights to **Nat Geo's** "Wicked Tuna," acquiring all 95 eps from seven seasons. The series will debut on the net next year. -- **DIY** renewed "Stone House Revival" and "Salvage Dawgs."

Sports Copyright: **NCTA**, **ACA** and various sports leagues, including the **NBA**, **NFL** and **NCAA**, have all given their support to a proposed settlement and rule that would require large cable systems to pay a separate per-telecast "sports surcharge" royalty for certain live non-network broadcast sports program controlled by the Leagues that the cable system carries on an out of market station. They actually gave their support a couple months ago, but re-submitted their filing after finding a typo. The US Copyright Royalty Judges put the proposed settlement out for comment on May 30, with a final decision possibly coming by year-end. This all came about following the FCC's 2014 repeal of its Sports Blackout rule, which prohibited cable and satellite from airing sports events that were blacked out on a local broadcast station (sports leagues can still choose to continue private blackout policies). The surcharge, which would be 0.025% of a cable system's gross receipts, would come up for certain games, such as retransmission of a distant non-network stations that would have been subject to the blackout requirement of the 2014 rule.

People: **Comedy Central** named *Whitney Baxter* as vp, strategy & business development. He joins from **Goldman, Sachs & Co's** tech, media & telecom group.

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PROGRAMMER'S PAGE

Getting Lost... and Loving It

HBO's "The Leftovers" has, uh... left following its series finale this month. It will be missed. While always an acquired taste for the most patient of viewers, the series was just the kind of slow-burning, mysterious and thoughtfully ambiguous drama that kept loyal audiences coming back. *Damon Lindelof*, the scribe and auteur behind ABC's ground-breaking "Lost," which featured tortured characters with tortured pasts hopelessly intertwined in an enigmatic web, basically rinsed and repeated many of his best tricks for *The Leftovers*. But he and his talented writing staff also went even deeper to explore that almost inexhaustible human desire for meaning—even in the face of cruel futility. The finale taught us that despite three seasons in which the sudden departure of 2% of the world's population seemed almost certainly a supernatural event, the truth may have ultimately hinged more on science than the wrath of God. Perhaps the most poignant element of the final episode was the stirring soliloquy by Nora (*Carrie Coon*), a woman who lost her entire family in the departure, never got over it and paid scientists to send her to a parallel universe where equations suggested her and the other departed went. In a stirring final scene, she explains to Kevin (*Justin Theroux*) that she came back because she realized her loved ones had moved on without her. It wasn't her place to be with them anymore. In the end, we aren't sure if she's lying. After all, if her journey really happened, wouldn't Lindelof have shown us those scenes rather than relied on her exposition? We'll never know. But then again, sometimes it's more fun to get lost than to find the answers. — *Michael Grebb*

Reviews: "Broadchurch," 10pm, Wednesday, Season 3 premiere, **BBC America**. Your reviewer is a sucker for mysteries in small towns (like the fictional beach resort of Broadchurch) and confined spaces (*Agatha Christie's* "Murder on the Orient Express"). Thing is, even without this bias, Season 3 of "Broadchurch" is tremendous television. Again on the job is a terrific duo: Obsessed, dyspeptic detective inspector Hardy (*David Tennant*) and his tough yet more considerate partner Ellie (*Olivia Colman*). Yes, it's an 8-part nail biter with nearly everyone in town a suspect after a woman reports a sexual crime. Still, the most-resonating scene occurs in the opening ep. Creator *Chris Chibnall* provides tremendous detail and sensitivity in chronicling how the authorities treat the crime victim. It is painful viewing and at the same time compelling. It sets the tone for the next 7 episodes. -- "From the Ashes," 9pm, Sunday, **Nat Geo**. A Tribeca Film Festival premiere, this ambitious doc looks at the coal industry and its future with great depth, touching on a plethora of issues surrounding this energy source, including its role in the 2016 election and the chances for clean coal. Viewers will appreciate Nat Geo's and filmmaker *Michael Bonfiglio's* refusal to stuff coal into a few sound bites. Depth has its price, though. The film runs about 20 minutes too long. — *Seth Arenstein*

Basic Cable Rankings (6/12/17-6/18/17) Mon-Sun Prime			
1	FOXN	1.0	2351
2	MSNB	0.9	1942
3	HGTV	0.6	1484
3	TBSC	0.6	1470
5	USA	0.5	1244
5	HIST	0.5	1165
7	CNN	0.4	1028
7	ESPN	0.4	964
7	DISC	0.4	940
7	ID	0.4	939
7	A&E	0.4	933
7	FX	0.4	928
7	DSNY	0.4	858
7	TLC	0.4	820
7	HALL	0.4	811
7	DSE	0.4	74
17	FOOD	0.3	828
17	AMC	0.3	734
17	NAN	0.3	730
17	TNT	0.3	727
17	ADSM	0.3	714
17	TVLD	0.3	669
17	LIFE	0.3	645
17	BRAV	0.3	616
17	SYFY	0.3	606
17	FRFM	0.3	581
17	NKJR	0.3	565
17	HMM	0.3	550
17	DSJR	0.3	540
17	INSP	0.3	530
17	LMN	0.3	476
32	VH1	0.2	528
32	SPK	0.2	514
32	EN	0.2	454
32	TRAV	0.2	454
32	WETV	0.2	452
32	APL	0.2	441
32	CMDY	0.2	391
32	BET	0.2	387
32	OWN	0.2	368
32	GSN	0.2	363
32	MTV	0.2	359
32	SUND	0.2	282
32	DIY	0.2	266

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



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