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What the Industry Reads First

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Getting Creative: Hobby Programming Lives On via Digital

If Bob Ross introduced his "Joy of Painting" in this day and age, chances are high we'd be watching him make happy trees on an OTT service rather than linear television. Programs on hobbies such as painting, quilting and scrapbooking have mostly migrated to digital, with home renovation series and house flippers taking their places. Ross himself experienced a resurgence when millennials discovered him on **YouTube** and **Netflix**. This change in scenery is why Vickie Howell, host of DIY Network's "Knitty Gritty" from 2004-2007, took to crowdfunding site Kickstarter to create what she says is the first community-funded and internationally accessible episodic knitting and crochet series. More than 1200 backers pledged \$83,206 to get "The Knit Show" made, with the studio-quality series premiering on YouTube gratis on Thursday. "I've worked in and out of television since I was 19 years old. Times have changed a lot and the demands of programming have changed a lot," she told Cablefax. "I knew that it wasn't necessarily the time to go through regular channels to try and get a show made the way I knew that it could be. I decided we could DIY our own DIY show." With tons of free tutorials on everything imaginable, YouTube may seem like a tough place to stand out. But The Knit Show isn't a how-to program. It's a lifestyle show on the craft with a live studio audience. Each episode has a project to make coupled with segments that range from an expert designer interview. to a visit to a local yarn shop, to a look at artisan crochet hooks. While Howell is grateful to launch the program, she hasn't given up hope that the series could move onto another platform, possibly a streamer like Netflix or **Amazon**, especially given the international appeal of the hobby. The winds may be blowing in her favor. Crochet celeb Allison Hoffman (and Knit Show guest) created an Okja pig pattern—a super pig breed from Netflix's original movie "Okja." The crochet critter caught the attention of Netflix, who created a special feature on Hoffman that Howell produced. There are signs of increasing interest in the genre. **NBC** has ordered an *Amy Poehler*-led craft competition series. **INSP** has taken its "Handcrafted America" into a third season. **PBS** has continued to air some arts fare, including "Craft in America" and "The Best of the Joy of Painting." But digital reigns, with NBCU purchasing a majority stake in digital platform Craftsy in May. Lifestyle programmer Scripps Networks Interactive, once home to several hobby series, acknowledges there's been a shift. But the company has far from abandoned the genre. "We certainly see



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the value of such niche programming and have found that it resonates best on our digital sites and platforms. Our fans and followers love our how-to and instructional content that can be found on both our websites and in our many social media feeds," said *Vikki Neil*, who heads SNI's digital division. "The success of our digital brand 'HGTV Handmade' and the recent launch of our next digital food brand, 'Genius Kitchen,' are great examples of how we're using exciting platforms to reach new audiences who are hungry for just this type of inspirational and informational content." The **Association for Creative Industries**, the trade group previously known as the **Craft & Hobby Association**, says craft's move to digital is natural. "Similar to how consumers buy more online, they are seeking creative inspiration, education and entertainment on social media, including YouTube, **Facebook**, **Instagram** and **Pinterest**. Brands, educators and influencers know this, so they're producing more on-demand, free and paid, long-form and short-form content where consumers are looking for it," said Kristen Farrell, AFCI's marketing and PR manager. "Traditional programming isn't going away though. Similar to the relationship of print and digital, new shows will still be produced for traditional television. We'll see more and more networks coupling broadcast with their digital presence." *Check out Cablefax.com later this week for a Q&A with The Knith Show's Vickie Howell*.

Retrans Reform: Lilly Broadcasting's decision Saturday to pull stations serving Puerto Rico and the US Virgin Islands off of DISH Network seems likely to serve as a rallying cry for pay-TV providers seeking retrans reform. The ACA sent a letter to FCC commish Ajit Pai on Tuesday, urging the agency to characterize a broadcaster going dark during an emergency as a violation of "good faith" rules. The group also called for the same standard to be applied to MVPDs who refuse to transmit such signals, but made clear it was the broadcaster who acted in what it believes is bad faith in the Lilly-DISH situation. It's worth noting that most of Puerto Rico and the US Virgin Islands didn't actually have power when Lilly pulled its signals. Lilly has since returned One Caribbean Television to DISH systems, but is still withholding two stations that serve the region, as well as seven other stations that serve mainland US markets. The broadcaster has not returned requests for comment.

Sharks in the Water: While the odds "significantly favor" the eventual approval of Sinclair's merger with Tribune, the deal "faces some choppy political winds" that present at least a bit of doubt, according to New Street Research's Jonathan Chaplin. The analyst wrote Tuesday that Sinclair hasn't garnered corporate support for the deal and faces significant opposition from not only liberal public interest groups and economic interests, but a number of conservative entities. Those right-leaning critics are "taking an active role" in trying to spike the deal, and big companies like Disney, Comcast, Charter and AT&T could later "use some political capital and antitrust expertise to chip away at the deal's support." In addition, Fox could look to derail the deal if it perceives Sinclair's reported intent to collaborate with Breitbart as a threat to Fox News, he wrote. On the other hand, Chaplin suggested that if a Sinclair-Breitbart union doesn't materialize, Breitbart exec chmn Steve Bannon could seek to send a message about his willingness to "cause damage" to those who don't join his efforts. "If enough conservatives join in opposition, it would not be difficult for the FCC, under a public interest analysis related to the national footprint, to shove the deal off to an Administrative Law Judge and effectively kill it," he wrote. Chaplin still believes the deal is "headed for approval," but the opposition "may undercut the economics of the post transaction company." He pointed to 1Q18 as a realistic timeframe for approval. -- With Sinclair due to respond by Thursday to the FCC's request for information,



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several critics took to their pulpit. Former FCC commish *Michael Copps* acknowledged approval of the merger "is probably likely," but expressed hope given that more Americans are taking notice of media consolidation. Rep *David Price* (D-NC), who in July introduced the Local and Independent Television Protection Act, said legislation is the only way to reverse the reinstatement of the UHF Discount. **Capitol Broadcasting Company** chmn/CEO *Jim Goodman*, whose company owns three broadcast stations in NC, said it is important that broadcasters complete the switch to ATSC 3.0 before the FCC makes changes the rules around station ownership. Copps seconded that sentiment, citing his experience overseeing the transition to DTV in 2009. "We need to make sure that viewers aren't put at the expense of new equipment and all that sort of thing," he said.

<u>Calling Comcast</u>: Comcast's Xfinity Mobile service has garnered about 200K subs since its launch in May, <u>Bloomberg</u> reported Tuesday, citing anonymous sources. Comcast's unlimited data plans start as low as \$45/month, with the company also offering the ability to pay \$12 per gig of data.

Holding Pattern: The closure of Arris' agreement to acquire Ruckus Wireless from Broadcom Limited has been delayed, but is still expected to close by the end of the year. The deal is contingent on Broadcom closing its own acquisition of Brocade Communication Systems, which currently owns Ruckus. The approval process of the prerequisite transaction hit a slight snag, with Brocade and Broadcom withdrawing and refiling their joint voluntary notice to the Committee on Foreign Investment in the United States. CFIUS has agreed to shorten its customary 75-day review period to 45 days. Brocade and Broadcom now expect their deal to be completed by Nov 30, subject to CFIUS approval. Arris said in a statement that it remains committed to the acquisition and associated strategy.

-- Meanwhile, Arris selected Oracle Cloud to bring together multiple components of its business, including procurement and payment, product design and employee management. Arris' previous solution was a combination of technologies from previous acquisitions.

<u>Home Sweet Home</u>: Charter has finally settled on its new home, ending a Stamford-wide search that began last June. A 500K square foot, 15-story facility will be constructed by **BLT** at the Gateway Harbor Point site and should be ready for employees in 2019. Set to kick off as soon as the City of Stamford approves of the final land use agreements, there is an option for future development on the site that would allow Charter to expand its footprint into a 2-building campus.

<u>Sony Switch</u>: Andrew House stepped down as pres/CEO of **Sony Interactive Entertainment**, the subsidiary responsible for **PlayStation**, and will be replaced by deputy pres *John Kodera*. House, whose career with Sony dates back to 1990, will remain with the company as chmn through the year to aid in the transition. He oversaw the launch of PlayStation Vue, the company's console-based virtual MVPD service. Sony in its statement announcing the move said Kodera was also "integral to the launch" of Vue. He has been with the company since 1992.

<u>Broadband Field Hearing:</u> Sen Maggie Hassan (D-NH) will convene a field hearing Oct 13 to examine further deployment of broadband infrastructure, especially to rural communities. Witnesses including FCC commish Jessica Rosenworcel, **US Cellular** vp Grant Spellmeyer and **Consolidated Communications**' Mike Reed.

<u>Backup Plan</u>: Globecast is providing transactional content distributor InDemand with fiber and uplink disaster recovery services. The service provider will deliver continuous channel origination and uplink services of select PPV channels, as well as terrestrial connectivity of three multiplexes from In Demand's primary origination facility for uplink to satellites.

<u>Weekly Ratings:</u> **ESPN** led all cable nets in primetime viewership last week with an average of 3.1mln viewers P2+. "Monday Night Football" between the Cowboys and Cardinals was the most-viewed cable program of the week by a wide margin with an average of 13.7mln viewers (3.1mln of whom stuck around for the 12am "SportsCenter"). **Fox News** (2.3mln) came in at No. 2 in primetime on the back of "Hannity," which registered the top three non-sports cable airings of the week. **MSNBC** (1.7mln), **USA** (1.4mln) and **HGTV** (1.2mln) rounded out the primetime top five. In total day viewership, Fox News led the way with 1.4mln viewers, followed by ESPN (1.1mln), **Nickelodeon** (979K), MSNBC (937mln) and **Adult Swim** (771mln).

Programming: Hallmark Channel is starting the holiday season early with its first-ever "Countdown to Christmas Preview Show. Starring Candace Cameron Bure and guest-starring Lori Loughlin and Jodie Sweetin, the one-hour special will air Oct 22 at 10pm ET. Each of the three women have original movies premiering in November and December. -- TNT is bringing back "Major Crimes" for a sixth and final season on Oct 31. The hit spin-off of "The Closer" will also celebrate its 100th episode this season. -- "Divorce," the HBO comedy with Sarah Jessica Parker at its center, will return for a second season this January. It will follow Frances (Parker) and ex-husband Robert as they rebuild their lives following their separation.