

Cablefax Daily™

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What the Industry Reads First

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First Amendment: What a Time for Free Speech Week

With headlines over **NFL** players protesting during the national anthem and President *Trump's* recent remarks about the press, it may seem like next week's "Free Speech Week" is a reactive stunt. It's not, however, with **The Media Institute** creating the annual October event in 2005. Institute exec director *Richard Kaplar* acknowledged that this year's public awareness campaign comes at a critical time. "There is a great threat to both free speech and free press, and I would say right now, free press is probably a little more threatened," said Kaplar, who has written, edited or produced more than 40 books and publications on a variety of First Amendment and communication policy issues. Trump doubled down on his jabs at the media Thursday, tweeting "The Fake News Is going all out in order to demean and denigrate! Such hatred!" His suggestion the day before that **NBC's** broadcast licenses should be challenged has been met with criticism from members of both parties. **House Commerce** ranking member *Frank Pallone* (D-NJ) and **Communications** subcommittee ranking member *Mike Doyle* (D-PA) are requesting a hearing with FCC commissioners "so that they can publicly and under oath commit that they will not threaten broadcasters or their licenses because of the content of their reporting." FCC commissioners *Jessica Rosenworcel* and *Mignon Clyburn* both responded to Trump on **Twitter**, voicing support for the First Amendment. Republican chairman *Ajit Pai* and commissioners *Mike O'Rielly* and *Brendan Carr* have not commented publicly. Pai was in Indiana Thursday as part of a bus tour celebrating start-up companies with **AOL** co-founder *Steve Case* and author *JD Vance*. It's worth noting that Pai received The Media Institute's Freedom of Speech Award last year. "Honestly, I don't believe that I've done anything special to merit this honor. In my view, anyone who has the privilege of serving at the FCC—any preacher with a pulpit, if you will—has the duty to speak out whenever Americans' First Amendment rights are at stake," he said in his acceptance speech. Kaplar reiterated that government officials don't have the power to revoke a network license since there's no such thing (licenses go to individual broadcast stations), but he questions the long-term impact of such talk. "With these messages constantly emanating from the top of our government, there are people out there who will start to believe that the media are the problem rather than a key element of our democracy. It breeds distrust of the media," he said. His hope is that media organizations will embrace Free Speech Week as an opportunity to explain what they do and why it's important. "Reporting on activities in government is not an unpatriotic activity if

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government leaders happen to disagree with those reports assuming they're true. It's really the most patriotic thing to do," Kaplar said. As the sponsor of Free Speech Week, The Media Institute encourages media orgs, universities and community groups to conduct activities that promote free speech, emphasizing that it's a non-partisan, non-political awareness event. Kaplar said there was some confusion when a student group at Berkeley attempted to launch its own "Free Speech Week" last month that was to include speeches from controversial conservative *Milo Yiannopoulos* and right-wing figures. There's even a notice about non-affiliated efforts at website FreeSpeechWeek.org. The appropriation of the name is "I guess part of free speech," Kaplar said, with the Institute making its logos and various Free Speech Week materials free and open to all. While the week is intended to be a celebratory, nonpartisan week, he admits that there are orgs that want to participate, but see it as an opportunity to advance some political thought or agenda. "We're not out there to be the speech police and tell them they can't do that. We try to set an example here by the things we do," he said. In celebration of Free Speech Week, The Media Institute will launch an online publication called "First Amendment Topics," with various essays and articles by its First Amendment Advisory Council.

Squaring Off: Viacom began warning Charter customers Wednesday night that a carriage dispute could cause them to lose channels like **Nickelodeon, Comedy Central, BET** and **MTV**. The programmer placed a crawl on its channels, a typical first step in the PR battle surrounding such disputes, and is now running commercial spots. It also launched a website (keepviacom.com) urging concerned customers to contact Charter; it is promoting that site via paid search-engine advertising. "Viacom has made a series of very attractive offers to Charter that are consistent with terms we've recently reached with other large cable operators. Importantly, these offers would enable Charter to lower Spectrum subscribers' bills, while also giving them more access to shows across Nickelodeon, BET, MTV, Comedy Central and other Viacom networks," Viacom said in a statement. "Viacom is committed to developing strong, mutually beneficial relationships with our distribution partners. Despite our efforts, Charter continues to insist on unreasonable and extreme terms that are totally inconsistent with the market. While we're making every effort to reach a new deal, Charter's actions may force a disruption in their service." As of press time Thursday, Charter has yet to offer comment on the situation. The current deal expires Sunday. Public tension between Viacom and Charter dates back to May, when the operator relegated Viacom nets to a higher-priced tier of service. Viacom CEO *Bob Bakish* in August said Charter had violated the terms of their agreement, but said he doesn't believe "suing big customers is the way to solve problems." Instead, he pointed to the upcoming renewal talks as a chance to resolve the dispute. **Credit Suisse** analyst *Omar Sheikh* wrote Thursday that the dispute with Charter jeopardizes \$800mln in affiliate revenue and \$600mln in ad revenue. That report followed **Citigroup's** decision Monday to cut its rating of Viacom to "sell," forecasting the carriage

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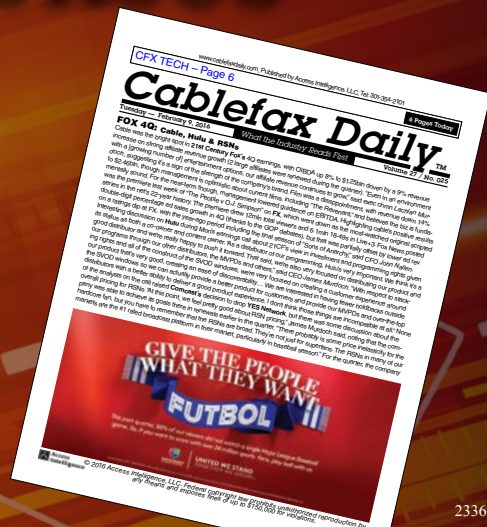
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issues with Charter. Viacom stock dropped 2.5% Thursday to close at \$24.57 after opening the week at \$26.39. Similarly, Charter shares dipped 2.6% Thursday to \$355.71 after opening the week at \$368.10.

AT&T Video Losses: AT&T's disclosure that it expects to lose 390K traditional video subs in 3Q makes it "reasonable to expect a weak quarter for the whole pay TV industry," according to **MoffettNathanson** analyst *Craig Moffett*. The company revealed in an 8-K filed after the close of business Wednesday that it expects to see a net loss of 90K video subs this quarter, which accounts for losses at **DirectTV** and **U-verse**, partially offset by the net addition of 300K subs for its virtual MVPD service, **DirectTV Now**. The company attributed the losses to heightened competition in the traditional pay-TV market, OTT services, recent hurricanes and its stricter credit standards. "It is becoming increasingly clear that the wheels are falling off of satellite TV," Moffett wrote. "We would expect **Dish Network's** satellite result to be similarly weak as well." With this in mind, Moffett called a possible acquisition of DISH by AT&T "all but unthinkable." He also inferred that pressure **Comcast** acknowledged in its own video sub numbers "was not a function of elevated competitive intensity from AT&T," but rather the secular pressure of cord-cutting.

Disney Layoffs: **Disney/ABC Television Group** has begun laying off employees as part of an effort to shift resources to future business needs. The number of employees impacted is said to be far below the reported 10% prediction made when news of the layoff plan emerged six weeks ago. The entirety of the group's entertainment units will be affected, including **Disney Channel** and **Freeform**, but is expected to have a minimum impact on production or programming. Most positions eliminated were in operations. Disney has indicated there will be more hiring opportunities in the future.

Making a Ruckus: FCC commish *Jessica Rosenworcel* prefaced her remarks before the **US Conference of Catholic Bishops** on Thursday by saying she planned to "make a little ruckus today." She did so by touching on a number of hot-button issues facing the FCC, most notably the pending **Sinclair-Tribune** merger. "I am concerned the Commission is gearing up to approve a transaction that will hand a single broadcast company the unprecedented ability to reach more than 70% of American households," she said. "It hasn't happened yet. But there are disconcerting signs." She pointed to the agency "inexplicably" bringing back the UHF discount and reversing an effort to investigate joint sales agreements. "We are not going to remedy what ails our media with a rush of new consolidation," she said. "We are not going to fix our inability to ferret fact from fiction by doubling down on a single company owning ever more of our public airwaves." Sinclair declined to respond to Rosenworcel's remarks, which followed a nine-minute **PBS** "NewsHour" report Tuesday night examining concerns about the merger. The segment focused on the perceived partisan tilt of local newscasts on Sinclair-owned stations and comes after a similar report from **HBO's John Oliver**. Rosenworcel also made waves by expressing concern that the FCC is going to rush the ATSC 3.0 broadcast standard to market "without understanding the consequences for consumers." In addition, she reiterated her support for net neutrality and commended the USCCB for speaking out against efforts to repeal Title II classification.

Distribution: **Pac-12 Networks** renewed its distribution agreement with **NCTC**, facilitating the carriage of its one national and six regional channels by more than 800 independent pay-TV operators.

Shentel Expands: **Shentel** completed an upgrade to its fiber network, expanding its reach to Buchanan, VA, and the areas surrounding it in Botetourt County. The \$2.5mln investment brings residential internet packages up to 101Mbps, while businesses along the Interstate 81 corridor can tap into broadband speeds of up to 100Gbps. Shentel, **Cablefax: The Magazine's** 2017 Independent Operator of the Year, has more than 5K fiber route-miles throughout VA, MD, WV and PA.

QVC-Liberty Execs: A new senior exec team and structure is coming to **QVC Group** with **Liberty's** \$2.1bln pending acquisition of **HSN**. The combined group will have five business units serving eight global functions meant to drive growth, including interactive commerce experiences. **QVC US**, **QVC International**, **HSN**, **zulily** and **Cornerstone** will form the newly-combined group. *Steve Hofmann*, currently QVC Intl pres, will head QVC US, with a leader for QVC Intl to be announced in the coming months. Current QVC Japan CEO *Mike Fitzharris* will serve as pres, HSN. *Doug Howe* will serve as global chief merchandising officer and *Mary Campbell* will be chief interactive experience officer across all divisions. Until the transaction closes, QVC and HSNi will continue operating as separate entities.

International: **A+E Networks** is launching **History** and **Lifetime** in South Korea as it looks to build up a presence in the Asian market. The media group secured coverage for 20mln homes through IPTV platforms, all major cable platforms and satellite broadcasting, and simultaneous launches are planned on digital media through **YouTube**, **Naver TV**, **Facebook**, **Instagram** and **GomTV**. A+E also announced plans for original content -- **TV5** and **ESPN** are collaborating to launch **ESPN 5** to super serve Filipino sports fans. TV5's Sports 5 will be rebranded into the net. ESPN also will license to TV5, bringing more than 2,500 hours of additional programming per year from its portfolio.

PROGRAMMER'S PAGE

'Dirk Gently' Returns With a Fantastical Twist

"Dirk Gently's Holistic Detective Agency" is such a unique show, even series creator *Max Landis* finds it difficult to describe and usually doesn't even try. When he does, he calls the program a "thriller with comedic elements that encompasses every genre." The whirlwind of a show premieres its second season Saturday at 9pm on **BBC America**, building on its previous adventures by injecting fantasy elements into plotlines. Time travel and body-swapping has been traded for the mysteries behind the magical land of *Wendimoor*. *Samuel Barnett* (Dirk) and *Elijah Wood* (Todd) are returning to reprise their roles, and their odd friendship will again be at the show's center. "It one hundred percent pushes everything further, everything we did in the first season, but bigger, better and a little bit crazier," Landis said. "At the same time, because you know the characters now, it's also much more focused on the characters and it's a little less plot-heavy." Dirk Gently is an adaptation of *Douglas Adams'* popular book series of the same name. Landis notably called the series a "tribute album" to the source material when promoting Season 1, and nothing about that is changing. "The idea was to get the flavor without necessarily duplicating it perfectly," Landis explained. "The second book is much crazier and much more fantastical than the original, and there's a real mirror for that in the two seasons of our show." Landis always has multiple projects in flux, including everything from an essay on singer *Carly Rae Jepsen* to comic "American Alien." But Dirk Gently holds a special place in his heart. "My engagement with it when I'm up there in Canada is so full and profound that it becomes my entire live, which none of my projects ever have," Landis said. "I feel like a lot of television [is] different versions of the same thing. There's nothing like this." – *Sara Winegardner*

Reviews: "Loudermilk," series premiere, 8:30pm, Tuesday, **Audience** on **DirecTV**. It's not easy getting people to follow a series where the protagonist is a dislikeable, depressing person. That's what Audience has done with "Loudermilk," a story about a former rock journalist (the wonderful *Ron Livingston*) who's scraping by as a substance abuse counselor in Seattle. He's also a recovering addict, as is his roommate (the equally strong but underused *Will Sasso*). The third member of an extremely strong trio of actors is *Anja Savcic*, playing a college student whose wealthy mother has pulled strings to get Loudermilk to personally oversee her daughter's rehabilitation. The 30-minute shows can seem repetitive (Loudermilk deals with his crises or one from a member of his group-therapy sessions), yet the performances of Livingston, Sasso and Savcic keep you watching. Ep 4, where a story is built around the English musician/actor *Mat Fraser*, is particularly good and Loudermilk even smiles briefly. -- "White Famous," series premiere, 10pm, Sunday, **Showtime**. Within seconds, this *Jay Pharoah* vehicle offers a view of a beautiful woman's uncovered derriere; seconds later her estimable front is on display. Those comely views are unable to make up for a lack of fresh comedic material, though. The writing at times is terrific, as is Pharoah, yet you'll feel as if you've seen it all before. – *Seth Arenstein*

Basic Cable P2+ Prime Rankings (10/02/17-10/08/17)			
		Mon-Sun Rtg	(000s)
1	ESPN	1.7	3744
2	FOXN	1.1	2451
3	TBSC	1	2382
4	FS1	0.7	1618
4	MSNB	0.7	1480
6	CNN	0.5	1175
6	USA	0.5	1139
6	HGTV	0.5	1133
9	DSNY	0.4	925
9	HALL	0.4	924
9	TNT	0.4	912
9	FOOD	0.4	912
9	HIST	0.4	904
9	ID	0.4	898
9	DISC	0.4	817
9	FX	0.4	809
9	NFLN	0.4	648
9	MLBN	0.4	597
9	DSE	0.4	80
20	A&E	0.3	778
20	ADSM	0.3	775
20	TLC	0.3	775
20	BRAV	0.3	649
20	AMC	0.3	629
20	TVLD	0.3	601
20	NKJR	0.3	563
20	HMM	0.3	440
28	LIFE	0.2	546
28	NAN	0.2	515
28	OWN	0.2	491
28	FRFM	0.2	485
28	SYFY	0.2	471
28	INSP	0.2	459
28	DSJR	0.2	427
28	APL	0.2	422
28	VH1	0.2	417
28	TRAV	0.2	412
28	LMN	0.2	408
28	CMDY	0.2	394
28	BET	0.2	381
28	MTV	0.2	377
28	SPK	0.2	362
28	EN	0.2	357
28	WETV	0.2	341

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



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