

Cablefax Daily™

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What the Industry Reads First

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Change of Plans: LBI Elects Must-Carry, Argues Comcast Complaint Still Valid

Come January 1, **Comcast** will begin carrying the three **Estrella TV** stations in Houston, Denver and Salt Lake City that it dropped in 2015. That's because station owner **Liberian Broadcasting Inc (LBI)** has selected must-carry status in the just-wrapped election cycle. During the last election cycle in 2014, LBI opted for the first time to go for retransmission consent. Comcast balked at the rates it requested and dropped the three stations. LBI then turned to the **FCC** and filed a programming carriage complaint against the MSO, which it lost but is currently appealing. Now the question is whether the complaint will go on. Comcast told the FCC this week that LBI's petition for reconsideration should be considered moot, but the broadcaster sees things differently. "Election of must-carry status ensures only that Comcast carries LBI's Houston, Denver and Salt Lake City stations during the upcoming election cycle. But unlike [Comcast-owned] **Telemundo** and **NBCU Universo**, LBI will not receive any compensation for such carriage," it told the FCC in a letter dated Wednesday. What's more, LBI said must-carry status won't have any impact on its claim of unlawful discrimination by Comcast against Estrella TV in its "white areas," including markets such as Philadelphia, Boston and San Francisco. In its petition for reconsideration, LBI argues that it qualifies as a video programming vendor because of distribution in so-called white areas—areas where the network does not have a broadcast antenna and a cable operator distributes the satellite feed to customers. That would be an important distinction as the FCC Media Bureau's initial decision found LBI failed to prove that it's a video programming vendor. Comcast has urged the FCC not to use the proceeding to tackle white areas, saying it could have far-reaching consequences on the entire marketplace. LBI said it had no choice but to elect must-carry given what it believes is "discriminatory conduct" by Comcast. It rejects the operator's argument that its must-carry status is final, suggesting the FCC could change the status.

Viacom-Charter: All eyes are looking to Sunday, when **Charter's** contract to carry **Viacom** channels expires. The MSO launched its own website Friday at GetTheFactsAboutViacom.com. It's the counter to Viacom's KeepViacom.com, which the programmer has been directing Charter subs to via crawls and advertising. Charter's messaging is that Viacom is requiring **Spectrum** to carry and overpay for its channels. "Their business is suffering and they are trying to boost their bottom line at the expense of you, our customer," the site says. Viacom CEO *Bob Bakish* said in

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an internal memo that its offers would have Charter pay less than what it does today and that it's attempting to penalize Viacom if it participates in new skinny bundles or OTT platforms. It's unclear how Viacom is pricing its suite of channels. Viacom was sued in 2013 by **Cablevision** for tying 14 lesser-watched channels to its more popular nets. It was eventually settled ahead of **Altice** buying the operator. Last year, the programmer said it would devote more resources to six "flagship networks" but continue to support other channels, including **TV Land** and **VH1**.

Unhappy Anniversary: Sunday marks the one-year anniversary of **Mediacom's** loss of **KTTW**, a **Fox**-affiliated station in Sioux Falls, SD, owned by **Independent Communications**. "For 12 months, Independent Communications has denied thousands of viewers in South Dakota and Minnesota access to Fox programming. If this was occurring in New York or Boston, politicians would be clamoring for a resolution. Unfortunately, consumers in small markets are largely ignored by Washington when it comes to abusive broadcaster behavior," a Mediacom spokesperson said. KTTW claims there has been no desire on Mediacom's part to pursue good faith negotiations. "As of today we have in place agreements with 20 of 21 other programming providers all of which are of comparable terms," the broadcaster said. **Cablefax** reached out to the office of House Commerce chmn **John Thune**, who represents SD. A communications director said the office would decline comment on the situation. Meanwhile, **AT&T/DirecTV** is still dealing with several blackouts that have passed or are approaching the one-month mark. **Capitol Broadcasting's WRAL** and **WRAZ** have been dark since Sept 13. Seven **American Spirit Media** stations have been dark on **DirecTV** since Sept 22 (four dark on **U-verse**). In addition, **Dispatch's WBNS-CBS** in Columbus and **WTHR-NBC** in Indianapolis have been dark with both providers since Sept 6.

Dear Chairman Pai: Free Press is ratcheting up the pressure on **FCC** chmn **Ajit Pai** to address recent remarks on the press by President **Trump**. A new "call to action" campaign has the public sending comments to the FCC asking Pai to stand up for the First Amendment. "Coming from a president who previously referred to the news media as the 'enemy of the American people,' these tweets continue a disturbing pattern in this administration to undercut vital press freedoms," reads the Free Press missive. As **Cablefax** recently noted, Pai received **The Media Institute's** Freedom of Speech Award last year, saying at the time, "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." Pai has not issued any public comment on Trump's recent remarks, which included the suggestion of examining and potentially revoking **NBC** and networks' broadcast licenses.

Paradise Cities: For the first time in **MLB** history, the top four most populous markets in the US—NY, LA, Chicago

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and Houston—are represented in the LCS round of the postseason. **Fox** will air the ALCS between the Yankees and Astros, scheduled to be split between the broadcast net and its **FS1** cable net. **TBS** has rights to the NLCS between the Dodgers and Cubs. While it was difficult to imagine a scenario that could top the Cubs' seven-game World Series victory last year, Fox execs must be giddy at the thought of a Yankees-Dodgers or Yankees-Cubs World Series. Last year's Cubs-Indians World Series was the most-viewed since 2004 with an average of 22.8mln viewers. FS1 already has a lot to celebrate, as its seven ALDS telecasts averaged 3.8mln viewers, up 3% from last year's NLDS and 36% from the 2015 ALDS. Wednesday's deciding game between the Yankees and Indians was the third most-watched telecast in the net's history with 7.3mln viewers. TBS' NLDS coverage averaged 3.7mln viewers for eight games, marking a 29% increase from last year's soft ALDS viewership. Thursday's Game 5 between the Cubs and Nationals drew an average of 7mln viewers. **MLB Network's** two ALDS games averaged 2.7mln viewers, which marked a 4% YOY dip, but also the net's second-best combined figures in the six years it has been airing Division Series games.

Own Goal: **Fubo TV** apologized Tuesday for an hour-long outage caused by “unprecedented volume” for three World Cup qualification matches. The outage came at an inopportune time for the virtual MVPD, which recently kicked off its first-ever TV marketing campaign and surpassed 100K subs. While it was a tough day for Fubo, **Tel-emundo** had cause for celebration. Its telecast of the Honduras-Mexico qualifier averaged 2.5mln viewers, making it the day's most-viewed sporting event across broadcast and cable. It faced competition from **BeIN Sports'** broadcast of the qualifiers, as well as the NLDS on **TBS** and the **NBA** preseason on **ESPN**.

I Don't Wanna Be a Pirate: A Florida judge ruled in favor of **DISH** and several Chinese broadcast companies in their piracy lawsuit against *Amit Bhalla*, a retailer of IPTV streaming devices with unauthorized channels. DISH said that Bhalla filed for bankruptcy in an effort to avoid monetary liability, but the court granted the plaintiffs a \$4.4mln judgment for copyright and trademark infringement. The suit followed a 2016 case in which a judge awarded DISH, **TVB** and **CCTV** \$55mln in damages from the manufacturers and distributors of TVpad.

WiFi Solution: **Arris** announced Arris Wireless Intelligence, an analytics and reporting tool granting service providers real-time insights into their public WiFi solutions as well as their efforts to expand WiFi into new vertical markets. The technology offers analytics on metrics including subscriber data consumption and session duration. Service providers can generate pre-built reports and customize them for different stakeholders. The tech will be showcased at **SCTE-ISBE's** Cable-Tec Expo from Oct 18-20 in Denver.

Ratings: **Hallmark Channel's** “Chesapeake Shores” finished its second season on a high note. The Oct 8 finale had Hallmark ranking as the No. 1 cable net in the Sunday 9pm timeslot and the second most-watched net in total viewers (2.3mln). Through its first two seasons, Chesapeake Shores is Hallmark Channel's second most-watched original series among W25-54.

Programming: **Barstool Sports** is bringing its brand of irreverent humor and sports talk to **ESPN2**, which will debut a new late-night program called “Barstool Van Talk” on Tuesday night at 1am ET. The show will feature interviews, comedy sketches and digital shorts, primarily taped in the back of a 1993 conversion van known to listeners of Barstool's “Pardon My Take” podcast. The relationship is particularly interesting given that ESPN just last year threatened Barstool with legal action, claiming the “PMT” moniker infringed on the net's “Pardon the Interruption” and “First Take” studio shows. -- **Discovery** is highlighting the nation's top bushcrafters in “Bushcraft Build-off.” Premiering Nov 8 at 10pm ET, the competition series will place elite builders head-to-head as they race against the clock with only natural materials at their disposal. -- **Ovation** acquired the US premiere linear rights to “The Artful Detective,” bringing the series back to **Ovation TV** and **Ovation NOW** for an eleventh season. Known as “Murdoch Mysteries” in Canada, Ovation's longest-running series is set to feature Canadian and international historical figures like *Helen Keller* and President *Theodore Roosevelt* when it premieres in January.

People: *Alexander “Sandy” Brown* joined **Rural Media Group** as its chief operating officer, effective immediately. Brown brings more than 25 years of management experience to the position, previously serving as president and CEO at **ONE World Sports**, president of sports at **Univision Communications** and managing director at **ESPN Asia** and **ESPN STAR Sports**. He'll lead the company's operating businesses worldwide while focusing on the **RMG** brand, including **RFD-TV** and **The Cowboy Channel**. -- **Oxygen** announced the promotion of *Samantha Bloom* to svp of consumer marketing and promotion strategy, as well as *Nancy Mazzei's* new role as svp of creative and brand strategy. Since re-joining the net in 2014, Bloom has been key in transforming Oxygen into a crime programming destination. Mazzei came to Oxygen in 2014 to lead off-air creative efforts and has since taken on on-air promotions and video.