

Cablefax Daily™

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What the Industry Reads First

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Enforce This: NCTA, Verizon Push for Streamlined FCC Enforcement Process

Under chmn *Ajit Pai*, the FCC has made streamlining processes a priority. [One NPRM on the table](#) seeks to eliminate discrepancies in the filing of various types of formal complaints to the Enforcement Bureau. In a filing Thursday at the Commission, **NCTA** urged the agency to reject a specific proposal within the NPRM that would stop requiring utility pole owners to mandatorily produce specific disaggregated pole-cost data. The cable group said it's integral to the process, often allowing settlement before a formal complaint is filed. NCTA also is concerned that the timeframe for filing pole attachment complaint replies would be cut in half to 10 days. NCTA also voiced its support of a 180-day shot clock for acting on all formal complaints, with the clock starting from the day the complaint is filed. The agency has faced criticism for the length of time it takes for some complaints to be resolved. After the FCC [voted in July to overturn](#) an administrative law judge's decision from November that found **Cablevision** discriminated against **GSN** by moving it to a sports and entertainment tier, commish *Mike O'Rielly* said it was unacceptable that it took nearly six years to resolve the complaint. O'Rielly and Pai have both bemoaned the Enforcement Bureau process for years, accusing it under former-chmn *Tom Wheeler* of issuing headline-grabbing fines regardless of the law. **Verizon** has been the recipient of several high-profile FCC fines, including a \$17mln settlement last month related to excess payments it received under the E-rate program with NYC schools and a \$90mln fine in 2015 over billing practices. In its own filing, the telco endorsed a 180-day shot clock for all complaints not already under a formal deadline, saying it should be long enough for most cases. In some complex situations, Verizon suggested the parties and FCC staff discuss at an initial status conference extending the deadline. The company also called for broader reform of enforcement procedures, suggesting the FCC's enforcement and investigations procedures be published, along with the ability to respond to draft notices of apparent liability (NAL) before the Commission votes to adopt them. "The NAL is not a final decision but it nonetheless can cause reputational harm to the target company," Verizon said. The telco also threw its support behind O'Rielly's call to modify how the FCC delegates authority, requiring a full Commission vote on consent decrees upon request of any two commissioners.

IoT Security: Sen *Edward J Markey* (D-Mass.) and Congressman *Ted W. Lieu* (CA-33) introduced the Cyber Shield Act, bicameral legislation establishing a voluntary cybersecurity certification program for Internet of Things (IoT)

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devices. The bill would also form an advisory committee of cybersecurity experts tasked with creating cybersecurity benchmarks for IoT devices, including cameras and laptops. The legislation would allow manufacturers to voluntarily certify that their product meets cybersecurity and data security standards while awarding them with a certificate to display to the public.

Six-Figure Settlement: Comcast reported Thursday that its recent settlement with Sprint, stemming back to a 2011 lawsuit, cost the cable provider \$250mln. Sprint sued Comcast in 2011 for allegedly infringing on several Sprint patents related to voice services. A trial regarding four of those patents was scheduled to begin this past Monday before the companies reached the six-figure settlement on Oct 16. Sprint also sued Cox, Cable One and Time Warner Cable on the same grounds in 2011. TWC, now owned by Charter, lost its case earlier this year, with Sprint awarded a \$145mln judgment. A judge dismissed the Cable One suit last year, while the Cox dispute remains open in the Delaware US District Court. Cablefax first reported the Comcast-Sprint settlement earlier this month, while the Philadelphia Inquirer discovered the monetary value in Comcast's quarterly SEC filing Thursday.

Amazon Video: Amazon CFO Brian Olsavsky said Thursday that the company plans to increase its investment in video content for Prime subscribers next year. JPMorgan estimated earlier this year that the company would spend \$4.5bln on content in 2017. For context, Netflix said it spent about \$6bln on content this year, while Hulu spent about \$2.5bln. Netflix CEO Reed Hastings already declared his company will spend in the \$7-8bln range next year. It's tough to calculate ROI on video for Amazon based on its SEC filings, but its 3Q revenue from subscriptions—including Prime, as well as audiobook, e-book, digital video, digital music and other services—was up 59% YOY to \$2.4bln. Olsavsky indicated video is driving conversion of free Prime trials and retention. "We also know Prime members who watch video also spend more on Amazon," he said.

Raw Results: WWE Network had 1.51mln paid subs at the end of 3Q, 4.4% more than it had at the end of the same period in 2016. The wrestling promotion's OTT service lost about 61K subs between the end of 2Q and 3Q, consistent with the 67K it lost during the same period last year. WWE Network's quarterly revenue—consisting of subs, PPV and ad fees—was \$50.3mln, up 11.7% YOY. On the linear front, WWE took in \$64.7mln in quarterly revenue from rights fees and ad sales, up 14.8% YOY. Viewership in the quarter for "Raw" and "Smackdown," its two primetime packages on USA, was down 1% YOY despite USA seeing a 7% overall gain in the quarter. WWE's distribution deals with USA for those programs expire in 2019, with chief strategy and financial officer George Barrios saying the promotion expects to announce its new distribution plans between May and September 2018.

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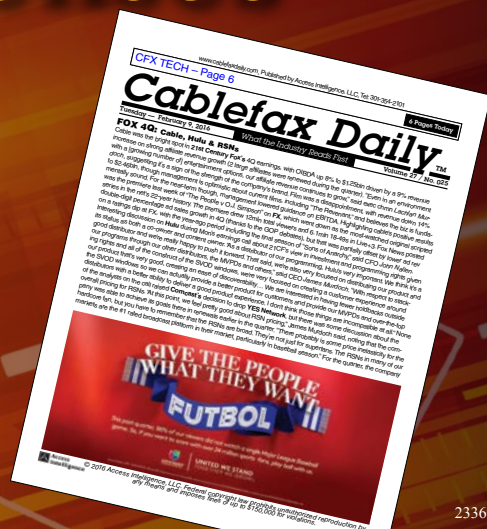
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Shop by Remote: Layer3 is the latest pay-TV carrier to launch HSN's Shop by Remote application, which allows viewers to shop and purchase products via their remotes. Other US providers employing the feature include **U-verse, Comcast, Altice USA, Verizon Fios, Palmetto Rural Telephone Cooperative** and **Hawaiian Telecom**.

Under Oath: Attorneys for **Facebook, Twitter** and **Google** will testify before the Senate Intelligence Committee on Wednesday as part of a series of hearings that focus on Russia's interference in the 2016 US elections. Facebook vp and general counsel *Colin Stretch*, Twitter general counsel *Sean Edgett* and Google svp and general counsel *Kent Walker* will each address the influence of social media in the elections and how their organizations are working to mitigate foreign interference in future elections.

New to the Family: **TiVo** introduced two additions to its line of consumer products. The TiVo BOLT VOX and TiVo Mini VOX will work in conjunction with the new VOX Remote, Tivo's first voice control remote. The voice control remote will operate across live TV, DVR recordings, VOD and online streaming services. Other features of the new devices include personalized recommendations and intelligent predictions. The miniature edition allows viewers to take the VOLT BOX to other rooms in the home with up to 4K Ultra HD picture quality and faster performance. TiVo BOLT VOX is priced at \$199.99 for the 500GB model while the TiVo Mini VOX is available at \$179.99. Existing TiVo BOLT, TiVo Roamio and first-gen TiVo Mini customers can upgrade to voice control by purchasing a separate VOX remote for \$39.99-\$44.99.

Talent Scout: **Fusion's** creative board is looking for new talent, hosting an open call for scripted and unscripted TV projects. The initiative is aimed at providing an equal opportunity for underrepresented creatives to tell their stories, whether they have agency representation or not. The programmer is looking for pitches focused on issues faced by America's youth today. Submissions are being accepted on a rolling basis at Fusion.net/Submissions.

Joining Forces: The **Society for Broadband Professionals** and **SCTE-ISBE** signed a memo of understanding, outlining a partnership that includes the formation of a joint working group. The group will seek to improve both organizations' training portfolios. The organizations are in discussions about the ability to endorse each other's training courses and final certification.

For a Good Cause: Journalist *Maria Shriver* and **A+E Networks** pres/CEO *Nancy Dubuc* are partnering to raise awareness of how Alzheimer's disease affects women across the country. "A Women's Health Summit: It Starts with the Brain" will bring together scientists, thought leaders and authors at NYC's Hearst Tower on Nov 1 to discuss how to conquer the illness. Two-thirds of Americans with Alzheimer's are women with no cure in sight. Lifetime is the official media partner of **The Women's Alzheimer's Movement**, founded by Shriver to bring attention to women's predisposition to the disease. The summit will be live-streamed on Shriver's Facebook page at 12pm ET.

Programming: **UP TV** is developing a cat-centric linear and digital series called "Meow Manor," which follows the lives of felines in their own mansion. It will have its own 24/7 livestream online with multi-camera views. Meow Manor is set to launch on Nov 8 at 8pm, also airing at 11pm ET on Saturday nights. In addition, Up is introducing "Meow Manor: Keeping Up With The Kattarshians," parody-style featurettes starring the mansion's inhabitants. -- **IFC** acquired Season 3 of female-dominated sketch comedy series "Baroness von Sketch Show." This comes after the net acquired the first two seasons earlier this year from Banijay Rights, airing them back-to-back over the summer. Filming on the third season continues in Toronto, with new episodes coming to IFC in 2018. -- **A&E** is shedding a light on America's struggling small businesses with its latest special. Hosted by entrepreneurs *Eric Casaburi* and *Robert Hirsch*, "Save It or Sell It" attempts to show struggling business owners how to maximize the sales of their stores or save them when it premieres Nov 5 at 11pm ET on A&E. -- *Erik Menendez* is opening up about his parents' murders in A&E's newest docuseries, "The Menendez Murders: Erik Tells All." Premiering Nov 30 at 10pm ET, the limited series includes extensive phone interviews with Erik, never-before-seen photos and new interviews with prosecutors, law enforcement, close family and friends. -- **INSP** greenlit a third season of "The Cowboy Way: Alabama." Nine more episodes of the docuseries are coming to the net, following the lives of three young cowboys building their cattle business the old-fashioned way. Season 2 will premiere on Jan 4 at 8pm ET. -- **HGTV** is adding another house-flipping series to its slate. Best friends and renovation partners *Clint Robertson* and *Luke Caldwell* take center stage on "Restoring Idaho," which will air six episodes starting in March 2018.

People: *Jessica Neal* has been elevated to chief talent officer at **Netflix**, placing her at the head of company culture, human resources, recruiting and coaching. Neal started with **Netflix** in 2006 and returned to the company earlier this year after a stint as head of human resources at **Coursera**. Neal also serves on the board of directors of the **Association for Talent Development**.