

Cablefax Daily™

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What the Industry Reads First

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Sling for the Fences: OTT Programmers Lobby for Inclusion on vMVPDs

Creating and maintaining channel lineups for so-called skinny bundles, or virtual MVPDs, is proving to be a balancing act between quality content offerings and razor-thin profit margins. That dynamic played out on stage Thursday at the TV of Tomorrow Conference in NYC, where **Sling TV** svp, programming *Andy LeCuyer* participated in a panel alongside execs from OTT programmers seeking wider distribution and, in some cases, carriage fees. “We’re here to solve the margin problem,” said **PeopleTV** gm *Susanne Mei*, who runs the **Time Inc**-owned, ad-supported celebrity news service. While the net would be seeking a sub fee from a vMVPD like Sling, Mei argued it’s far less expensive than what a distributor would pay for **E!** or **Bravo**, and wouldn’t require carriage of additional **NBCU**-owned networks. *Steve Oh*, chief business officer for digital news outlet **The Young Turks**, sang a similar tune. Given the chance, he said, TYT and other digital channels could compete for viewership at a fraction of the cost to the distributor. “The reason why you want me on that platform is that next time carriage fees come up with the **CNNs** of the world, you can tell CNN, ‘Why the hell should I pay you \$0.58 per sub, when The Young Turks is better than you, bigger than you by 70%, or whatever it may be, and I’m paying them \$0.17 or \$0.05,” Oh said. LeCuyer pushed back, saying that given Sling TV’s \$20 starting price point, there’s essentially no room to add additional content to the base package. He lamented the fact that distributors have to have to carry the whole buffet when dealing with large programming groups, but said the dynamic there is slowly changing and that DISH execs have license to negotiate “fairly hard.” He also said that while other vMVPDs on the market like **YouTube TV**, **Hulu** and **DirectTV Now**, have “licenses to lose money,” Sling is focused on turning a profit. The discussion was particularly timely given Sling’s announcement Thursday that it would begin offering three third-party SVOD services—**CuriosityStream**, **UP Faith & Family** and **Pantaya**—for additional monthly fees. LeCuyer indicated the strategy is something Sling is likely to do more of going forward. “If you want to have a successful video platform that makes money, there are a couple of things that are really important,” he explained. “Number one is giving consumers those options to buy other things that are gross margin positive that add to the gross margin for that consumer. The second piece is sort of being more effective in ad monetization in live linear environments.” **BritBox**, a streaming service from **BBC** and **ITV** that



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delivers British programming to American subscribers, would seem to be a fit for Sling's SVOD initiative given its relatively small size and its recent partnership with **Amazon Channels**. BritBox pres, North America *Soumya Sriaman* acknowledged her staff has spoken with Sling about a distribution deal, but determined the DISH/Sling audience doesn't overlap with BritBox's target market. "In the old world of the bundle, you had guaranteed reach and had guaranteed affiliate income," she said. "In this case, you're counting on the fact that you've reached so many people, and you're hoping somebody says, 'I might sign up for that.' You're not necessarily on an [electronic program guide], per se."

Verizon Dropping Bloomberg: Verizon informed customers that it will remove **Bloomberg TV** from the Fios TV lineup on Friday (Dec 8), noting that Bloomberg's content is available to consumers for free on their website and mobile app. "Our goal as always is to provide our customers the best possible TV experience while keeping prices as low as possible," a spokesperson said. Fios continues to carry **Fox Business** and **CNBC**.

NCTC Looks to MobiTV for IP Video: NCTC selected **MobiTV** as a partner to provide IP-based video to its 800-plus members. While the co-op has deals in place with companies such as **Ericsson's Mediaroom** and **Minerva Networks**, pres/CEO *Rich Fickle* said the deal represents NCTC's most advanced all-IP solution to-date. It's not an exclusive arrangement, meaning other companies will likely be added down the road. NCTC decided about 18 months ago to seek out an IP-based video solution for members, putting out an RFI. "Twenty companies, many of which are in the current cable space as suppliers, responded. What was clear to us is that a lot of these companies are in the midst of trying to re-think their roadmaps and their directions as well given the changes in the marketplace," Fickle said. "MobiTV seemed to us to be the furthest along. They have a capability and mindset that may allow them to move quicker than maybe some of the other more traditional companies. Their mindset is one of developing new features every six to eight weeks as opposed to maybe once or twice a year." Operators don't need to deploy set-tops for MobiTV given that it's compatible with retail devices such as **Roku, Apple TV**, connected TV devices, PCs, tablets and mobile phones. MobiTV's solution doesn't go over the open internet, operating on a closed, managed network solution. That's key so that content providers aren't concerned about security or possible license breaches. "We've had a longstanding relationship with content providers, certainly in the mobile and web space for a long time. This is for the long haul. We want to make sure this is a platform that can grow and develop over time," said MobiTV CEO/chmn *Charlie Nooney*. MobiTV counts **C Spire** as a client and recently inked deals with NCTC members, including **DirectLink, Citizens Fiber, USA Communication** and **Hickory Telephone**.

Cablefax Industry Jobs

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AT&T-TWX Antitrust: Reports have the DC Circuit setting March 19 as the start date for a trial in which the **Department of Justice** attempts to block **AT&T's** proposed \$85bln **Time Warner** purchase. A scheduling conference was held Thursday. *Reuters* reported that Judge *Richard Leon* said he doesn't expect to have a verdict by April 22, the latest deadline agreed to in AT&T and Time Warner's merger agreement.

Measuring Mobile: **Nielsen** announced the launch of Mobile Video Performance, which provides mobile carriers, ISPs, content providers and device makers with insights on mobile video quality. The service looks at video performance on both mobile and WiFi, rating individual players on the factors which contribute to positive customer experiences, such as video resolution, the time it takes a video to load, duration of video stalls during playback and the ability to launch and play a video in 60 seconds. It uses a panel of 70K US-based participants for active and passive video tests. Nielsen found the industry's "most notable mobile operators" deliver HD (720p or greater) quality video 69% of the time. By contrast, services at the opposite end of the spectrum deliver HD quality video only 39% of the time. Consumers in Orlando, Portland and Seattle enjoy the best video viewing experiences, receiving HD video more often than consumers in NYC, LA and San Fran. Salt Lake City, Las Vegas and Houston customers receive less HD video than the national average.

Ratings: **ESPN** says it saw a 23% increase in total day and 28% increase in prime viewing in the first seven weeks (Sept 25-Nov12) of Nielsen Total Live Audience measurement, which includes out-of-home and streaming data. That's compared to traditional Nielsen viewership data during the period. Among 18-34s, ESPN posted a 23% increase in total day and 28% jump in prime. And 25-54s saw an 18% lift in c3 ratings with the inclusion of streaming and out-of-home data. With all the talk about **NFL** ratings, it's worth noting that MNF saw a 13% uptick. The net came out and said Total Live Audience is the only meaningful way to understand sports consumption.

Carriage: **DISH** reached a renewal with **Fuse Media** for the music-focused **FM** network. FM is available on channel 180 in DISH packages, including America's Top 120, America's Top 200, America's Top 250 and America's Everything Pack.

Net Neutrality: Can't get enough debating over net neutrality? *Gigi Sohn*, an adviser to former **FCC** chmn *Tom Wheeler*, and former FCC commish *Robert McDowell* go at it on **C-SPAN's** "The Communicators" (airs Saturday at 6:30pm ET on C-SPAN and will be on C-SPAN.org Friday afternoon). Social media showed various gatherings of folks with signs outside **Verizon** stores Thursday, though we also spotted a tweet saying they were the only person to show up to protest outside their local store. Thursday was the planned protest day ahead of the FCC's Dec 14 vote on chmn *Ajit Pai's* Restoring Internet Freedom draft order, with Verizon stores chosen since Pai was formerly a lawyer for the telco. While critics are calling on the FCC to delay the vote, **House Commerce** leadership sent word Thursday that they support the agency moving ahead. The FCC released the meeting's agenda Thursday afternoon, and the internet item is still on it for a vote. "We commend Chairman Pai's resolve in the face of the misinformed hysteria surrounding the subject of net neutrality, combined with the continuing outrageous personal attacks on him and his family. As we predicted, Title II has been a drag on broadband investment, and reversing the prior commission's power grab is a critical step in our efforts to supercharge deployment and improve access to broadband throughout America. At the same time, we will continue to work towards enshrining clear, bipartisan net neutrality rules into law," Commerce chmn *Greg Walden* (R-OR) and Communications subcmte chmn *Marsha Blackburn* (R-TN) said in a statement.

Business Reach: **Comcast Business** is expanding its network in PA and NJ, investing nearly \$15mln in expanding its Ethernet network. The bulk of that investment, \$13mln, will be spent in Greater Philly and NJ, with more than 14K businesses to be able to directly reach the network. Comcast Business also is investing in the network in Chambersburg, PA, and Jefferson County, PA.

In the Cloud: Indian tech startup **Amagi** has launched in the US with **Vice** and **Turner** on board as customers. The two are using Amagi's cloud-based tech to launch their networks globally, including Viceland's rollout in Africa and Belgium.

Programming: **Discovery** launches series "Tesla" (working title) on Jan 2 at 10pm, with the program probing the inventor's death and disappearance of his research.

Board Moves: **Oracle** CEO *Safra Catz* and **Illumina** CEO *Francis deSouza* were elected to **Disney's** board, effective Feb 1, according to an **SEC** filing. There's been no determination yet as to which committees they'll serve on.

PROGRAMMER'S PAGE

All that Female Jazz...

The sexual harassment controversies of the last few weeks reveal one aspect of the obvious discrimination women have faced here and around the world since the dawn of civilization. But independent net **Cinemoi's** "Girls in the Band" documentary, which premiered last week on **Verizon** and **Frontier** and remains available at www.cinemoi.tv, puts a keen spotlight on the little-known history of women in jazz. Documentarian *Judy Chaikin* shows us that women not only took great risks to overcome gender and race discrimination from audiences—but also from male jazz musicians who often saw them only as pretty singers or background pianists. It's amazing to watch footage of *Marilyn McFarland*, perhaps the best jazz pianist of her time, bite her tongue as a reporter tells her that being a female jazz musician must be an advantage "because you're so decorative." Women couldn't play the big boy instruments: No trumpets. No saxophones or trombones. Certainly not the upright bass! Those instruments were for men because they required machismo. "Male musicians didn't want to work with women," McFarland says years later. "They had the idea that their playing was delicate or frilly and all of that ridiculous kind of stuff." As a result of those misperceptions, women who wanted to play "male" instruments or contribute as songwriters and arrangers formed their own groups and toured across the country. Ever heard of "The International Sweethearts of Rhythm"? How about *Melba Liston*, a trombonist who was so in demand as a jazz arranger that greats like *Count Basie* and *Dizzy Gillespie* depended on her talents? What else don't you know? Watch *Girls in the Band*, and learn what you've been missing. — *Michael Grebb*

Reviews: "The Newspaperman: The Life and Times of Ben Bradlee," 2:40pm ET, Sunday and on demand, **HBO**. It's rare when we say you "must" see the opening credits. We do here, though. The first moments of this fine documentary about America's greatest newspaper editor begin with Bradlee seemingly speaking to us from the grave: "It's been my experience that people lie...they lie a lot in Washington...they have no reverence for the truth." If you're not hooked there, wait a few minutes to hear (and see great footage) of Bradlee's close friendship with his erstwhile Georgetown neighbors, *Jackie* and *JFK*, who eventually moved downtown as Bradlee continued to cover the White House for *Newsweek*. Journalistic ethics? Say what? It's a nuanced portrait of complicated man, efficiently described by *David Remnick* as someone who could curse like a sailor but knew "which fork to use at the French Embassy." Watergate receives pro forma treatment, yet again the introduction is priceless: newsman *Howard K. Smith* quoting *Nixon* press secretary *Ron Ziegler*: The Watergate break-in "is a 3rd rate burglary and nothing the president should be concerned with." — **Notable:** A fabulous doubleheader Sunday evening on **Starz**. First is the Season 3 finale of "Outlander" (8pm). At 9pm is a sneak preview of *J.K. Simmons* in "Counterpart," a mix of spy and paranormal genres. — *Seth Arenstein*

Cable P2+ Prime Rankings*
(11/27/17-12/03/17)
Mon-Sun
Features the Top 35 Cable Nets from 2015-16 based on L+7 Total Day 2+ Projections

	P2+	P18-49	P25-54
FOXNC	2408	269	440
HALL	2288	493	638
ESPN	2154	890	933
MSNBC	1912	278	407
FAM	1499	772	746
HGTV	1258	327	392
TBSC	1256	540	664
HIST	1239	344	460
USA	1229	510	553
DISC	1226	425	521
ID	1040	312	394
CNN	990	264	336
AMC	968	484	532
AEN	948	367	448
ADSM	885	517	430
DSNY	852	216	189
FOOD	842	323	361
TNT	816	307	359
TLC	760	267	287
BRVO	752	364	416
FX	749	336	370
NAN	663	265	228
LIF	654	192	235
TVL	632	130	192
NKJR	554	148	145
APL	482	145	171
BET	466	206	195
SYFY	431	169	202
MTV	423	273	249
LMN	408	122	160
CMDY	391	245	225
SPIKE	340	156	168
ENT	323	167	165
TRU	292	169	154
HLN	269	71	87

Source: Nielsen
*Live+SD prime cable rankings ordered by P2+ AA (000). Based on Nielsen TV Universe. Data includes same day (3am-3am) DVR playback.



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