

Cablefax Daily™

Friday — December 22, 2017

What the Industry Reads First

Volume 28 / No. 244

Eyes of the World: Most Top Cable Nets See Viewership Declines in 2017

Only one of the top 10 most-viewed cable nets in primetime this year saw viewership growth relative to 2016. **MSNBC** was the pleasant outlier, notching a massive 50% YOY increase in primetime viewership with 1.62mln viewers P2+. That was good enough for the cable news net to jump from No 10 in prime last year to No 3 this year. The rest of the top 10 saw primetime viewership decrease to varying degrees. The top two nets in prime—**Fox News** (2.42mln) and **ESPN** (1.92mln)—retained their respective No 1 and No 2 spots from 2016. Both saw primetime dips of less than a percentage point. As one might expect, entertainment nets in the top 10 saw more statistically significant drop-offs. No 4 **USA** (1.41mln) and No 5 **HGTV** (1.41mln) took matching 4.5% primetime viewership hits. Rounding out 2017's primetime top 10 were **TBS** (1.40mln; -7.2%), **TNT** (1.17mln; -15.1%), **History** (1.13mln; -4.5%), **Discovery** (1.10mln; -7.1%) and **CNN** (1.06mln; -14.1%). Live sports remain the most valuable programming on the dial, but even athletics took a viewership hit in 2017. Through last week, national sports viewership was down 12% from 2016, or 6% excluding the three weeks in which the 2016 Rio Olympics took place, according to **Pivotal Research's Brian Wieser**. The analyst noted **NFL** viewership this season is down 7%, a concerning figure for the league and its media partners. Conventional wisdom was that NFL ratings were poised to bounce back this year without a presidential election to steal the spotlight, but that hasn't been the case. Still, don't cry for the NFL, which is still the envy of every other sport on the ratings front. The league also just signed a \$2.5bln mobile streaming deal with **Verizon** last week and reportedly (according to *SportsBusiness Daily*) issued an RFP for "Thursday Night Football" rights in 2018 that is expected to be lucrative. Meanwhile, college football ratings this season are down 2% from 2016 as the sport heads into the postseason. **Disney**-owned nets (**ABC** and the **ESPN** nets) have accounted for 33% of sports viewing in 2017, but are still down 9% excluding last year's Olympic weeks. **Fox's** sports viewership (Fox plus **FS1** and **FS2**), on the other hand, is up 14% from 2016 and accounted for 21% of sports viewing this year, excluding the week Fox aired the Super Bowl.

Retrans Record: It looks like 2017 set a new record for retrans blackouts. An analysis by **Cablefax** and **American Television Alliance** counted 217 blackouts with more than a week left in the year. That surpasses the 189 ATVA attributed to 2015 and 103 for 2016. There are several ongoing blackouts in place. **Independent Communications'** Sioux

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CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefax.com ● 301.354.2101 ● Editorial Director: Amy Maclean, 301.354.1760, amaclean@accessintel.com ● Publisher: Michael Grebb, 323.380.6263, mgrebb@accessintel.com ● Associate Editor: Sara Winegardner, 301.354.1701, swinegardner@accessintel.com ● Community Editor: Alex Silverman, 212.621.4951, asilverman@accessintel.com ● Acct. Exec: Olivia Murray, 301.354.2010, omurray@accessintel.com ● VP Marketing: Amy Jefferies, 301.354.1699, ajefferies@accessintel.com ● Prod. Mgr: Joann Fato, jfato@accessintel.com ● Diane Schwartz, SVP Media Comms Group, dschwartz@accessintel.com ● Group Subs or Subscription Questions, Client Services: 301.354.2101, clientservices@accessintel.com ● Annual subscription price: \$1,699.97/year ● Access Intelligence, LLC, 9211 Corporate Blvd., 4th Floor, Rockville, MD 20850

Falls, SD, **Fox** affiliate **KTTW** has been off **Mediacom** since Oct 15, 2016. **American Spirit Media** has had seven stations dark on **DirectTV** and **U-verse** since Sept 21 of this year. DirectTV has also been embroiled in a spat with **HITV** over Hawaii station **KFVE** since Oct 19 that's resulted in the [broadcaster filing a complaint](#) at the **FCC**. In recent days, **AT&T's U-verse** lost two **Sarkes Tarzian** stations in Reno, NV, and Chattanooga, TN. This week the **Frankfort Plant Board** voted to no longer carry the **ABC** and **NBC** affiliates from Louisville, KY, (owned by **Tegna** and **Raycom**, respectively) as a cost-reduction measure since it already carries the ABC and NBC stations out of Lexington. "If FPB was to renew all the affiliates this round, the retransmission surcharge would come to nearly \$20 per month," said *Harvey Couch*, FPB's marketing & video content coordinator. During the meeting, he cited a survey of FPB customers that found 60% of respondents wanted to maintain stations from both markets, but by a ratio of 2:1 they preferred dropping duplicate stations in the interest of having a smaller rate increase. By not renewing the two Louisville stations, FPB's retrans surcharge will increase later this year to just under \$16/month from \$12. Of the 2017 retrans blackouts that were resolved, the longest was **DISH** and **Hearst's** standoff which lasted 56 days and included 31 stations in 26 markets.

FCC Fines Sinclair: The **FCC** released notice of a proposed \$13.4mln fine against **Sinclair** for failing to make required disclosures acknowledging content sponsored by a third party—the third largest fine that the Commission has ever proposed for sponsorship identification violations. It comes as the agency considers the broadcaster's proposed \$3.9bln deal to acquire **Tribune**. Democratic commissioners have complained that the FCC has taken actions in recent months that help Sinclair close the deal, such as reinstating the UHF discount. Similarly, the two Dems criticized Thursday's proposed fine for not going far enough. "In light of this substantial history of failure to comply with our policies and the sheer number of violations before the agency now, the immediate notice should seek the highest fines permissible under our rules. But instead of doing so, we offer unreasonable and suspicious favor to a company with a clear record of difficulty complying with the law," *Jessica Rosenworcel* wrote in her dissent. The FCC notice wasn't released until Thursday, but *Reuters* got wind of it last week. The Commission said the programming in question was about the **Huntsman Cancer Institute** and was broadcast more than 1700 times as either stories resembling independently generated news coverage that aired during local news broadcasts or as longer-form stories that aired at half-hour programs. FCC rules require broadcasters to state that a program was paid for and to inform non-owned stations of any sponsored content being supplied to them. Sinclair has 30 days to respond to the notice or pay the proposed fine.

More FCC Fun: The **FCC** voted to expand the Intergovernmental Advisory Committee from 15 to 30 members. This group of state, local and tribal authorities provides guidance to the Commission on telecom issues affecting local, county, state and tribal issues, such as cable and local franchising. But it's another item that shows a divided FCC,

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with commish *Mignon Clyburn* dissenting and her Democratic colleague *Jessica Rosenworcel* dissenting in part. Clyburn complained that FCC chmn *Ajit Pai* ignored the IAC chair's Nov 21 letter that said "doubling the size of the IAC, without substantive changes to the FCC's approach to and interaction with the IAC, will not result in either increased attendance or increased engagement by the membership." Nor did the order reflect her desire to have two consumer advocates added to the membership roster. Rosenworcel supports the expansion, but is concerned that, according to the IAC chair, the group "has been repeatedly discouraged from submitting written comments" in FCC proceedings. "This is troubling," she writes. -- Comments are due Feb 20 in the **FCC's** Further Notice of Proposed Rulemaking for the Next Generation TV standard. The Commission voted in November to authorize broadcasters to voluntarily offer the standard, also known as ATSC 3.0. The FNPRM tackles topics such as waivers of the local simulcasting requirement (noncommercial education stations are hoping they can be waived) and whether full-power broadcasters should be able to use vacant channels in the broadcast band to transition to the standard.

Keep Us Out of It: Disney became the second company this week to request additional protection of its business information in the **Department of Justice's** lawsuit against the **AT&T-Time Warner** merger. Disney on Wednesday joined **21st Century Fox** in asking the judge to strengthen the original protective order. "Indeed, the complex and competitive business relationships between Fox and Defendants that make Fox wary of disclosing sensitive information in this lawsuit are nearly identical to those between [Disney] and Defendants." Like Fox's motion on Monday, Disney's filing identified distribution agreements with MVPDs as sensitive material that warrants additional protection. AT&T expressed opposition to Fox's requests on the grounds that it would be unfair for AT&T not to be able to examine material that the government already had access to during its probe of the merger. The DOJ filed a motion expressing support for Fox being allowed to redact or withhold highly sensitive material.

Top of 2017: AT&T's subscriber count surpassed those of its cable competitors, making it the top pay-TV provider in the US, as of 3Q17. With its **DirectTV**, **DirectTV Now** and **U-verse** platforms, the provider has exceeded 25mln subs, beating out **Comcast's** 22mln, according to **Leichtman Research**. While DirecTV is beating competitors, the brands have lost about 210k subs over the past year. Comcast did rise above in broadband, with its 25.5mln subs placing it above **Charter**, which punched in with 23.6mln. Comcast added 1.2mln over the past year, **Charter** grew by 1.4mln and AT&T added 100K to its total. The closest race came with residential phone providers, as Charter nosed in ahead of Comcast by a mere 50K lines, the first time the No 1 US home voice company is not a traditional phone company (10.4mln lines total).

They Shoot, They Score: The 2017-18 **NBA** regular season is its second most-watched on **ESPN** at this point on the calendar, according to **Nielsen**. Through 30 games (opening night to Christmas), the NBA is averaging 1.8mln viewers, up 18% from 1.5mln through the same period last year. Since ESPN began televising NBA games for the 2002-03 season, only the 2010-11 season ranked higher, in large part due to *Lebron James'* move to the Miami Heat.

Garden Party: MSG Networks' two RSNs are now available on **DirectTV Now**. The nets, which serve NY state, as well as the tri-state area, are home to the Knicks, Islanders, Rangers, Devils and Sabres. DirecTV Now customers will also have access to **MSG GO**, the RSNs' TV Everywhere platform. The deal is MSG Networks' second with a virtual MVPD after a previous agreement with FuboTV.

Two Join Cable HoF: The Cable Center rounded out its 2018 Hall of Fame class, adding new **Liberty Latin America** CEO *Balan Nair* and Emmy-award winning **AMC** series "Breaking Bad." It's only the second time a series has been inducted into the HoF, with the Center recognizing **HBO's** "The Sopranos" last year. Nair has nearly 25 years of experience in the industry, serving as one of **Liberty Global's** top execs over the last 10 years. They join previously announced honorees **Advance/Newhouse's** *Nomi Bergman*, **Charter's** *John Bickham*, **HBO's** *Richard Plepler* and **Comcast's** *Neil Smit*. Last month, **NPR** CEO *Jarl Mohn*, founder of **E!** and **Liberty Digital**, declined the honor. Mohn took a leave of absence at NPR last month because of health problems and has faced scrutiny over the handling of a sexual allegations against then-news svp *Michael Oreskes* (by the way, the reporter who grilled Mohn in an on-air interview, *Mary Louise Kelly*, was named this week as the newest host of NPR's "All Things Considered"). The 21st Cable Hall of Fame celebration is set for April 4 in NYC at the Ziegfeld Ballroom.

C-Span's One: Cable One pres/CEO *Julie Laulis* will join the **C-SPAN** board at the end of the year, succeeding *Tom Might* and becoming the only female on the board. Laulis was named CEO earlier this year following Might being named exec chmn. Laulis brings more than 30 years of experience to the board.

Editor's Note: Cablefax Daily will take a brief break for the holidays. Your next issue will be dated Jan 3. *Cablefax.com* will keep you abreast of any breaking news. Wishing you much joy in the new year.

PROGRAMMER'S PAGE

Holiday Glow of the TV

Whether your family bonding on Dec 25 is spent opening Christmas presents or noshing on Chinese takeout, you may be ready for a little less togetherness as the sun sets. That's what TV is for. There are plenty of heartwarming specials and nostalgic movies to enjoy, but for those who prefer to have the Christmas spirit body-slammed into them, take note: for the first-time ever, "WWE Monday Night Raw" will emanate live on Christmas Day (USA, 8pm). We don't know if Santa will show up, but superstars *Seth Rollins*, *Roman Reigns* and *Alexa Bliss* are on the fight card. Whovians know that the day will bring the annual "Doctor Who" Christmas special (BBC America, 9pm). This year's installment, "Twice Upon a Time," serves as the farewell performance for Twelfth Doctor (*Peter Capaldi*). That's especially exciting because it means he'll be regenerating into the Thirteenth Doctor—the first woman to take on the role (*Jodie Whittaker*). **Hallmark Channel's** annual "Countdown to Christmas" culminates in this big day, with the network pulling out a movie for all its Hearties (that's what fans of the "When Calls the Heart" series dubbed themselves). "When Calls the Heart: The Christmas Wishing Tree" (8pm) will give you the feels as Hope Valley introduces a Wishing Tree with the townsfolk placing their wishes on the branches. Also getting in on the holiday special tradition is **PBS'** "Call the Midwife," (9pm), with the midwives facing the coldest winter in 300 years. They'll face ice, snow, frozen pipes and downed power in the Big Freeze, all while struggling to take care of their patients. If you're ready to throw the Christmas tree out all together by evening, tune into **TCM**, which has an *Alfred Hitchcock* marathon that starts at 8pm with "Rear Window" and wraps with a 4:45am showing of "Vertigo." Holiday traditionalists can turn to **TBS** for a 24-hour marathon of "A Christmas Story" from 8pm Christmas Eve to 8pm Christmas Day—or head to **Freeform** for "Elf" (6:45pm) and "National Lampoon's Christmas Vacation" (8:50pm). Happy Holidays! — *Amy Maclean*

Reviews: "The Family I Had," Saturday, 6am ET, **Investigation Discovery**. As you get ready with your loved ones for the holidays, a documentary about a highly dysfunctional family might not be an obvious viewing choice. Yet this doc grabs you before the opening credits finish, as 13-year-old Paris, sobbing, tells a 911 operator how he's stabbed his sister, Ella, 17 times. That's only the start of Paris' story, which focuses mostly on his mother, Charity. Slowly and sloppily, other story elements are provided that somewhat explain Paris' actions. Later we learn Charity's mother, who seems stable, might not be the solid citizen here. One thing, though: after watching "The Family I Had," your own clan may seem prosaic as you settle in for the holidays. -- "Gunpowder," **HBO Go**. The next show for review contains snow, sort of, but it's no holiday romp. The snow is *Kit Harington*, Jon Snow in "Game of Thrones." Here he's similarly handsome as *Robert Catesby* (Harington actually is a descendent of Catesby), who, along with Guy Fawkes, attempted to oust King James 1 in 1605. Like the program reviewed above, "Gunpowder" opens loudly and subsides to a decent mini, long on graphic content and, unfortunately, very light on history. Snow fans will love it. - *Seth Arenstein*

Basic Cable P2+ Prime Rankings* (12/11/17-12/17/17)		
Mon-Sun	MC US AA%	MC US AA (000)
ESPN	0.965	2938
FOXNC	0.799	2432
HALL	0.778	2368
MSNBC	0.644	1960
USA	0.474	1444
NFLN	0.450	1369
TBSC	0.434	1322
FRFM	0.426	1296
DISC	0.403	1228
HGTV	0.394	1199
TNT	0.366	1116
CNN	0.360	1096
HMM	0.353	1076
HIST	0.340	1036
ID	0.329	1002
ADSM	0.306	931
DSNY	0.306	931
A&E	0.304	925
NICK	0.292	889
FOOD	0.271	826
CRN	0.249	760
TLC	0.249	758
BRAVO	0.239	727
FX	0.238	726
AMC	0.234	713
LIFE	0.222	677
NAN	0.204	620
TVL	0.201	612
NKJR	0.185	563
DSJR	0.176	537
VH1	0.147	446
TRAVEL	0.142	431
INSP	0.141	431
APL	0.133	406
GSN	0.133	404
HBO	0.131	399
WGNA	0.131	399
SPIKE	0.129	392
BET	0.128	391
LMN	0.127	386
WETV	0.126	385

*P2+ L+SD rankers are based on national Nielsen numbers, not coverage.

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