

Cablefax Daily™

Thursday — February 8, 2018

What the Industry Reads First

Volume 29 / No. 026

Down to Business: CTAM's Tool Kit to Help Commercial Growth

Business services is the gift that keeps on giving, with cable projecting a long runway for growth. Comcast saw business services revenue soar by 12.2% in 4Q to \$1.6bln. Charter's commercial revenue in the quarter grew by 6% to \$1.5bln, with SMB up 4.5% and enterprise up by 8.3%. As the industry looks for ways to keep the momentum rolling, CTAM has stepped up to the plate. One initiative is the CTAM Business Connect website, which helps businesses find the cable operator(s) serving their locations and offers pricing quotes. Cablebusinessconnect.com launched in April 2016, initially to serve as an internal business services sales lead-share platform between cable companies. CTAM opened it up to SMB customers in November 2016, but didn't begin any digital marketing of the site until June of this past year. Once marketing muscle was put behind it, CTAM reports that leads increased by approximately 15% in the first three months. Today, the site is generating more than 2K leads per month, according to Todd Esenwein, CTAM's senior director of business services. "We are working to evolve and expand the marketing efforts to better define and reach customers within the SMB and enterprise segments," he told Cablefax. Cable has a strong foothold in SMB, with enterprise the next frontier. Esenwein said CTAM is working to combat the image that cable isn't a fiber player, noting that the industry's fiber networks cover more than 400K combined route miles. "CTAM is spreading the word about the 'F' in HFC through multiple tactics: including a recent white paper, digital ads and social media messaging, speaking events, and engaging with industry and business media. We also partner with our members at vertical business events to position cable's strengths nationally," he said. CTAM recently released a report titled, "Cable's Fiber-Forward March," offering a snapshot of how direct-to-premise fiber networks are supporting businesses big and small—from the Atlanta Braves' new baseball complex to local businesses in Grimes, IA (population 11,909).

21CF Earnings: When Disney closes on its Fox deal, "New Fox" feels good about its potential to increase retrans revenue "quite aggressively," management said during Wednesday's FY2Q earnings call. Part of that is the addition of the Thursday Night Football package, but execs also said that having fewer channels in the bundle should make it easier to focus on stations' worth. During the quarter, cable networks saw an 11% revenue increase on higher affili-

Cablefax TOP OPS

NOW
ACCEPTING
NOMINATIONS!

It's **free** to enter – but you must submit your entries by **February 16!**

Who deserves to appear in Cablefax's annual power Top Operators list?

Help Cablefax compile this influential list of MSOs and Independent Operators by nominating the companies and executives you think should be included in our annual list of leading cable operators. Our Top Ops list will be honored in the July issue of Cablefax: The Magazine.

Enter at www.cablefax.com/awards

Questions: Contact Mary-Lou French at mfrench@accessintel.com.



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 ● 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

ate, syndication and ad revenues. Domestic affiliate revenue increased 12% in the quarter, driven by contractual rate increases across all domestic brands. Management declined to comment on **Fox News'** contributions, saying "every single channel" performed well. For the quarter, 21st Century Fox posted total revenue of \$8.04bln, up 5% from a year ago. Net income attributable to shareholders was 1.83bln, up from \$856mln a year ago.

Olympic Zone: **NBC Sports** has partnered with smart cities tech company **Intersection** to bring exclusive Winter Olympics content to digital screens in NYC, Chicago and Philly. The content is set to appear on thousands of screens across the **LinkNYC** network, digital urban panels and platform displays in the **Chicago Transit Authority** and digital bus shelters, panels and displays through **SEPTA, PATCO** and the streets of Philadelphia. Programming will include morning highlights, primetime previews, medal counts and more. -- NBC Olympics and **Comcast** are teaming with **Descriptive Video Works** to provide video description services for viewers with visual disabilities throughout the Olympic Winter Games. This marks the second consecutive initiative of its kind, with the first coming during the 2016 Rio Olympics. -- **Eurosport, Discovery's** leading sports brand, unveiled images of its PyeongChang studios in anticipation of the Winter Olympics. A total of 17 studios have been opened in locations including the host city, Germany, Norway and the UK. Headlining the production offerings will be virtual reality studio "The Cube," which uses augmented reality and 360-degree graphics to offer deeper insights into winter sports. Additionally, Eurosport's dedicated mobile digital studio will move throughout Olympic venues to produce social-first short-form clips with the athletes and fans. -- **Uber** will offer an in-ride video experience to US riders during the Winter Games, giving them access to athlete interviews and highlights. Once a trip has begun, the Uber app will feature a link to the NBC Olympics site with curated content for each day. -- **FuboTV** will present multi-platform content for NBCU's coverage of the Games, granting subs access to 2.4K hours of programming. Fubo has also updated its sports navigation bar to include a breakdown of Olympic programming by sport. -- **DISH** will carry 4K HDR coverage of the Winter Games. Viewers can access an exclusive sports hub on channel 147 as well as an app featuring up-to-date medal counts. The Sports Bar mode, available on Hopper 3, will give viewers the ability to watch up to four Olympic programs simultaneously.

Monthly Ratings: **ESPN** was the big winner for the first month of the year, with a 3mln P2+ prime delivery average (down from 3.9mln last January). Ratings powerhouse **Fox News** took second place for the month (2.5mln), followed by **MSNBC** (1.9mln), **HGTV** (1.68mln) and **USA** (1.56mln). Helping ESPN win the month was the College Football playoffs, with the national championship game between the **SEC's** Georgia and Alabama delivering a 16.7



STANDING
THE TEST OF TIME

AMERICAN CABLE ASSOCIATION'S

Summit 25

MARCH 20-22, 2018 | WASHINGTON, D.C.

REGISTER NOW! ACASUMMIT.ORG

overnight rating. ESPN said it will deliver every SEC spring football game live this year, for the third consecutive year. It starts with South Carolina's Garnet-Black Spring Game on March 31 and continues through April 21. **January Brags: Investigation Discovery** celebrated its best month in network history, cracking into the top 10 in prime among ad-supported cable nets in W25-54 (No 5), HH (No 7), P2+ (No 9) and P25-54 (No 10). For total day delivery, ID earned the No 1 spot for W25-54 and hit No 2 for P25-54. January marked ID's 18th consecutive month of YOY delivery growth amongst total viewers (P2+) in primetime. -- **Scripps Networks Interactive's** brand portfolio saw positive momentum in January, with digital arm **Scripps Lifestyle Studios** practically doubling (+93%) YOY, counting 1.5bln video views. -- **INSP** said it broke multiple ratings records in the month, having its highest-rated month, week and single day in network history. Average HH ratings for INSP's January commercial content were up 22.4% from the December 2017 average, beating out a record set last November. Q4 was the highest-rated quarter in INSP history. -- **Velocity** earned its most-watched month in January during primetime and total day with P/M25-54, P/M18+ and P/M2+. The network also saw double-digit delivery gains during daytime, fringe, late and weekend pm among M18+ and P2+ to drive an 18% YOY increase in total day among P18+.

Spectrum Bill: Rep *Leonard Lance* (R-NJ) joined with *Mike Doyle* (D-PA) to introduce a bill that encourages the federal government to free up more spectrum for commercial license and unlicensed use. The bipartisan bill is the companion to the AIRWAVES Act introduced in the Senate. Under the bill, 10% of proceeds from spectrum auctions would go toward buildout of wireless broadband in rural America. **Public Knowledge** svp *Harold Feld* is an enthusiastic supporter. "If Congressional leadership wants to bring broadband to all Americans rather than 'broadband to the press release,' both the House and the Senate will move to pass the AIRWAVES Act as quickly as possible," he said.

Stream On: The 2018 **NAB** Show will for the first time feature a Streaming Summit. Held at the Westgate Hotel in Las Vegas on April 11, the one-day conference will explore the ins and outs of the streaming media business, including advances in technology and monetization opportunities. The Streaming Summit will also come to the NAB Show New York from October 17-18 at the Javits Convention Center, featuring a spot on the show floor with the latest streaming technologies.

Two for TiVo: **Shentel** is offering two new options to simultaneously support cable programming and next-gen platforms. TiVo Gateway and TiVo Unison Player will each grant access to live TV and streaming services, while the Gateway also has full recording capabilities. Shentel customers are able to access their DVR recordings from their laptop, smartphone or tablet.

Training Camp: **NCTI** and **Comporium SMA Solutions** partnered on an online course designed for technicians installing and supporting Comporium's Security, Monitoring and Automation platform. Meant to complement its existing trainings, Comporium's Home Security Technician course covers product updates, frequent issues and proper installation. Coming in early-to-mid February, the course is comprised of three lessons with two more to come in the near future.

Welcome to the Board: **SCTE-ISBE** has appointed four subject matter experts as non-voting observers of its board and as chairs of select committees for the year. *Dave Fellows*, co-founder and CTO of **Layer3 TV**, will head the engineering committee while the roles of three current committee chairs have expanded to include the SME responsibilities: *Jim Hughes*, vp, North American MSO sales, **CommScope**, governance and nomination committees; *Andy Parrott*, svp, operations, **Altice** Technical Services, learning & development committee; and *Martha Soehren*, chief talent development officer and svp, **Comcast**, compensation committee and learning & development SME. The four are expected to attend Thursday's board meeting in Denver.

Programming: The global premiere of **MTV's** "Jersey Shore Family Vacation" is set for April 5 at 8pm. The first time the brand will premiere a program day and date across **Viacom's** international network of MTV channels in nearly 180 countries, the series brings together the original housemates for a reunion vacation in Miami. -- **UP** has greenlit two unscripted series set to premiere this summer centered on the stories and planning behind weddings. "Our Wedding Story" and "Crazy Beautiful Weddings" will premiere and join a lineup with new episodes of "Expecting" (premiering April 6, 9pm) and "One Born Every Minute" (premiering April 6, 10pm).

People: **AMC Networks** added *BJ Arnold* to its sales team as vp of western sales, placing him at the head of the company's LA ad sales office. He most recently served as svp of brand integration for **FNG**. AMC announced a number of other changes in the sales department. *Tony Song* will become vp of advertising sales for **AMC** and **SundanceTV**; *Amy Goffin* was promoted to director of advertising sales for the two brands; **Heather Dowd-Priel** has been named director of advertising sales for **IFC** and **WE tv**.

Think about that for a minute...

Missing the (Ratings) Point

Commentary by Steve Effros

Now that was one heck of a Super Bowl game! Whether you liked the ending or not, you have to admit the game was good entertainment, and certainly kept your attention! I'll leave any comments about Chris Collingsworth's strange analysis of what a "football move" is or isn't for another time, but I can't help but marvel at all the stories about how the viewership of this game, which was "down" 7% from last year's game, shows that live sports is no longer going to be a dominant part of television fare. Yes it will be, for many years to come.

First, let's do the numbers. 103.4 million folks watched the game. That's 103.4 million people all watching their television sets for a significant amount of time during a three hour period on a Sunday night. That's a damn impressive number. So impressive, in fact, that there are only nine other programs that had higher numbers in the era of measuring television viewing. Eight of those other massive audience aggregations were also Super Bowl games, the largest being the 2015 battle between the Patriots and Seattle when 114.4 million tuned in.

Interestingly, the only non-football "top 10" audience in television history was way back in February of 1983... yes, you read that right, 1983, the finale of the series MASH. Also, as *Sports Illustrated* has pointed out, the percentage difference between the highest rated Super Bowl games and the highest rated prime time television shows over the past ten years has been on an almost constant rise, with the last two Super Bowls being over 600% higher than the highest rated shows.

Naturally you can interpret that lots of different ways. The most obvious is that the entertainment show ratings are going down, as we all know. Lots of new com-



petition. And yes, it's true, the Super Bowl rating went down too. But we are in an era of incredible choice. Dilution is inevitable. So what's the significance of all this?

Well, from my point of view there are some other numbers that have to be considered. The most important is ad revenue. Remember, after all, that this game is a business, and delivering the show is as well. Ad revenue has essentially always gone up. It was \$370 million last year, and \$419 million this time around. So while the total audience "rating" may have been down, the revenue was up. Why? Because it's almost impossible these days to get that large an audience in one place at one time, and I'm not even including the several million who watched in other ways, such as OTT.

The bottom line here is that while we are likely, from now on, to hear about big sports events like the Super Bowl and "awards" events like the Oscars going down in the ratings, they are still going to be the largest mass watched events in the entertainment universe. How much is that worth? Well, for my money most of the ads, and certainly the halftime show were nothing to write home about, but so long as the entertainment value of the game is maintained, I don't think we'll have to be too concerned about the "ratings." Even more important, given that the "missing" eyeballs were likely watching other shows or playing games or engaged with social media, note that from a broadband/cable delivery point of view, they almost all were using our services, more than ever! Don't miss that primary "ratings" point.

Steve

T:202-630-2099
steve@effros.com

(Steve Effros was President of CATA for 23 years and is now an advisor and consultant to the cable industry. His views do not necessarily reflect the views of Cablefax.)

T. HOWARD FOUNDATION

25th

SILVER ANNIVERSARY

DIVERSITY
AWARDS DINNER

WEDNESDAY, MARCH 21, 2018
CIPRIANI WALL STREET, NEW YORK CITY

HONORING

AMC NETWORKS

CORPORATE LEADERSHIP AWARD
Accepted by **Josh Sapan**
President and CEO

UNIVISION COMMUNICATIONS

CORPORATE EXCELLENCE AWARD
Accepted by **Randy Falco**
President and CEO

T. HOWARD
FOUNDATION
Diversity in Media

For dinner reservations,
please contact Maria Ducheine at
mducheine@projectsplusinc.com
or at (212) 204-8947