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What the Industry Reads First

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Acquisition Approach: Networks Get Creative with Strategy

While original productions often get the big headlines, acquisitions are still hugely important for networks. In fact, the more a programmer invests in originals, the more significant acquisitions can become. Nat Geo hasn't really had an acquisition focus previously, but that's changed in recent months. "This is almost really Nat Geo's first push into the market. It's partly as a companion to our big originals strategy—we're looking at opportunities in acquisitions in both the series and theatrical perspective to really augment the quality of what we're doing on the original side," said Christian Drobnyk, evp. programming strategy. In October, Nat Geo picked up the off-broadcast rights for NBC's "Running Wild with Bear Grylls." "It fits perfectly with who we are and what we're about, but it has a broader potential audience to it and is a known quantity from a larger potential network," he said. "It allows us to capitalize on awareness that NBC has generated. It has the quality patina and fits our brand." Nat Geo also is using acquisitions to help drive buzz around big launch events. For example, with November's Iraq War miniseries "The Long Road Home," the network held its first-ever multiday movie premiere event, featuring films such as "Lone Survivor," The Hurt Locker" and "Zero Dark Thirty." "You wouldn't think Nat Geo should go out and acquire theatrical movies, but the more you dig into it, there's a way to carve out a theatrical launch strategy, like looking at all the films based on a true story," Drobnyk said. **Ovation** is a network that was able to put itself on the map with an acquisition. French period drama "Versailles" scored a record combined audience of 557K viewers when it launched in 2016 and continues to be the net's highest-rates series. "We wanted to look for a real tent pole scripted drama and we found that in Versailles. And it was so on brand for us because you're talking about a king who really was the beginnings of fashion, architecture, music and everything we talk about in the world of art and everything we want to celebrate on the network," said Ovation programming evp Scott Woodward. With Versailles going into its final season in 4Q, Ovation believes it has found a replacement in "Rivera" that will keep those viewers hooked after the last 10 eps air. The French thriller is about an art curator (played by Julia Stiles) whose life is turned upside down after the death of her billionaire husband in a yacht accident. "We saw it was incredibly successful in Europe. When we snatched up the cable rights here in the US, we were hoping, hoping there would be a Seasons 2, and there is going to be one. That's all in the works now with **Sky Vision** and **Altice Group**," said

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REGISTRATION OUESTIONS:

Mary-Lou French mfrench@accessintel.com

SPONSORSHIP OPPORTUNITIES:

Olivia Murrav omurray@accessintel.com 301.354.2010

PROGRAM INFORMATION:

Mike Grebb mgrebb@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

Woodward. Like Versailles, it's an upscale show that draws a high-income, highly educated audience. And just as with Versailles, Ovation will helped build buzz for it with a lot of related acquisitions. "Over that intervening month [before Rivera debuts], there will be a number of short subjects that go as interstitials or half hours shows that will look at the South of France," Woodward said. Acquisitions are an integral part of Ovation—it debuts one of its newest, Canadian/Hungarian spy thriller "X Company" on President's Day—but it's also looking toward ownership and developing content. This year, it will extend original series "American Canvas," which travels the country for hot art and cultural events. Ovation already produces 40 eps of untraditional art series "TheArt of." "One of the edicts from our board of directors this year was 'let's start making more of our own content," said Woodward. For most networks, it continues to take both originals and acquired programming to keep viewers engaged.

Amazon Question Answered: The guessing game over who will be the next head of Amazon Studios can finally come to an end, with the company tapping NBC Entertainment pres Jennifer Salke. She fills the position vacated by Roy Price, who left in October following sexual harassment allegations. Amazon's Albert Cheng, who served as interim head, sent Salke a "warm welcome" on Twitter and praised the Studios team.

Live from PyeongChang: If anyone still had doubts, more evidence is showing that live events are where the money's at. National ad sales for the PyeongChang 2018 Winter Olympics has surpassed \$900mln, according to Dan Lovinger, evp, ad sales, NBC Sports Group. The number sets a new record for the Winter Olympics. "Advertisers continue to support the Olympics because they recognize the unparalleled value and reach it provides over 18 days and nights," Lovinger said. Disney noted the adverse impact on Q2 ad sales in its earning call this week, saying the event was driving an increase in sports inventory. The first day of primetime coverage saw a total audience delivery of 17.2mln. Viewership on NBC/NBCSN peaked at 19.3mln from 9-9:15 pm ET, which featured Nathan Chen's performance in the figure skating team event. Thursday night's NBC/NBCSN viewership (17.1mln) exceeded by 20% the combined viewership of ABC, CBS and FOX for the night (14.3mln).

<u>Bear or Bull?</u>: Despite plenty of tax and stock market talk in the new year, **AT&T** chmn/CEO *Randall Stephenson* said in a **CNBC** interview that the market correction hasn't had much influence on his planning for the next two years. In speaking to a group of CEOS of capital intensive businesses, Stephenson noted that while all were watching the market, none were planning massive changes in response. "Everybody around the table was saying, 'business is as good as it's been in a long time," he said. "We made plans to step up our capital spending over the next year, it has changed nothing in terms of what we intend to do."



<u>South of the Border</u>: **ESPN** has reached a deal with **ATP** and **ATP Media** to secure the broadcast rights for all ATP World Tour 500 events throughout Latin America and the Caribbean. The new agreement includes full exclusivity for pay TV and co-exclusive digital rights along with ATP's online streaming service. VOD platform **ESPN Play** will act as the home of the events with the finals of each coming to ESPN's linear networks.

Must Carry Complaint: Mauna Kea Broadcasting wants the FCC to renew its 2012 must carry complaint against Oceanic Time Warner Cable, now Charter Spectrum. It is requesting that carriage commence immediately in the Honolulu DMA for Telemundo affiliate KLEI. In 2012, the FCC Media Bureau ordered that KLEI be carried by Oceanic within 60 days of the date on which it delivered a good signal to its headend. The broadcaster says it told Charter in September that it has solved the signal quality problem by gaining carriage on a multicast subchannel of KKAI, but it contends Charter didn't commence carriage nor did it launch the channel after it was sent notice that the station was electing mandatory carriage for the three-year cycle that began Jan 1. Mauna Kea told the FCC Thursday that Charter has not provided any response. Charter told Cablefax it's aware of the complaint and reviewing it.

<u>Going Mesh</u>: Comporium will use solutions from AirTies to deliver whole-home WiFi Mesh to its subscribers. The internet provider will use Airties' Mesh Extenders to build intelligent networks throughout the home. Comporium will also use cloud-based platform AirTies' Remote View to review in-home WiFi performance data and analytics. A two-device kit for Comporium's Whole Home WiFi using Airties' solutions will be offered for \$9.99/month to new or existing customers who upgrade to higher tier internet service plans.

<u>Opening Day:</u> Eurosport partnered with Facebook to stream the opening ceremony of the Winter Olympics for the first time in Germany, Sweden and Norway. Daily highlights, clips and interviews from Eurosport's coverage will be posted on Eurosport's Facebook page in key European markets including the UK and Italy. -- NBC Olympics selected VITAC Corporation as the provider of closed captioning services throughout the Winter Olympics. Closed captioning will be provided for all programming across NBCUniversal nets, including NBC, NBCSN, CNBC and USA. This marks the 12th Olympics captioned by VITAC.

<u>Always On:</u> ImOn Communications in eastern lowa will use end-to-end fiber solutions from Calix to offer gigabit business and residential services to its new service areas in Cedar Rapids, lowa City and surrounding underserved communities. ImOn is utilizing solutions such as the Calix Cloud to transition from a traditional cable plant into an always on, software-defined network. The always on capabilities and fiber network will eliminate the need for maintenance windows and ease the pivoting to a software network.

<u>Programming:</u> History's upcoming docuseries "The Men Who Built America: Frontiersman" follows pioneers like *Davy Crockett* and *Lewis and Clark* breaking into the West. Premiering March 7 at 9pm, the four-part series spans the first 75 years of the United States from the Revolution to the California Gold Rush. -- WE tv's "Love After Lockup" has been renewed for a second season. Ten new episodes are scheduled to air in 2019.

<u>Standing Ovation</u>: Ovation and Charter are looking to continue and expand their Stand for the Arts Awards Initiative in 2018. Through October and November last year, the partnership presented a \$10K award to an outstanding arts organization in NYC, LA, Austin, Columbus, Syracuse and Raleigh. The program has also drawn interest from **Comcast**, who is looking to get involved with the initiative.

<u>People:</u> Gary Knell will succeed Declan Moore as CEO of National Geographic Partners, effective March 1. He'll oversee Nat Geo's global storytelling assets, licensing and travel expeditions. Knell currently serves as chmn of Nat Geo Partners, and has held various board decisions at Nat Geo since 2003. Before joining National Geographic Society, Knell served as pres/CEO of NPR. -- WOW! has tapped Nancy McGee as chief marketing and sales officer, effective February 12. Touting more than 25 years of senior marketing leadership experience, McGee most recently served as the evp of marketing for Starz, overseeing the net's consumer brand, digital, social media, advertising and affiliate marketing support. David Brunick is also joining WOW!, becoming the chief human resources officer. Last operating as svp and chief human resources officer at Adelphia, Brunick oversaw more than 14K employees.

In Memory: House Energy and Commerce Committee chmn Greg Walden (R-OR) released a statement following the death of committee staff director and friend Ray Baum. "Ray dedicated his life to public service, first as an elected official and then as an advisor on Capitol Hill," the statement read. "Our committee, the people of Oregon and our country are better off because of Ray's selfless service. Ray will be deeply missed, but he will not be forgotten." Baum, 62, had a long battle with bone cancer. The remembrances poured in from NAB, ACA, FCC and others who knew the congressional aide. Before returning to the Hill, Baum was NAB's vp, government relations.