

# Cablefax Daily™

Wednesday — February 14, 2018

What the Industry Reads First

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## Advance Notice: Starz, Altice Done, but What about 30-Day Rule?

**Altice USA** and **Starz** have buried the hatchet, but there's still an unresolved issue here: What constitutes adequate notice when a channel is dropped? Starz filed a complaint at the **FCC** accusing Altice USA of not providing **Optimum** and **Suddenlink** customers with a 30-day notice before removing Starz and Starz Encore channels on Jan 1. Altice's argues that Starz never made an offer for a 30-day extension on the same terms and it no longer had the right to carry the channels. A Starz rep confirmed that the programmer will withdraw the complaint now that it has a multi-year distribution agreement (see below), but many are hoping the FCC will still step in and provide clarity. Last week, **Charter** urged the agency to address the issue—one it's quite familiar with as **Time Warner Cable**, which it purchased in 2016, was dinged by the FCC in 2006 for not providing adequate notice before discontinuing carriage of **NFL Network**. As a result, TWC erred on the side of caution thereafter, providing customer notices for every network that had a contract expiring. That's not the norm among cable ops, and Charter hasn't continued the practice. But the MSO would like the Commission to remove some of the ambiguity. It argues that to interpret the 30-day advance notice rule to mean a cable operator must provide notice *any* time a channel might be dropped does a disservice, declaring that such notices can create subscriber confusion, unnecessary changes to subscriptions and unfair characterizations in the media by the programmer. Instead, Charter suggests the FCC clarify that the rule does not apply when a cable op and programmer/broadcaster remain in carriage negotiations, even during the final 30 days of an agreement. If negotiations fail and a channel goes dark, the operator would be required to provide notice as soon as possible. In the Time Warner-NFL case, the FCC Media Bureau found TWC violated the advance notice rule because NFL Net offered it continued carriage under pre-existing terms and conditions for 30 days. Charter suggests that in such instances, the operator would be required to provide 30-day advance notice through the first 30 days of the extension period. But an extension offer under different terms wouldn't trigger the requirement. It's also not recommending the FCC eliminate the rule in cases where a cable operator has decided to drop a channel rather than extend carriage. Charter gave such notice last year before dropping **NBCU's** now-discontinued horror net **Chiller**. "The increased distribution options available to programmers and broadcasters, including multiple

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**March 19, 2018**  
**6:30 - 9 PM**





TAMAR BRAXTON



CHARLAMAGNE THA GOD

# UNCENSORED.



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NIA LONG

SERIES PREMIERE  
**SUNDAY FEB 18 • 10/9C**

**TV ONE**  
REPRESENT.

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MVPDs and online distribution, give them substantial leverage in carriage negotiations, on top of the leverage that they already have through their control of must-have programming. As a result, those negotiations are often tough and hard-fought, and it is unfair and inaccurate to suggest that an impasse in negotiations should always be laid at the feet of the cable operator,” Charter told the FCC. **Altice USA** CEO *Dexter Goei* and other execs addressed the advance notice rule during meetings with FCC commissioners last week, urging that it be applied in a way that doesn’t increase customer confusion. It’s unclear if the FCC will make any movement on the issue. Given that it hasn’t acted on Starz’s emergency complaint nearly a month after it was filed, it doesn’t appear to be a pressing concern (the FCC acted on NFL Net’s petition within a day). However, FCC chmn *Ajit Pai* has been open to cleaning up rules on the books, eliminating and updating them for today’s marketplace. So, there may still be some hope.

**Starz-Altice Deal:** Starz CEO *Chris Albrecht*’s comment last week that he hoped a deal with **Altice USA** was “imminent” bore fruit. The two announced a new multi-year agreement Tuesday morning that includes allowing **Optimum** and **Suddenlink** to sell customers the Starz app on the Altice One entertainment device. It also features broader digital rights, including TV Everywhere, while expanding Starz’s sub base. Altice USA said it will keep replacement channels in place, which include **Hallmark Drama**, **MGM HD**, **Cowboy Channel** and **Sony Movies**.

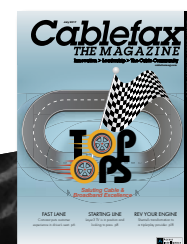
**Olympics and News Ratings:** **Fox News** earned top marks in primetime (P2+) last week, averaging 2.6mln in total viewers. **MSNBC** followed in the second position (1.7mln) while the top 5 was rounded out by **ESPN** (1.38mln), **HGTV** (1.36mln) and **History** (1.31mln). Even the Winter Olympics faces tough competition from ratings juggernaut Fox News. While **NBC Sports Net**’s coverage Saturday was the week’s most-watch program (averaging 4.5mln total viewers), Fox News accounted for the next five most-watched programs (all eps of “Hannity” and “Tucker Carlson Tonight”). Ten of the top 100 telecasts last week went to NBCSN’s Olympics programming. On Tuesday, **NBC Sports** said that half of US television homes and more than one-third of the country have watched the PyeongChang Olympics on NBCU nets, according to fast cume numbers provided by Nielsen. Through Sunday, 109.6mln viewers (in 59mln homes) have watched the Winter Games on **NBC**, **NBCSN**, **CNBC** and **USA** (does not include digital). Execs on a call with reporters Tuesday conceded that viewing has declined 6% across all platforms in prime for the first five days vs the same period for Sochi 2014, but said that ad guarantees are being met and targets are being exceeded. Other dayparts are up in many cases, they said, noting that total consumption is up overall. “I believe at the end of these games, forget what daypart you’re looking at or which platform, this will turn out to be the most-consumed Winter Games in history. The trend line toward that is very positive,” NBC Broadcasting & Sports chmn *Mark Lazarus* said.

**Fake Net Neutrality Comments:** Democratic **House Commerce** members are still seeking more info on the public comment process for the **FCC**’s net neutrality order. Citing concerns over take comments, the lawmakers want questions answered by March 6 to provide transparency and “restore public confidence in the integrity of the process.” Their list of questions includes probing a comment by FCC chmn *Ajit Pai* that the majority of comments filed from Russian email addresses were in support of net neutrality. The Dems want to know if the FCC conducted an independent analysis to support the claim. They also want to know how the Commission determined which comments

# Cablefax TOP OPS

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Questions: Contact Mary-Lou French at [mfrench@accessintel.com](mailto:mfrench@accessintel.com).

were “devoid of substance,” how many staff hours did the Commission devote to reviewing the record and why isn’t the agency cooperating with a NY AG investigation into the use of fraudulent identities.

**Broadband on Board:** “Broadband infrastructure” is getting more lip service than “net neutrality” these days in DC, with the rural divide a favorite topic among pols. Tuesday saw the introduction of the bipartisan Rural Reasonable and Comparable Wireless Act from Senators *Shelley Moore Capito* (R-WV) and *Maggie Hassan* (D-NH). It tasks the FCC with establishing a national standard for determining whether mobile and broadband services in rural areas are “reasonably comparable” to service provided in urban areas. A similar bill was introduced in the House last year by Reps *David McKinley* (R-WV) and *Peter Welch* (D-VT). Meanwhile, the **FCC** set the next meeting of its Broadband Deployment Advisory Committee for April 25.

**Broadcast National Cap:** The **FCC** changed the deadline for comments on its review of the national TV audience reach cap for broadcast, including the UHF discount, to March 19 from Feb 26. Replies are now due April 18 instead of March 27. **NAB** asked for additional time to address relevant issues and provide up-to-date data.

**Oh, Canada:** **Bell** is using **Arris** boxes to deploy **Ericsson’s** MediaFirst platform, giving Five TV customers 4K HDR capabilities and 4x4 Wi-Fi. The Arris Global Services team will provide the integration services and user experience customization.

**Reality First:** **NBCU** and the **Association of National Advertisers** are partnering to support ANA’s #SeeHer movement, a campaign seeing global, national and regional brands working together to eliminate gender bias in advertising and media. Initiatives began on February 13 with a #SeeHer Presents takeover praising America’s female athletes in the Winter Olympics during **NBC Sports’** morning and primetime coverage. The deal will extend beyond PyeongChang, with #SeeHer and NBCU integrating talent and networks to support accurate messages and portrayals of women and girls in advertising and media.

**Slam Dunk:** **Turner Sports** teamed up with Intel to launch the **NBA on TNT VR** app. The experience takes fans inside NBA on TNT’s Studio J, which serves as a portal to the available programming. Fans will be able to watch game highlights and recaps, and have access to select live NBA on TNT games and replays. The app is available on **Samsung Gear VR** and **Google Daydream** for free. TNT’s NBA All-Star 2018 coverage begins with the “Mountain Dew Kickstart Rising Stars” on Feb 16 at 9pm.

**Programming:** **Ovation** will present the US television premiere of “Hamilton: One Shot to Broadway, An Unauthorized Documentary.” Coming March 7 at 10pm ET, the program will tell the story behind the hip-hop history musical. -- **HGTV’s** “Restored by the Fords” was renewed for a second season, bringing 14 more episodes of the Pittsburgh renovation show to the network. It has also renewed “Home Town,” ordering 13 episodes of the series which sees *Ben and Erin Napier* transforming homes in Laurel, Mississippi.

**Set Your DVR:** *Lee Clayton Roper*, well-known in cable circles for her time at **International Media Advisors** and as a former svp in the Midwest for **Charter**, will appear on **Hallmark Channel’s** “Home & Family Show” Friday at 10am ET. She’s transitioned to a cookbook author, public speaker, cooking instructor and is all set to teach us to make something tasty.

**People:** *Chris Brearton* has been tapped as the COO of **MGM**, effective at the end of the month. Reporting to chmn/CEO *Gary Barber*, Brearton will oversee business operations, development and growth initiatives. He previously served as the managing partner of **Latham & Watkins’ Entertainment, Sports & Media Practice’s** Century City location. -- *Glenn Dolce* joined **AdMore** as director of sales out of the company’s midtown Manhattan offices. Dolce comes to AdMore from **Edge Media Sales**, where he spent three years leading sales initiatives including opportunities with Kellogg’s and Ubisoft.

Join us as we salute the best and brightest execs from the world of cable, online video and technology.

## Cablefax Digital & Tech Awards Luncheon

March 6, 2018 ■ 12-2pm ■ Yale Club ■ NYC

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