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New South: Frontier Readies Launch of African American Net Soul of the South

In a developing OTT world, linear launches are few and far between. That's why it's noteworthy that **Frontier** will be adding **Soul of the South TV** on expanded basic across its Vantage TV and Fios systems. With Frontier having just under a million video subs, it's a healthy shot of distribution for an African-American network that first launched in 2013. While initial launches were primarily as a digital multicast stream, Frontier's launch, set for April 2, is as a linear cable network, according to *Bridgette Jean-Jacques*, director of video content for Frontier. "There aren't very many African American networks, so it's an opportunity for Frontier to add to the diversity of our channel lineup," Jean-Jacques said in an interview with ***Cablefax***. Frontier messaging to customers describes the channel as "an exciting new perspective on African-American culture." The network's website says it as a source for news, information, entertainment and culture from a black American perspective. Little Rock-based Soul of the South has had its share of financial struggles since launching. Social media accounts haven't been updated for the net since 2015. In January, A*rkansas Business* reported that a trio of Soul of the South investors was being sued for fraud, breach of contract, breach of fiduciary duties and more by another group of investors in the network. The article said the "crux of the dispute is that a 2014 round of funding for Soul of the South was predicated on **Rock City Media** gaining the **KMYA** broadcast license." It didn't get the license, though it did receive $10mln in tax credits. Calls to Soul of the South CEO *Douglas McHenry* were not returned by deadline. According to Soul of the South's website, the network has cable carriage on **Comcast** in Jackson, MS, and on **Verizon** Fios in NYC. Meanwhile, the industry is still awaiting which two substantially African American owned, independent networks Comcast will launch in select markets. The company committed to launching the nets by January 2019 in connection with the **NBCU** transaction completed in 2011. They will be the last of the eight minority-owned and operated channels that Comcast agreed to launch as a condition of the acquisition, joining **Primo, Kids Central, BabyFirst Americas, Revolt TV, Aspire TV** and **El Rey**.

Disney Reorg: **Disney** unveiled a reorg that creates a direct-to-consumer division and international segment ahead of the launch of digital offering **ESPN+** and an upcoming, unnamed family-oriented streaming service. The unit also includes Disney's ownership stake in **Hulu** and streaming infrastructure company **BAMTech**.

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Kevin Mayer, who has served as Disney's chief strategy officer since 2015, will head up the segment, reporting directly to CEO *Bob Iger*. Management of global advertising sales for Disney's media properties–including **ESPN, ABC, Freeform** and the **Disney Channels**–will move from the Media Networks division to the new Direct-to-Consumer segment. The change-up is meant to give advertisers a one-stop shop. *Rita Ferro*, **Disney|ABC Television Group** ad sales pres, and *Edward Erhardt*, ESPN pres global sales & marketing, will now report directly to Mayer. "We are combining the management of our direct-to-consumer distribution platforms, technology and international operations to deliver the entertainment and sports content consumers around the world want most, with more choice, personalization and convenience than ever before," Iger said. Additionally, Disney is merging Consumer Products and Parks into one business segment to be headed by Disney Parks and Resorts chmn *Bob Chapek*. The restructure comes after *Jimmy Pitaro*, the former head of Consumer Products and Interactive Media, was named as the new ESPN pres last week. Media Networks and Studio Entertainment round out Disney's four divisions.

Ad-Supported Content Reigns: Newly released **Nielsen** data shows that the percentage of time spent viewing ad-supported content has remained relatively flat over the past decade. In 2017, adults averaged 86% of time spent viewing on ad-supported content, down slightly from 89% in 2002 and actually up from 84% in 2012. Nielsen is looking at content on platforms such as TV, radio, smartphones, video games and tablets. Nielsen also found that the amount of time consumers are allocating toward media is expanding, increasing by more than 25 hours between 2002 and 2017.

Customer Care: **RCN** and **Grande** have selected **Hinduja Global Solutions** to help with customer relationship management. HGS will hire up to 130 customer care professionals based in El Paso, TX, in the first year of support.

Training Ahead: **SCTE-ISBE** signed their first pact for enterprise training in Latin America, with **Millicom** selecting the groups to provide its 700 employees and business partners with access to Spanish-language training in on-premises installation, cable distribution, and wireless technologies. Millicom operates under the commercial brand **Tigo** in Latin America.

Programming: **A&E** greenlit four original projects, including **Renegade 83's** "Many Sides of Jane," which features a woman with what's frequently referred to as multiple personality disorder. Also getting the thumbs up are "Lost for Life," which looks at those sentenced as juveniles to mandatory life in prison who get a new chance to plead their case due to a 2016 US Supreme Court Ruling, and "Accused," a look at those who believe they are falsely accused of a crime. The other series on the schedule is "Employable Me," which focuses on the unique skills those with mental disabilities can bring to the workplace. All four have working titles. -- Move over Easter Bunny. **USA** will air the "Beverly Hills Dog Show Presented by Purina" on Easter Sunday, April 1, at 6pm. It's slated to encore on **NBC** April 8 at 1pm. -- **CNN** is moving *Chris Cuomo* to primetime beginning this spring. "Cuomo Prime Time" will follow "AC360" weeknights at 9pm. The move cuts Anderson Cooper to one hour from two hours in prime.

Kudlow to the White House: **CNBC** senior contributor *Larry Kudlow* took to CNBC naturally to describe how he got the job as White House economic adviser. President *Trump* called him Sunday to discuss the across-the-board tariffs and then the job. "Just to talk to him for 30, 40 minutes at a clip for three, four days in a row is a wonderful thing," Kudlow said. "He and I have known each other many years. I've interviewed him on radio and TV. I was in the campaign helping out. I know him reasonably well, and it was just a terrific experience."

Ratings Brags: **Discovery Channel** says its "Motor Mega Week" (Feb 26-March 5) reached nearly 18mln total viewers across total day and was the net's highest-rated week in prime in nearly a year among M25-54 and M18-49. -- The sophomore season of **HGTV's** "Home Town" averaged a .55 live plus same day rating among viewers P25-54 during its 10-week run, attracting more than 14mln total viewers since its Jan 8 premiere. -- X Games Aspen audience across **ESPN, ESPN2** and **ABC** was up +10% YOY for all telecasts. The number of minutes streamed on X Games' **YouTube** channel nearly tripled in 2018, with 11.5mln minutes streamed, up +185% YOY.

People: **UP TV** hired *Scot Safon* as chief marketing officer. He's previously held executive leadership roles at **TNT, CNN** and **The Weather Channel**.

Think about that for a minute...

By The Numbers

Commentary by Steve Effros

I admit it. I'm a "policy guy" not a "numbers guy." Maybe that's one of the reasons that my jaw always drops when I see the absurd compensation amounts paid to CEOs, CFOs and the like. For some reason they don't seem to take their own money-draining draws into account when they talk about "good years" and "bad years," or increased costs for programming or necessary cuts in customer service centers or capex. But that's really a story for another time.

The "numbers" I'm referring to today have to do with how the industry as a whole is doing. Again, for reasons that I don't really understand, the "health" of our industry is apparently measured, particularly on Wall Street, on a quarter by quarter basis, or at worst based on the yearly numbers. The gross numbers are always only supposed to go up. Now we know, logically, that's not possible in a business selling services to customers. At some point the customer base is saturated and the various service suppliers may shift back and forth as to who's providing the service, but overall, you are unlikely to see major increases, and more than likely to see declines as new alternative services hit the market. That's natural. It shouldn't be cause for "alarm bells." But I guess that's too logical.

So the numbers for 2017 are now out from our unofficial but highly accurate industry-counter Bruce Leichtman, of Leichtman Research Group. The headline in the consumer press and likely reaction of Wall Street folks as well is going to be that the "cable" subscriber numbers went down by 1,495,000. We "lost" that many! Well, not really. Most just shifted over to watching what used to be called cable fare through an alternative technology—broadband. About 1.6 million new video subscribers were reported by Internet delivered services. So a headline could just as easily be written saying that more folks than ever are watching video, and in a vast majority of cases they are using (and paying for) the infrastructure we have painstakingly built over the years to do it.

As a matter of fact, Bruce came out with another set of numbers for 2017 just the other day and they indicated that broadband customers increased by 2.1 million! So if you step back from the headlines and look at the numbers, you will see that while there is surely a shift going on that we long expected, the wired infrastructure is doing just fine, thank you. Indeed, a more granular look at the numbers shows that the shift is clearly away from satellite and telephone company delivery and toward "cable broadband." Again, that's fodder for another column; why are we still distinguishing between "cable company" operated cables and "telephone company" operated cables?

The underlying issue that relates to both policy and numbers is one we should be talking about; how do we want to characterize our industry? Yes, I'm leaving out the "software" part for now, the programming. Just looking at the "hardware," the delivery aspects. We can see a difference between wireless and wired, or cabled, but does the consumer? Are the numbers we are looking at relevant any more or are we just looking through old glasses? However you want to characterize it, the bottom line seems to be that more folks are using technology to buy delivery of the data or video that they consume, and, by the numbers, it shows that we're the ones doing the delivery.

Steve

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