

# Cablefax Daily™

Wednesday — May 16, 2018

What the Industry Reads First

Volume 29 / No. 094

## Turning Viacom Around: Bakish's Successes and Disappointments

**Viacom** might have made significant progress over the past year through its management changes, its Flagship Six approach and revamped distribution and digital strategies, but that doesn't mean that CEO *Bob Bakish* is without his disappointments. The biggest of these is in the company's equity value. "We have things like our domestic media networks business being valued at under 5x, and that's just quoting one recent analyst report," Bakish said at an investor conference Tuesday. "Fundamentally, we're not yet seeing a financial appreciation of what we've done." Not much surprised Bakish as far as industry trends this year, but the **AT&T-Time Warner** merger debacle caught the executive off-guard. "That resolution I believe will have implications for the going forward M&A market," Bakish commented. "It will either restart the race on vertical integration or have it pivot in a different direction." Sure, *Rupert Murdoch's* decision to sell **Fox** also came as a shock, but the deal with **Disney** may not have had the same implications as the AT&T merger. Speaking of combinations, **CBS** filed a lawsuit this week against controlling stakeholder National Amusements to try and stop a forced merger with Viacom. Bakish stayed mum on the drama. Despite surprises like these, Bakish's priorities for the company over the last 12 months remained the same in order to bring the company to growth in 2019. There are challenges that come with reinvesting in content while embarking on cost reduction efforts. Viacom laid off about 100 employees Tuesday working in support services like IT, finance and HR. "As part of our broader transformation efforts, we are continuously taking steps to strengthen and evolve Viacom for the future, including a focus on becoming a more agile and efficient organization," a spokesperson told **Cablefax**. The layoffs did not affect anyone directly involved in content creation. Bakish said that the company is set to deliver more than \$100mln in savings this year as well as more than \$300mln in run rate savings in 2019 and after. Chief transformation officer *Jose Tolosa* has acted as the leader behind these strategies, working with Bakish to execute initiatives that support the company's strategic priorities. It can't be said that Viacom's content spend efforts have been all for nothing. **MTV** and **BET** have both found success. One area of Viacom that still needs some love and care is **Paramount Network**, a venture that Bakish said has experienced some ratings trouble since its launch in January 18, when it took over **Spike**. He noted that scheduling changes coming this week and upcoming originals "American Woman" and "Yellowstone" will be key to giving the

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The FAXIES Awards salute the year's most outstanding PR, marketing, communications and sales initiatives and programs in the industry.

## CONGRATULATIONS TO THESE WINNERS!

### MARKETER OF THE YEAR



**Rosie Pisani**  
AMC Networks

### PR EXECUTIVE OF THE YEAR



**Chris Delhomme**  
MTV, VH1, LOGO

### SALESPERSON OF THE YEAR



**Ray Meyer**  
NBCUniversal

### ADVERTISING CAMPAIGN FOR A NETWORK

**WGN America** - Crime Rebrand

### INTERNAL COMMUNICATIONS CAMPAIGN

**AMC Networks** - 2018 Human Resources Performance Review Campaign

### INVESTOR RELATIONS

**Boingo Wireless** - Boingo's IR Day Reaches New Heights

### INTEGRATED SOCIAL MEDIA MARKETING CAMPAIGN

(Use of multiple social platforms)

**Big Ten Network** - Men's Basketball Tournament - BTN x Libman

## THE FAXIES FINALISTS

### > COMMUNICATIONS INNOVATORS

#### PR TEAM OF THE YEAR

- AMC
- Comcast
- Discovery-Scripps
- MTV, VH1, LOGO

#### MARKETING TEAM OF THE YEAR

- Boingo Marketing Takes Broadband to New Heights
- Charter Spectrum
- Crown Media Family Networks
- Pop

### > CAMPAIGN AWARDS

#### ADVERTISING CAMPAIGN FOR A SINGLE PROGRAM

- Big Ten Network
- HBO - Game of Thrones Season 7
- Pop - Let's Get Physical Campaign
- WGN America - Bellevue Launch Campaign

#### BRAND IMAGE AND POSITIONING CAMPAIGN

- Comcast Spotlight - The Audience Finders
- GALLEGOS United/Xfinity - FreePass
- GALLEGOS United/Xfinity - Lemonade
- WGN America - Crime Rebrand

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## INTEGRATED MARKETING CAMPAIGN

- **Burrell Communications** - Xfinity Behind The Mask
- **Burrell Communications** - Xfinity Celebrating Women Behind the Scenes
- **HBO** - Game of Thrones Season 7
- **HBO** - The Defiant Ones
- **NBCUniversal** - PyeongChang 2018 Olympic Winter Games Resource Site

## MARKETING CAMPAIGN

- **Boingo Wireless** - Boingo Broadband's Project Jake
- **Burrell Communications** - Xfinity Behind The Mask
- **Crown Media Family Networks** - Countdown to Christmas 2017
- **Discovery** - Animal Planet's Puppy Bowl Dish
- **E! Entertainment** - The Arrangement
- **National Geographic** - Genius

## MEDIA RELATIONS CAMPAIGN

- **ESPN** - Maria Taylor Named First African-American Female Reporter on College GameDay
- **ESPN** - SportsCenter on Snapchat
- **National Geographic** - One Strange Rock
- **Smithsonian Channel** - The Coronation

## PUBLIC AFFAIRS CAMPAIGN

- **Altice USA** - Altice Connects
- **Burrell Communications** - Comcast Visions of King

## > COMMUNITY AWARDS

### COMMUNITY RELATIONS – OPERATOR

- **Altice USA** - Altice Connects
- **Burrell Communications** - Comcast Visions of King
- **Burrell Communications** - Xfinity Celebrating Women Behind the Scenes
- **Cable ONE Cares**
- **Vyve Broadband** - Vyve Teacher of the Month

### COMMUNITY RELATIONS - PROGRAMMER

- **Big Ten Network** - BTN x Madsteez Court, 2018
- **C-SPAN** - 50 Capitals Tour
- **National Geographic** - Bravo Tango

### CORPORATE SOCIAL RESPONSIBILITY / GREEN CAMPAIGN

- **AMC Networks** - 2018 Black History Month PSA
- **Burrell Communications** - Xfinity Celebrating Women Behind the Scenes
- **The Weather Channel and True Value** - Forecasting Hope

## > MARKETING AWARDS

### ACQUISITION AND UPGRADE MARKETING

- **Comcast** - Xfinity Instant TV Winter Olympics Digital Campaign
- **Comcast Business** - Oversized Postcard
- **DigitasLBI** - Xfinity Sports & Family Magalog
- **INSP** - You + INSP = The Perfect Pairing

## AFFILIATE & PARTNERSHIP MARKETING

- **A+E Networks** - FYI Scraps/Sur La Table/KitchenAid
- **A+E Networks** - HISTORY Ram: Stories from the Road
- **Alkemy X** - Good Bones/LL Bean Outsider Campaign
- **Discovery** - Discovery Channel 2017 Shark Week Affiliate Promotions
- **International Media Distribution** - Venevision Beauty Queen/Bring the Drama B2B Campaign
- **NBCUniversal** - Universal Kids Kody Kapow and Cox Media Activation
- **Pop** - Hot Date / Xfinity
- **Pop** - ROTM Xfinity Tour

## MARKETING OF A CONTINUING SERIES

- **E! Entertainment** - The Arrangement
- **HBO** - Curb Your Enthusiasm Season 9
- **HBO** - Game of Thrones Season 7
- **SKY Cable Corporation** - Project Westeros: Hyping Game of Thrones Season 7
- **USA Network** - What's Cooking With Julie Chrisley
- **WE tv & Cataldi Public Relations** - WE tv Bridezillas Museum of Natural Hysteria in Times Square

## MARKETING OF A NEW SERIES OR SHOW

- **ESPN** - Radio Golic and Wingo Launch
- **National Geographic** - Bravo Tango
- **National Geographic** - Genius
- **Pop** - Let's Get Physical

## MARKETING OF A SPECIAL OR DOCUMENTARY/ DOCUMENTARY SERIES

- **Alkemy X** - Missing Richard Simmons
- **CNN** - American Dynasty: The Kennedys
- **HBO** - The Defiant Ones

## MEDIA EVENT

- **Crown Media Family Networks** - Hallmark Evening Event at Tournament House at Winter TCA
- **National Geographic** - GENIUS Los Angeles Red Carpet Premiere Event
- **National Geographic** - JANE at the Hollywood Bowl
- **TNT** - The Alienist Premiere Event at Winter TCA

## MULTICULTURAL MARKETING

- **Burrell Communications** - Comcast Visions of King
- **GALLEGOS United/Xfinity** - Lemonade
- **GALLEGOS United/Xfinity** - Soccer Hacks
- **International Media Distribution** - TV JAPAN "I Heart Tea" Comcast West Gift With Purchase Campaign

## PR STUNT

- **Bravo & Oxygen Media** - A Night With My Ex: The EX-hibition
- **Crown Media Family Networks** - Hallmark Channel's Museum of Christmas
- **HBO** - The Escape at SXSW
- **National Geographic** - 5th Annual SharkFest Announcement
- **National Geographic** - JANE at the Hollywood Bowl

## PRESS KIT

- **BBC AMERICA**
- **Bravo & Oxygen Media** - "The Jury Speaks" Summons
- **HBO** - Curb Your Enthusiasm Season 9
- **National Geographic** - GENIUS: EINSTEIN
- **National Geographic** - THE LONG ROAD HOME

## PROGRAMMING STUNT

- **National Geographic** - JANE at the Hollywood Bowl
- **The Weather Channel** - Total Solar Eclipse
- **WGN America** - Child's Play 2&3 Halloween

## SHOESTRING MARKETING

- **Boingo Wireless** - Small Yet Mighty: Boingo Broadband
- **Pop** - Let's Get Physical
- **The Weather Channel** - Groundhog Day Promo

## SWEEPSTAKES AND GAMES MARKETING

- **DEFINITION6** - Hallmark Christmas Fantasy Game
- **Discovery** - Animal Planet's River Monsters Sweeps with Verizon FIOS MyRewards+
- **USA Network** - Mr. Robot: E-Coin, Digital Easter Eggs and The Daily Five/Nine

## TCHOTCHK

- **Boingo Wireless** - DASKetball Campaign is a Slam Dunk
- **International Media Distribution** - 2018 Multicultural Calendar: Cosmopolitan Confections
- **Investigation Discovery** - My My My Merlot - Lt. Joe Kenda
- **TLC** - Inflatable Couch Summer Programming Promotion

## TRADE SHOW MARKETING/PR

- **HBO** - The Escape at SXSW
- **INSP** - 2017 Independent Show

## VIRTUAL REALITY/AUGMENTED REALITY MARKETING

- **National Geographic** - Genius Thought Experiments
- **National Geographic** - The Protectors: Walk In The Ranger's Shoes
- **The Weather Channel and Mucinex**
- **USA Network** - Shooter 360: Inside the Action

## > SOCIAL AWARDS

### FACEBOOK MARKETING CAMPAIGN

- **Glass Entertainment Group**
- **National Geographic** - Genius Chatbot
- **Showtime** - Messenger Bot for Shameless

### SOCIAL MEDIA MARKETING

- **Alkemy X** - Missing Richard Simmons
- **Bravo & Oxygen Media** - #TopChefRobots
- **Crown Media Family Networks** - Countdown to Christmas 2017
- **Crown Media Family Networks** - Kitten Bowl V
- **L&T Technology Services** - Social Media Marketing with a Difference: LinkedIn, a source of infotainment for STEM enthusiasts

### TWITTER MARKETING CAMPAIGN

- **ESPN** - #MMSayThanks
- **National Geographic** - Genius Chalkboard
- **Paramount Network** - Transition from Spike to Paramount Network

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network a boost “in the very near future.” At the end of the day, however, Paramount Network just “needs a little more time to bed down.” It’s not alone in its troubles, with **Nickelodeon** sharing in Paramount’s ratings challenges. “It’s part working on the linear television side and it’s also partially expanding our share of nonlinear television in the context of social video and the like,” Bakish said. That’s where Bakish is betting on digital content. It was five months ago that the company launched **Viacom Digital Studios**, which will produce 600 hours of content in 2018. “In March, we grew streams roughly 70%; in April, we’re up 110%. That’s an initiative that the product is really starting to come to life.”

**AT&T’s Streaming Strategy:** AT&T on Tuesday released its promised update to vMVPD service **DirecTV Now**, offering up to three simultaneous streams (an extra \$5/month) and cloud-based DVR (20 free hours are available now; later this summer it will allow up to 100 hours of recording for 90 days at an extra \$10 month). The rollout first hits recent-gen iOS/tvOS devices and supported web browsers, with recent-generations of Android, FireTV and Roku to get the update over the coming weeks. The extras will inch up the \$40/month price tag for the service to around \$60 in some cases. CEO **Randall Stephenson** outlined the vision for DirecTV Now at the **JP Morgan** investor conference Tuesday, announcing that a premium DirecTV Now offering will launch in 4Q for about \$80-\$90 vs the \$110-\$200 for a traditional DirecTV satellite product. “You don’t have satellites on roofs. You don’t have truck rolls. To provision this, the only truck roll required is going to be a **UPS** truck to deliver a thin piece of hardware that you plug into your TV and broadband outlet,” he said. “The subscriber acquisition costs are literally one-fourth of what you see today.” The idea is for AT&T to have different price points for streaming services, with the \$15/month, skinny bundle WatchTV product to launch if/when the Time Warner deal closes. “All of these work together to bring the profitability of video overall up over the next couple years, and we exit this year with all this in place,” Stephenson said, predicting 2018 would be the worst of video declines for the company. Not surprisingly, the CEO didn’t appear concerned about cable’s entry into wireless. “It makes sense, but it’s going to be a challenging road,” he said, arguing that the faster you scale under an MVNO arrangement, it become more dilutive for periods of time vs becoming more profitable.

**Cable’s Advertising Woes:** The question of what difference an ad impression on cable means versus an impression on broadcast used to be much harder to figure, with it being difficult to determine reach thanks to duplication differences. That’s all changed now. “The reason why cable is priced differently is legacy,” **Fox Networks Group** pres of advertising revenue **Joe Marchese** said at an investor conference Tuesday. Legacy is the only reason why cable pricing can’t get to where it should be, the exec said. “The problem is cable was bought last year at this price, and if we try to get it to this price, that looks like a 10% increase. There’s got to be a giving point somewhere.” Marchese noted that a major shift has come with the viewer gaining more power in their ability to choose ad-free options, turning what used to be a two-party

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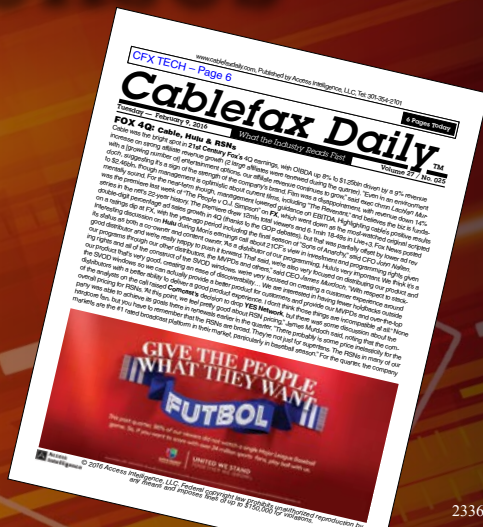
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negotiation between advertisers and agencies into a three-party consideration. For the marketplace to really scale in terms of advanced advertising solutions, Marchese sees **Open AP** as the core. "TV needs to be thought of as a platform," Marchese noted. "If you bought TV the way that you bought **Facebook** and **Google**, the prices would be incredible."

**Verizon 5G:** Verizon CEO *Lowell McAdam* let drop on **CNBC** Tuesday that L.A. will be one of the 3-5 cities to see 5G launch this year. Verizon already had announced Sacramento as a 5G market. "We'll launch by 4Q. That's our plan," McAdam said in an interview with **CNBC's David Faber**. It sounds like Boston also could make the list, with McAdam calling out the mayors of Beantown and LA as forward-looking.

**NBA Sizzle:** Strong **NBA** playoff numbers kept **TNT** in the No 1 spot last week among cable nets in prime ratings. It averaged 2.66mln viewers, with Round 2 coverage accounting for the top four programs of the week. Fast forwarding to this week, Monday night's Western Conference Finals Game 1 averaged 8.8mln viewers, making it TNT's most-watched WCF Game 1 of all time (and the most-viewed since **Lakers/Kings** in 2002). Oh, and that **Warriors-Rockets** Game 1 telecast also goes down as the #1 program of the night across cable and broadcast. As for last week's numbers, **Fox News** took second place in prime (2.49mln) and won the week in total day (1.46mln). "Hannity" was the most-watched non-sports program on cable, with Thursday's edition averaging 3.5mln viewers. Other winners for the week included **Lifetime**, whose feature movie "Harry and Meghan: A Royal Romance" drew 2.2mln viewers, and **AMC's** "Fear the Walking Dead" (2.5mln viewers). Another winner was **YES Network**, with Saturday's showdown between the **Yankees** and the **Oakland Athletics** becoming its highest-rated weekend telecast in five years. The game, which went into extra innings, earned a 4.97 average TV household rating, with each of the final six quarter hours averaging a 6.0 household rating or better.

**Just Say No:** **NCTA**, **CTIA** and **USTelecom** made a final attempt to get Senators to vote against a CRA to reverse the **FCC's** Restoring Internet Freedom Order. The vote is slated to take place Wednesday. "We need a better solution than this CRA. What is needed is comprehensive bipartisan legislation that provides 21st Century rules for a 21st Century internet," the groups wrote in a letter Tuesday to Senate leaders *Mitch McConnell (R-KY)* and *Chuck Schumer (D-NY)*. A group of 15 small to mid-sized broadband manufacturing companies, including **Adara** and **Infinera**, sent a similar letter to senators. "Title II has a negative economic impact on the manufacturing industry as it harms innovation and jobs," said *Joseph Nucara*, CEO & co-founder of Adara. "Rather than waste valuable legislative time on divisive, partisan-fueled stunts, we urge Members of Congress from both parties to work together to pass permanent net neutrality legislation whereby rules are applied fairly to all edge providers, ISPs and other key players in order to protect consumers and provide the regulatory certainty that small businesses need to invest, hire and grow their businesses in today's digital economy."

**Open Invitation:** House Commerce chmn *Greg Walden (R-OR)* invited Silicon Valley CEOs to testify before the committee via an op-ed for the *San Francisco Chronicle*. The invite builds on an April hearing with **Facebook** CEO *Mark Zuckerberg*. The goal of the meetings would be to discuss disruptive innovation, privacy, data security and the economic impact of the tech sector. "Mistakes, abuse and breaches of trust, however, all have real-world implications for hundreds of millions of Americans, and billions of people worldwide," Walden wrote. "Congress will need the best and brightest in tech to help us strike the right balance in tech to help us strike the right balance to protect consumers while also encouraging innovation and competition."

**TCPA Talk:** The **FCC** is seeking comments following the **DC Circuit's** March ruling that the agency's 2015 definition of an automatic telephone system was overly broad. You have until June 13 to weigh in with what you believe should constitute an automatic telephone dialing system and other interpretations related to the Telephone Consumer Protection Act.

**Upfrontly ESPN:** ESPN's upfront news included a multi-part, 10-hour doc series from **ESPN Films** and **Netflix** that chronicles *Michael Jordan* and the 1990s **Chicago Bulls**. It'll premiere on ESPN and Netflix next year, complete with more than 500 hours of never-before-seen footage of the team's last championship run in the 1997-98 season. The programmer also introduced the "ESPN Virtual Solutions Center," a virtual studio that allows for sponsor integrations. Examples include integrating talent right into the action of a movie or video game or allowing talent to be in studio but appear at ESPN remote locations during live events. Other news includes the network teaming with former major leaguer *Alex Rodriguez* on "Pivot with Alex Rodriguez," a four-part series featuring one-on-one interviews with current or former star athletes navigating obstacles in their lives and careers. Rodriguez will act as executive producer and host of the series, which is set to air this year. ESPN also said it expanded *Louis Riddick's* role on the network's **NFL** coverage as part of a multi-year extension. The insider will now appear on "Monday Night Football" halftime and post-game shows while maintaining his presence on "Sunday NFL Countdown," "NFL Live," "NFL Matchup" and editions of "Sportscenter," "Get Up!" and ESPN Radio programming.