

# Cablefax Daily™

Wednesday — May 23, 2018

What the Industry Reads First

Volume 29 / No. 099

## Power Trip: Consumers Still the Top Dog in Cable

When it comes to the future of the media business, one thing will never change: the real power will always be in the hands of the consumer. That only becomes problematic when consumers aren't properly educated on what is coming their way. "One of the biggest challenges across media is that it's so accessible and accessible to everybody, they don't quite know what they have on their hands," said development studio **Velan Ventures** pres **Guha Bala**, noting that it's a huge reason for internet safety and online etiquette to become topics introduced in schools. That was the overwhelming opinion of a panel of experts specializing in everything from gaming to government at the general session of **Media Finance Focus 2018** Tuesday, with the panel covering everything from ATSC 3.0 to skinny bundles. "One of the great things about the cable industry is it has, through its history, gone through a constant state of reinvention, both from the perspective of products and services that they offer, but also the innovations and models through which they seek to meet consumer demand," **NCTA** evp **James Assey** said. "Consumers are really in charge, and they're going to demand what they want to see, where they want to see it, and it's up to our businesses to adapt to that new landscape." One of the more recent adjustments made within cable has been the rise in skinny bundles, created and curated to give consumers exactly what they want without charging them for extra content. "They're trying to adapt to the real boss in this, and it's none of us, it's the consumer," **NAB's Gordon Smith** said. Assey doesn't see an end to bundling, especially as it has been strengthened with the amount of quality content that is now being produced. "The model is sound because it actually produces both engaging, entertaining valuable content, but also a rich diversity of content," the **NCTA** exec said. Some of the content is coming from member companies of **David Chavern's News Media Alliance**, with *The New York Times* preparing to launch a show with **Netflix**. Another kind of bundling is on the rise, one that serves a benefit to both consumers and the companies serving them. Bala said that bundling one consumer product with another tackles a major issue across media: discovery. An example of this is **Hulu's** partnership with **Spotify** last September to offer the music service's student customers access to the streamer for free. The trial went so well that the partnership was expanded last month to current Spotify Premium cus-



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tomers, with the companies giving them access to both services for \$12.99/month, \$4.99 cheaper than paying for them separately. Taking away the barrier of discovery gave Hulu an opportunity to reach a new audience and show them the value add of the service versus its competition. Still, the power lies in the consumer and their willingness to open their wallets for services to keep them coming back for more.

**Moving Forward:** The path to **Sky** has opened even further for **Comcast**. UK Secretary of State for Digital, Culture, Media and Sport **Matt Hancock** revealed Monday that he does not plan on interfering with the deal. “The proposed merger does not raise concerns in relation to public interest considerations which would meet the threshold for intervention,” Hancock’s statement read. Hancock is allowing for parties interested in the deal to write to him until 5pm on Thursday when he hopes to come to a final decision on whether to step in on the proposed deal.

**Blackout Alert:** **DISH** customers lost **SagamoreHill Broadcasting** stations in 11 markets, including Alabama’s Montgomery-Selma (**ABC** affil), Corpus Christi (**CBS**), Columbus, GA (**NBC**) and Joplin, MO (**Fox**), at 6pm Monday. As is usually the case, the two are arguing over what is a reasonable rate for retransmission. **DISH** claims the broadcaster rebuffed its offer to keep the channels on during negotiations, saying it was hopeful an agreement was near. “SagamoreHill’s decision to cut ties with **DISH** customers is a prime example of why Washington needs to stand up for consumers and end local channel blackouts,” **Jeff Blum**, **DISH** svp, legal and deputy general counsel, said in a statement. Sagamore tells viewers it did offer to extend the agreement if **DISH** would negotiate “some legal language,” which it says the **DBS** provider refused. “We are willing to make a very fair deal with **DISH**, similar to agreements we have with its competitors,” the broadcaster said.

**Epix’s Xfinity Arrival:** The epic carriage deal for **Epix** announced in November is now coming to fruition, with its programming becoming available to **Comcast’s** Xfinity TV customers on June 13. Epix offerings will be available across all Xfinity TV platforms and via the Xfinity Stream app and web portal. The launch is a significant expansion of Epix’s footprint, bringing the network to 18 of the top 20 US markets and approximately 70mln homes across traditional and emerging distributors. The deal was first announced in November, with a launch promised in early 2018. No reason was given by Epix for the launch’s delay to June. Comcast has never carried the network, which launched in October 2009. The deal makes the premium net available to some 70mln homes.

**Security Breach:** A bug within **Comcast’s** website for the activation of its Xfinity routers was found to potentially return sensitive customer information, according to a report on **ZDNet**. The bug can show the home

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address where the router is located and the WiFi network's name and password. Security researchers *Karan Saini* and *Ryan Stevenson* discovered the security threat. Comcast removed the option from its website after news of the bug broke. The data likely can't be used to access the router's settings, but a hacker could use it to read unencrypted traffic from other users on the network or to access a WiFi network within range.

**Startup Services:** Startup **CoreKinect** is partnering with **Cox Communications** on sensor-based solutions for the Cox2M Connected Asset Services business line. CoreKinect will design and develop the hardware used in asset tracking products for Cox2M's end-to-end IoT solutions.

**Net Neutrality Portal:** The **FCC** is following through with a Restoring Internet Freedom Order provision that requires the agency to host a portal for ISPs to publicly disclose information about their management practices, performance characteristics and commercial terms of broadband service. ISPs can make those disclosures through the website starting on May 29, ahead of the order taking effect on June 11. The Order also allows disclosures to be made to the FCC, which will then make them public via the website. The FCC will review informal complaints concerning ISP compliance to disclosure obligations. If an ISP fails to disclose practices, the FCC is supposed to take enforcement action. The **FTC's** purview includes taking action against ISPs over the accuracy of those transparency disclosures along with other deceptive or unfair practices involving their broadband offerings.

**The x(Fi) Factor:** Comcast's xFi Pods are now available nationwide. The company released the small WiFi extenders in Boston and Chicago at the end of 2017, allowing customers in those areas to receive WiFi coverage in difficult-to-reach areas of the home. The hexagon-shaped Pods are sold in three-packs for \$119 or in six-packs for \$199. -- Comcast launched a new interactive Xfinity retail store in order to provide customers with a destination to discover the company's products and services. The first locations with the new store format opened recently in Pueblo, Colorado; Aventura, Florida; Henrico, Virginia and Chattanooga, Tennessee. Customers are able to upgrade or swap equipment, pay bills and more. More of the experiential stores will be opening across the country every month.

**Let's Get Physical:** Zone tv's SVOD service **Touchfit TV** has arrived on **Comcast's** Xfinity X1 platform. The service provides a fitness program for subscribers with more than 123 instructional workouts from MMA world champion *Georges St-Pierre*. Touchfit TV can be purchased for \$4.99/month, and can be accessed by saying "Touchfit TV" into the X1 voice remote or within the networks section of Xfinity On Demand.

**World Cup Fever:** **Telemundo Deportes** will livestream the games in Spanish language on the **NBC Sports** app as well as on NBCSports.com, the Telemundo Deportes En Vivo app and through broadcasts on **Telemundo** and **Universo**. A combined 1,000 hours of dedicated digital content will be provided for fans.

**Schitt's Syndication:** **Lionsgate's Debmar-Mercury** has acquired the US broadcast syndication rights to "Schitt's Creek." The **Pop TV** original series, created by *Eugene Levy* and *Daniel Levy*, is the No 1-rated original on the network. Season Five of the series is now in production.

**People:** **Fox News Channel** named *Dan Realson* to the position of vp, digital ad sales. Realson, who started in the position this week, previously acted as vp of digital strategy and sales at **CNN**. He got his start in the news business at **Bloomberg** and has held positions at **NBC Digital** and **TIME Inc.**

**Programming:** **Nickelodeon** renewed four of its biggest series in preschool content. Coming to the network will be Season 6 of "PAW Patrol," a fifth season of "Blaze and the Monster Machines," the third season of "Rusty Rivets" and Season 2 of "Top Wing." -- **Univision Communications** has reached an agreement to keep the Latin Grammy Awards on **Univision Network** through 2028. -- **HBO** renewed late-night series "Wyatt Cenac's Problem Areas" for a second season. The ten-episode first season premiered on April 13. -- **SB Nation** is releasing its first OTT production on **Verizon's go90** platform. The four-episode docuseries "Foul Play: Paid in Mississippi" will look at the economy fueling southern college football when it becomes available on Monday, May 30. -- *Jamie Foxx* will host the "BET Awards," marking his return to the position after nearly a decade. The 2018 awards will air live on June 24 at 8pm from the Microsoft Theatre in LA on **BET**. -- A puppet show created for preschool children is coming from the LatAm Nat Geo Kids TV and App platform. "Opa Popa Dupa" will feature humor and music touching on **National Geographic** themes such as science, technology, physics and chemistry. The series will premiere this year on Nat Geo Kids linear channel, the Nat Geo Kid's app and digital platforms.