

# Cablefax Daily™

Thursday — June 7, 2018

What the Industry Reads First

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## Return Kick: Latest Turn in beIN's Programming Complaint

**BeIN** got its chance this week to swat back at **Comcast's** effort to get the **FCC** to dismiss a carriage complaint. "To deflect beIN's complaint, Comcast effectively asks the Commission to rule that ... Comcast affiliated programming is not similarly situated to beIN's independent programming because of the advantages Comcast has given itself," the programmer said in reply comments at the FCC. BeIN filed its carriage complaint at the FCC in March, claiming Comcast discriminates against it in favor of its own **NBC Sports Network** and **NBC Universo**—giving those affiliated networks better penetration. Last month, Comcast urged the FCC to dismiss the complaint saying that it doesn't treat the soccer-focused programmer different than many other MVPDs and arguing that its programming varies significantly from the multi-sports net NBCSN and Universo, which it described as a general entertainment network. "Comcast has never met an independent programming vendor that Comcast believes offers similarly situated programming to Comcast's affiliated networks," beIN said, declaring that the nets' website, marketing and overall persona "scream soccer." BeIN's filing is heavily redacted, with it claiming that a number of distributors give it access to more subscribers than Comcast. We don't get a look at the numbers, but beIN says that Comcast's December 2017 offer would reduce its sub access, with other platforms such as **Charter** and **Verizon** offering broader penetration. The next step will be for the FCC to decide whether to rule on the complaint or to assign it to the administrative law judge. Comcast has a pretty good track record, with all of the eight program carriage complaints filed against it between 2005 and 2017 either settled or dismissed by the FCC. The most recent came last month when the **FCC dismissed** the remaining allegations in **Word Network's** June 2017 carriage complaint.

**Sound the Alarm:** Another day, another fire to put out for **Facebook**. It was revealed that the social media company made data arrangements with about 60 different device manufacturers. A report by the *New York Times* claimed that it had these partnerships with "at least four Chinese electronics companies," including **Huawei**. Official use of Huawei products was highlighted as a national security threat in the National Defense Authorization Act for FY 2018, along with **ZTE** and Russian-based **Kaspersky Lab** products. Members

## **CFX** Cablefax PROGRAM & TRAILER AWARDS

*Honoring the Best Content & People on All Programming Platforms*

What are the best shows running on screens around the world? Who are the best actors and actresses that make fans tune in on all screens? We want to know!

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

**CALL FOR ENTRIES!**

Entry Deadline:

**Friday, June 22, 2018**

Final Entry Deadline:

**Friday, June 29, 2018**

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of Congress were outraged that this information was not revealed to them earlier, especially when Facebook CEO *Mark Zuckerberg* came to the Hill to discuss his company’s involvement with **Cambridge Analytica** and the selling of personal data of its users in April. “Clearly, the company’s partnerships with Chinese technology companies and others should have been disclosed before Congress and the American people,” Energy and Commerce Committee chairman *Greg Walden* (R-OR) and ranking member *Frank Pallone, Jr.* (D-NJ) said in a statement. “The spirit of our questions about third-party access to user data should not have required technical knowledge of the legal agreements Facebook has with device manufacturers to get clear answers for the public.” *Sen Ed Markey* (D-MA), who is a ranking member of the East Asia, The Pacific, and International Cybersecurity Policy subcmte, urged the leaders of his committee to hold a hearing on the newly-revealed information, calling the instance “another instance of actions by US technology companies potentially impacting American national security.” *Rep Anna Eshoo* (D-CA) also reached out to her leadership, asking Department of Commerce secretary *Wilbur Ross* to deny the export privileges of ZTE. “We cannot make deals with foreign entities with a history of compromising our telecommunications sector when it presents a clear and direct challenge to our national security,” Eshoo said.

**The Wait for ATT/TWX Ruling:** With a federal judge expected to rule by Tuesday on whether **AT&T** can proceed with its acquisition of **Time Warner**, the prevailing opinion continues to be that the deal will go forward. If that’s the case, **Evercore ISI** analysts expect the **DOJ** to appeal the decision. If the government is given an injunction, the companies would have to decide whether to extend the merger agreement past the current June 21 deadline. Such a move could be good for TWX stock, the analysts hypothesize. Time Warner could push for a “sweetener, simply walk and pursue other options, with the positive trial court decision providing an encouraging backdrop for media M&A,” Evercore said in a research note Wednesday.

**Building Up: Synacor’s** relationship with **Mediacom** is headed to the next level. Synacor has renewed its deal with the MSO, which will have the latter extending its existing portal and advertising agreement while expanding its use of Synacor’s Advanced Cloud ID, an identity management and authentication platform. Mediacom’s service agreement for Synacor’s Zimbra email and collaboration platform has also been renewed.

**Changing Channels:** **ESPN** is bringing six **NWSL** Games of the Week to **ESPNNews** through the remainder of the season, replacing the games that were previously scheduled to air on **Lifetime**. The games will also be available for streaming live through the ESPN app, with authentication required in the US. This isn’t

## Cablefax: What’s Happening in July

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### »» Top Operators Magazine

Cablefax’s annual Top Operators Magazine, salutes the operators who are at the forefront of innovation and creativity in the cable industry.

**Special Feature:** ACA’s 25th Anniversary

### »» Independent Voices in Media

Cablefax will analyze the state of independent content as the bundle unravels, OTT flourishes and direct-to-consumer content options across multiple devices has never been more robust. Where will the indie nets and smaller Where will the indie nets and niche players fare in this Brave New World? We’ll take a comprehensive look at the state of the marketplace.

### »» The Independent Show

As independent operators return to Anaheim, CA for their annual gathering, Cablefax will preview and cover the regulatory, technology and business strategy debates that always make this NCTC-ACA event a must-attend for anyone with skin in the game.

### »» Summer TCA

Summer TCA tends to be a hotbed of news about upcoming fall premieres and other programming — not to mention executive sessions that will address everything from the changing TV business, to ratings and measurement, to the marketing challenges in an increasingly competitive environment.

#### Awards

**Most Influential Minorities**

**Deadline:**  
July 13

**Most Powerful Women**

**Deadline:**  
July 20

the first time ESPN and the NWSL have crossed paths. ESPN aired nine NWSL games during the league's second season in 2014, including three regular season games, the semifinals and the championship. This season's championship match is still scheduled to air on September 22 at 4:30pm on Lifetime.

**Back On:** CBS rescheduled its annual shareholder meeting for Aug 10. It postponed the meeting in May amid the drama with *Shari Redstone* over **Viacom**.

**On the Hill:** Sens *Roger Wicker* (R-MI) and *Brian Schatz* (D-HI) introduced legislation aimed at helping provide support for federal spectrum users to research innovative ways to increase their spectrum-use efficiency and to find ways to repurpose spectrum for commercial use. Dubbed the Spectrum Now Act, it addresses concerns that the \$500mln provided in the Spectrum Pipeline Act to help with relocating federal spectrum for commercial use.

**Cablefax 100 and Top Ops:** Lovely night in NYC Tuesday recognizing the **Cablefax** 100 honorees and the 2018 Top Ops winners. A highlight of the evening came when MSO of the Year **Cable One** took the stage. COO *Mike Bowker* was joined by nine Cable One employees on the frontlines. "It's these folks who actually earned MSO of the year," Bowker said, introducing "nine of our finest frontline associates" from sales to HR to technical that were met with thunderous applause. "They're the ones who make it happen and make the customer experience." Joining Bowker on stage were Cable One employees *Joseph Guess, Andrew Jachowski, Jeffrey Otto, Marilee Park, Jessica Phiffer, Daniel Swanson, Amanda Turner, Gloria White* and *Isela Abundiz*. Cable Lifetime Achievement honoree and **comScore** founder *Gian Fulgoni* took spoke about how today's media demands radically new measurement systems. "The entities that third parties are trying to measure can't be measured independently," he said, explaining consumer panels won't suffice to measure the granularity needed today. "The only solution is the cooperation of the entities being measured, and I think that put enormous pressure on trust and integrity. If I have one important thing to say tonight it would be an appeal to the industry to cooperate and extend these databases because without it, we're not going to have the accurate data we need to operate as an industry." The evening included a performance by comedian *Liz Miele* as well as the reveal of this year's edition of the Cablefax 100, which honors the industry's heaviest hitters. Check out the full magazine [here](#).

**Next in Line:** The **Cable TV Pioneers** are preparing to induct 25 new members, one of the largest classes of inductees admitted to the group. The newest class of inductees includes **Nielsen's** *Judi Allen*; **Comcast Corporation's** *Michael Bates, Larry Beauchamp, Jane Bulman, Hank Fore* and *Tony Speller*; *David Baldwin* from **HBO/Starz**; *Jeff Baumgartner* of **Multichannel News**; *Craig Cuttner* from **HBO**; **Commscope's** *Chris Ewing*; **Alpha Technologies'** *Fred Kaiser*; *Holly Leff-Pressman* of **Screen Engine SCI**; *Guy McCormick* from **Cox Communications**; *Glyndell Moore* from **Storer/Summit Cable**; **Altice's** *Andy Parrott*; *Enrique Yamuni Robles* of **Megacable**; *Fred Rogers* from **Quality RF**; **WinView's** *Tom Rogers*; *Arthur Sando* from **Turner & CBS**; *Rob Shema* of **ACA**; *Curtis Symonds* from **Symonds Synergy Group**; **Cisco's** *Shawn Tylka*; *Steve Williams* of **Williams Communications**; **Discovery's** *David Zaslav* and **CTAM's** *Vicki Lins*. The induction will occur at the 52nd Annual Banquet on October 22 at the Westin Peachtree Plaza Hotel in Atlanta, coinciding with **SCTE-ISBE's Cable-Tec Expo**.

**DISH Digits:** **DISH** released its Corporate Citizenship report that highlights the company's social responsibility. Highlights include providing 110K hours of internet & TV service to disaster relief organizations and their workers at relief sites across the nation including Texas, Florida and Puerto Rico. Other stats: 50K trees were planted in partnership with American Forests; more than 7K hours of service were provided to nonprofits by DISH Cares teams and more than 2.2mln miles alternative fuel miles were clocked in DISH tech vans.

**Ratings:** **Bounce's** "Saints & Sinners" reached over 7.5mln viewers over the course of its third season. A highlight for the network occurred on May 6, when Saints & Sinners was the No 1 most-watched program across television for African Americans (P25-54) between 9-10pm. -- **Science** is continuing to beat out its personal records, enjoying its highest-rated May ever in primetime with A25-54, M25-54 and total viewers. This is the fourth time in five months that the network has broken monthly ratings records with A25-54 in primetime, only missing the mark in February.

**Honors:** Kudos to **Weather Channel** svp, content & programming *Nora Zimmert*, who is the only cable TV network representative on *FastCompany's* annual list of "100 Most Creative People in Business." She was singled out for turning weather into must-watch events. Other creative minds making the list include *Chris Jaffe*, **Netflix's** vp, product innovation, **Twitter** global vp, head of content partnerships *Kay Madati* (formerly of **BET Networks**) and **Disney** technology vp *Nikki Katz*.

## Think about that for a minute...

### Expectations

Commentary by Steve Effros

I know I'm starting to harp on this, but ironically, as the industry gets better and better at customer service, the challenge of keeping our customers happy actually gets harder! So let's start out with the obligatory mea culpa; yes, there are days when our CSRs get cranky and say bad things. Yes, the billing systems screw up from time to time, and yes, every once in a while a line is run across a lawn and then forgotten about.

I admit it. We're not perfect, and we never will be. But we've gotten one whole heck of a lot better at what we do over the years, and our technicians are generally very conscientious about putting on their "booties" when they enter the house, and the CSRs have gotten a lot of training on how to bite their tongues when that same guy keeps calling up claiming he has not really watched the pay movie that's on his bill!

I had a long talk with a very accomplished psychologist the other day about customer service. He was curious how the industry dealt with the reality that no matter what we do, those who are not satisfied will be the ones we hear from and those who are will simply stay silent because all we are doing is meeting their (sometimes low) expectations. Not an easy conversation because there really is no "answer" to it. What we finally came to was an agreement that customers have to be educated as to what realistic expectations are, including the fact that sometimes the service goes out, or things go wrong. It's far better to acknowledge that, than encourage mythical expectations.

I told him the story about a power outage we experienced at my house recently. You, know, the loud bang somewhere outside and suddenly, no electricity. Well, I knew immediately that a power transformer had shorted



out. The only question was how long it would take for our local co-op power company to get someone out to fix the problem. To their credit, it wasn't very long, and when I called to report the outage it was good to hear that automated system let me know that they already knew about it. Just knowing things like that, even if the service is down, makes for a better customer experience. That's especially true since the company communicates with us monthly with a little newsletter describing exactly the scenario I was experiencing.

Sure enough, just like the newsletter suggested, when they came out to fix the transformer, a very dead squirrel was at the bottom of the pole. He had chewed through his last piece of insulation! But I knew about squirrels chewing through insulation before it had happened, so I had already been primed to understand that this sort of thing happens to power companies all the time, and we all know there is very little they can do to convince an ever-expanding squirrel population that it should stop chewing on wires! I understood, therefore I was understanding of the outage and certainly did not hold it against the company.

That's a lesson we should learn, as I've urged before; honest conversations, on an ongoing basis with our customers, about the challenges and joys of building and maintaining a broadband distribution network. It used to be that our biggest challenge was explaining that we were not responsible for the programming our customers got. Most folks understand that now. It's time to move on to explaining our amazing infrastructure, and promote those realistic expectations.

*Steve*

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*(Steve Effros was President of CATA for 23 years and is now an advisor and consultant to the cable industry. His views do not necessarily reflect the views of Cablefax.)*

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