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What the Industry Reads First

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Net Neutrality: A Tale of Two Chairmen

Former FCC chmn *Tom Wheeler* issued a challenge to *Ajit Pai* when it comes to removing Title II regulations from ISPs. “If the chairman of the FCC has the courage of his convictions that what he has done is right for America and will stand up to a vote from Congress, he should pick up the phone and call *Speaker [Paul] Ryan* and schedule a vote in the House,” Wheeler said on this week’s installment of “The Communicators” on **C-SPAN**. He was referring to the CRA that’s already passed the Senate, with *Rep Frank Pallone* (D-NJ) trying to get a majority of members in the House to sign a discharge petition demanding a vote on the FCC repeal of Title II. Prospects look grim, with the Obama era rules to be rolled back on June 11. After Thursday’s June open meeting, Pai talked up the new regs. “It’s going to mean better, faster, cheaper access for American consumers, and more competition,” Pai told reporters. He offered up the example of an Iowa municipal utility that said because of the repeal it would pour \$4mIn into upgrading their 4G and LTE networks and investing in the internet experience. “The repeal of those rules, the consumer protection provision at the FCC in terms of transparency, and the competitive authority the **FTC** has to guard against conduct from any provider will preserve the free, open internet that we all cherish and promote investment that is necessary for us to be able to claim the benefits of the digital revolution, both mobile and fixed,” he said. The Commission’s lone Democrat commissioner said the transparency component of the bill, which includes an FCC portal for ISPs to submit their practices, is good, but isn’t enough. “It needs to be a part of the solution, but it is not everything because now our carriers have the legal right to block websites, throttle services and censor online content. They only have to be transparent about their ability to do so,” *Jessica Rosenworcel* said. “People are angry about what this agency did, and I think they made a grievous mistake. I don’t think it gets better for consumers until we fix this, and once again, make net neutrality the law of the land.” As for Wheeler’s appearance on C-SPAN’s Communicators, you can view the full ep online Friday afternoon or on the flagship network Saturday at 6:30pm ET. Wheeler said his position evolved when it came to using Title II instead of Section 706 as the basis for net neutrality rules. “I was criticized for it. One of the problems with Washington is people don’t evolve. They say ‘this is my position and I’m never going to leave it,’ Wheeler said. As for *President Obama*’s endorsement of Title II, Wheeler says he was following administrative procedure and commenting on a filing

Drumroll please...

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his administration had made. He credited him for “not tweeting, or picking up the phone or anything like that.” The interview briefly touched on a recent [Gizmodo article](#) that said former FCC chief information officer *David Bray* had told reporters off-the-record that a DDoS attack had occurred in 2014 and that Wheeler had covered it up. The former FCC chair said he got an email from Bray in the greenroom before the interview, with Bray telling him that he never said Wheeler asked people not to talk about it. “It’s hard to have a cover up of something that didn’t happen,” Wheeler said. There is controversy over whether the FCC under the Trump administration falsely blamed a DDoS attack as the cause of an outage that temporarily prevented people from submitting comments. Asked about the motivations here, Wheeler responded with: “I am the last person in the world to interpret the decision making of the Trump FCC.”

Ahead of Comcast Shareholder Meeting: The lead-up to **Comcast’s** annual general meeting of shareholders on June 11 will be anything but quiet, with women’s groups **UltraViolet** and **NOW-NY** publishing an open letter to CEO *chmn Brian Roberts* asking for an investigation into workplace culture and management at **NBC**. The letter asks Comcast and NBC to hold management accountable for addressing and preventing harassment in the workplace following an investigation that cleared NBC execs of any misconduct following the *Matt Lauer* sexual harassment case. “The lack of formal complaints at a company does not necessarily indicate the absence of harassment,” the letter says. “It’s time for a higher standard. Comcast didn’t respond to a request for comment by deadline.”

Back in Business: It looks like the US isn’t shutting the door on **ZTE**. The US and China have agreed to allow ZTE to reboot its business in the former under the conditions that it pay a \$1bln fine and put US enforcement officers in the company to keep watch over its actions. The US banned exports to ZTE starting in mid-April after the Chinese company broke the terms of a settlement agreed to after it shipped telecommunication equipment to Iran and North Korea. The provisions impose what Commerce Secretary *Wilbur Ross* called “the most strict compliance that we’ve ever had on any company, American or foreign.” “We are literally embedding a compliance department of our choosing into the company to monitor it going forward,” Ross said on **CNBC** Thursday. The US is also forcing the company to change its management and put \$400mln in escrow. If ZTE violates any US sanctions or lies about any of their business dealings, it forfeits the \$400mln. Ross also noted that the US still has the power to shut ZTE out if there are any violations. But not all were impressed by the lift on the Commerce Department’s ZTE ban. “It is the unanimous conclusion of our nation’s intelligence community that ZTE poses a significant threat to our national security,” *Sen Mark Warner* (D-VA) said in response to the announcement. “It’s not only that ZTE was busted for evading sanctions on Iran and North Korea, and then lied about it; it’s that ZTE is a state-controlled telecommunications company that poses significant espionage risks, which this agreement does little to address.” A separate Senate

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committee is working against any efforts to support the Chinese companies in question. The Senate Appropriations Committee approved the FY19 Transportation, Housing and Urban Development Appropriations bill, which includes a provision from *Sen Marco Rubio* (R-FL) that would restrict funding from being used to purchase telecom equipment from companies such as Huawei or ZTE. "On the same day that the Administration announced it had reached a 'deal' with ZTE, my colleagues advanced this important measure and I encourage Congress to remain clear-eyed and unified on the threat China poses to US interests and national security," Rubio said.

Assessing the Damage: More companies are coming under scrutiny following the reveal that **Facebook** established data partnerships with Chinese telecom companies. *Sen Mark Warner* (D-VA) sent letters to **Twitter** and **Alphabet** asking for any information regarding similar agreements between the companies and Chinese entities. Alphabet has revealed to the public that it holds strategic partnerships with **Huawei** and mobile device manufacturer **Xiaomi** as well as technology platform **Tencent**. Warner requested information on those partnerships as well as any others Alphabet may hold.

Going Non-traditional: **Amazon's** commitment to live sport content is only deepening with the company announcing it has bought the rights to broadcast live Premier League matches in the UK, starting in the 2019-20 season. The deal is set to last three years, with 20 games a season hitting Amazon Prime. The games will be available at no extra cost to Prime members. The rights to the rest of the matches were purchased by **Sky** and **BT**.

One Click Away: Thursday marked the unveiling of the **Amazon Fire TV Cube**, a device bringing together Fire TV capabilities with the voice technology from the Echo. Alexa is already built into the Fire and, when connected with compatible devices, can be used to control everything from sound bars to cable boxes. The Fire TV Cube is available for \$199.99.

June FCC Meeting: The **FCC's** four commissioners voted unanimously Thursday for a proposal that would vacate a 2008 order for leased access rules, which require cable ops to set aside channel capacity for commercial use by unaffiliated video programmers. The order never went into effect with the Sixth Circuit staying them after the cable industry challenged the order. OMB also said the rules violate the Paperwork Reduction Act. The idea is to create a fresh start for drafting leased access rules, with the NPRM proposing to require cable operators to respond only to bona fide requests from prospective leased access programmers. The Commission also seeks comment on whether it should extend the timeframe for providing responses to leased access requests, and permit cable operators to require leased access programmers to pay a nominal application fee and/or a deposit. The FCC also voted to stop having certain rate of return carriers pay into Universal Service Fund on revenues they earn from broadband and voice (now it will be just voice). Other items approved included steps to make additional high-band spectrum available for advanced wireless services, including adopting an operability requirement for the entire 24 GHz band, a sharing framework to allow use of a portion of the 24 GHz band for terrestrial wireless operations and Fixed Satellite Service (FSS) earth stations, a band plan for the Lower 37 GHz band, and spectrum aggregation rules applicable to certain bands.

One Stop Shop: **Turner Sports** is offering sponsorship opportunities for brand advertisers that want to get in on live sports. It launched the Turner Sports Live network Thursday, allowing buyers to find placements on all of Turner Sports' digital properties, including for the **NBA**, **ELeague**, **MLB** and **NCAA**.

Soccer Season: Social media addicts and soccer fans can kill two birds with one stone, thanks to a new partnership that places **Telemundo's** World Cup coverage on **Google** and **YouTube**. US fans using the search engine will be able to see close to real time video highlights from Telemundo Deportes, including in-game clips of goals as well as match previews and winning probabilities. Telemundo's partnership with YouTube will expand to include more than five official channels. The games airing on Telemundo will also be offered in markets where YouTube TV is available.

Big Cheese: **Cheddar Big News** arrived on **Sling TV** Thursday, adding another Cheddar network to its offerings. Sling Blue and Sling Orange customers can access Cheddar Big News at no extra cost.

Expanding the Lineup: **FuboTV** added more **Fox** and **Telemundo** stations ahead of the World Cup. The vMVPD now has a grand total of 294 broadcast stations. Fox additions include **KMSB** (Tucson, Arizona [Sierra Vista]), **WBRC** (Birmingham, Alabama [Anniston-Tuscaloosa]) and **WTNZ** (Knoxville, Tennessee). Telemundo stations include **WRMD** (Tampa, Florida), **WTMO** (Orlando-Daytona Beach-Melbourne, Florida) and **KUAN** (San Diego, California).

Programming: **IFC** and **Channel 4** in the UK have come together to greenlight "Year of the Rabbit." The comedy series will include six half-hour episodes inspired by the world of Sherlock Holmes. Year of the Rabbit will begin shooting this fall and is expected to air in 2019.

PROGRAMMER'S PAGE

A Picnic Mystery...

Those of a certain age will recall a 1974 *Peter Weir* movie called "Picnic at Hanging Rock," which was based on a novel by *Joan Lindsay* and tells the story of three school-girls who go missing in turn-of-the-century Australia. Filmmakers often credit Weir's effort as a cinematic vanguard that cleared the way for more creative storytelling techniques. And it's perhaps fitting that **Amazon**, known for more creative retail capitalism, has rebooted the story as a 6-part mini-series that launched on May 25. The difference, however, is that unlike Weir's male-driven film this new production is almost wholly controlled by women, including director *Larysa Kondracki*, who has already done great work on shows like **AMC's** "Better Call Saul" and **FX's** "The Americans," among others. Kondracki told **Cablefax** that her goal was to do a "genre mash-up" that could "take 'Heathers' and 'The Breakfast Club' and put it in [Stanley] Kubrick—with a little Michael Mann." Now that's quite a recipe. And perhaps even more interesting about this adaptation is how the series expands a relatively short novel into a six-hour examination of female empowerment at a time of severely limited options. "The show is about control and rebellion," said Kondracki. The intersection between that theme and the ongoing evolution of the #TimesUp movement makes it even more interesting (despite the production wrapping more than a year ago, well before the *Harvey Weinstein* controversy). "It just shows you it's not going to become just a hashtag," noted actress *Lily Sullivan*, who plays Miranda Reid. "It's happening cosmically, it's happening naturally... To feel part of that wave with a group of creatives from all around the world just feels hella inspiring." Aside from the compelling and relevant themes, the series plays with time and shot framing in a way that creates a trippy vibe, all set against the juxtaposition of humor, dark secrets and group-think psychology. In the end, these factors converge into what Kondracki calls an "enchanted chiller." We just call it good TV. -- *Michael Grebb*

Reviews: "Inside N. Korea: Race to Peace" Sunday, 10pm, **Nat Geo**. A tremendous effort, much of it done seemingly in real-time, reviewing the machinations in Washington, Beijing, Pyongyang, Seoul and Tokyo as the countries arrange the puzzle pieces paving the way for a summit between N. Korea's *Kim Jong Un* and *President Trump* set for June 12, at least for now. The tone is fairly even, not an easy feat in the highly politicized world of global diplomacy. Overall, this is a fine primer about a complicated situation. *Dr. Sue Mi Terry*, a former **CIA** and **NSC** analyst, provides excellent commentary. -- "The Profit," 10pm, Tuesday, **CNBC**. A terrific look inside small business as host *Marcus Lemonis* invests his money in struggling concerns and then plots to turn them around. This week he becomes involved with a CA-based tee-shirt company that has plenty of strengths, though selling its shirts is flagging. -- Notable Ending: The debut of "Patrick Melrose" was as powerful as anything we'd seen this season. So was *Benedict Cumberbatch's* performance as emotionally destroyed Patrick. The series ends Saturday (**Showtime**, 9pm ET) with less stress, though its flashbacks raise the stakes nicely. In the end Patrick seems to flush the worst part of an awful childhood. -- *Seth Arenstein*

Basic Cable P2+ Prime Rankings*

(5/28/18-6/3/18)

| Mon-Sun | MC | MC |
|---------|-------|-------|
| | US | US AA |
| | AA% | (000) |
| TNT | 0.770 | 2345 |
| FNC | 0.707 | 2154 |
| HGTV | 0.496 | 1509 |
| MSNBC | 0.475 | 1447 |
| USA | 0.407 | 1240 |
| TBSC | 0.399 | 1216 |
| A&E | 0.379 | 1153 |
| ID | 0.336 | 1022 |
| HALL | 0.307 | 934 |
| DISC | 0.302 | 919 |
| FOOD | 0.298 | 908 |
| HIST | 0.298 | 907 |
| ESPN | 0.283 | 862 |
| ADSM | 0.281 | 856 |
| TLC | 0.273 | 830 |
| NICK | 0.259 | 790 |
| CNN | 0.242 | 737 |
| DSNY | 0.237 | 721 |
| NAN | 0.219 | 666 |
| FX | 0.212 | 645 |
| TVLAND | 0.210 | 640 |
| VH1 | 0.204 | 622 |
| NBCSN | 0.203 | 618 |
| BRAVO | 0.193 | 588 |
| HMM | 0.191 | 582 |
| DSJR | 0.188 | 573 |
| APL | 0.180 | 549 |
| AMC | 0.178 | 542 |
| LIFE | 0.176 | 537 |
| INSP | 0.176 | 536 |
| HBO | 0.170 | 518 |
| SYFY | 0.164 | 500 |
| CRN | 0.162 | 494 |
| MTV | 0.162 | 492 |
| TRAVEL | 0.149 | 453 |
| OWN | 0.148 | 452 |
| WETV | 0.148 | 449 |
| NKJR | 0.146 | 445 |
| BET | 0.142 | 432 |
| NATGEO | 0.141 | 429 |
| GSN | 0.140 | 428 |

*P2+ L+SD rankers are based on national Nielsen numbers, not coverage.

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