

Cablefax Daily™

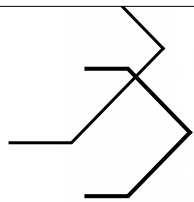
Tuesday — June 19, 2018

What the Industry Reads First

Volume 29 / No. 117

Nervous Mouse? Firm Downgrades Disney Amid Fox Fight, Others Still Bullish

Despite Disney's inevitable war with Comcast for Fox and Sky, Pivotal Research Group's Monday downgrade of the company from "Hold" to "Sell" breaks from the Wall Street pack, with most analysts still recommending investors buy or hold DIS. However, Pivotal's Brian Wieser argued in a research note that "the stock's recent run-up fails to reflect that a higher price paid for Fox's Entertainment assets would reduce the value of Disney to its shareholders... Alternately, the absence of completion of the transaction would also be negative for Disney as it would mean the company would be unable to realize the synergies it expects to produce from the transaction." DIS stock was down 1.7% to \$107.06 per share at 4pm on Monday but still floats comfortably above Pivotal's \$93 target price. In addition to the expectation that Disney will significantly raise its bid for Fox in response to Comcast's \$65bln all-cash offer, "we also think that if Disney has to pay a higher price for the Fox Entertainment assets because it engages with a bidding war with Comcast, the Disney's value would be negatively impacted as it would reduce the incremental value the company should be able to generate from synergies associated with the acquisition," Wieser wrote. Both Disney and Comcast face exposure in this department, with Moody's saying that the joint Comcast-Fox companies would have approximately \$170bln of total debt including the Sky deal. Still, while a bidding war may be imminent, Pivotal believes that "the absence of a Fox transaction would be subjectively negative for Disney." "We think that the company and its investors have bought into the idea that a direct-to-consumer orientation is a positive focus for the company," Wieser said. "Disney can still prioritize direct-to-consumer initiatives without Fox, but its propositions to consumers and creators of content would be stronger with Fox but weaker without those businesses." Others remain bullish on Disney, with Wells Fargo Securities keeping Disney at "Outperform," a status it first gave the company in September 2017. "In terms of a solid strategy, you need four things: you need content, they have it; you need management, they have it; you need customer relationships, they have it; and now you have technology with BamTech," Wells Fargo's Marci Ryvicker said in an interview with CNBC at the time of the upgrade. On Monday, Ryvicker on Monday told Cablefax that Wells Fargo remains confident that Disney will continue to find success as the industry waits to see what's in store for its upcoming OTT app and whether it can acquire other properties. Fox already



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TOGETHER, YOU WIN.

Cablefax's Program & Trailer Awards are the perfect opportunity for all your shows, talent and entertainment icons to shine. *New this year: Check out the Short Form & Online/Mobile categories!*

Program Categories

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!

Platinum Shows and People

- Best Actor
- Best Actress
- Best Program
- Best New Program
- Best Showrunner

Best of the Best

- Best Branded Content
- Best International Content
- Best Mini-Series
- Best Opening Sequence
- Best Video on Demand Program/Special

By Genre: Best Show or Series

- Animals/Nature
- Animated
- Comedy
- Children's
- Documentary
- Drama
- Education / Instructional
- Faith Based / Religious
- Family Friendly
- Food
- Music
- News
- Public Affairs
- Reality
- Reality Competition / Game Show
- Regional Program
- Sci Fi
- Sports
- Talk Shows
- Other: *Enter your best in a genre not mentioned above*

By Genre: Best Actor/ Actress/Host

- Animals/Nature
- Animated
- Comedy
- Children's
- Documentary
- Drama
- Education / Instructional
- Faith Based / Religious
- Family Friendly
- Food
- Music
- News
- Public Affairs
- Reality
- Reality Competition / Game Show
- Regional Program
- Sci Fi
- Sports
- Talk Shows
- Other: *Enter your best in a genre not mentioned above*

NEW! Short Form (5 minutes or less) & Mobile/Online

- Best Overall
- Branded/Marketing Campaign/ Advertising
- Comedy
- Drama
- Horror
- Documentary
- News/Information
- Sports/Recreational
- Podcast/Videocast
- Educational/Instructional
- Children's/Family Friendly
- Animated
- VR/AR
- Preview/Sneak Peek
- Social/Viral
- Gaming/e-Sports
- Online/Mobile Extras for a Linear Show

Trailer Categories

Don't miss your chance to gain recognition for promos and sizzle reels that entice viewers to watch and engage with their favorite shows, movies, video games, web content and consumer brands. This program covers both creative categories as well as nuts-and-bolts marketing metrics related to tune-in, engagement, sales and overall reach, allowing all the departments that contribute to well-packaged trailers to receive worthy recognition for this vital yet often overlooked marketing tool.

Platinum Categories

- Top Trailer
- Top Network Sizzle Reel
- Best Editing
- Best Directing
- Best Sound / Music Mixing
- Best Graphics
- Most Intriguing / Mysterious
- Most Creative / Surprising
- Most Viral / Shareable
- Most Interactive
- Best Virtual Reality Trailer/Promo

Outstanding TV and Web Content Trailers

- New Show / Series
- Returning Show / Series
- Movie / Mini-Series
- Documentary
- Integrated / Cross-Platform Show/Series
- Comedy
- Drama
- Suspense
- Reality / Docu-Series
- Sports
- News / Public Affairs
- Virtual Reality / Augmented Reality Content
- Branded Network

Outstanding Movie Trailers

- Comedy
- Drama
- Horror
- Thriller
- Science Fiction
- Romance
- Youth
- Fantasy
- Historical/Period
- Documentary
- Sports
- Virtual Reality/Augmented Reality Content

Outstanding Branded Trailers

- Consumer – General Trade
- Technology
- Software Apps
- Amusements
- Food / Travel
- Real Estate
- Toys and Games
- Governmental
- Non-Profit
- Corporate Responsibility/Social Good

Outstanding Trailers in Gaming

- Action
- Adventure
- Puzzle
- Kids
- Comedic
- Horror
- Strategy
- Sports
- Social Conscience
- Science Fiction
- Massive Multiplayer
- Fantasy

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accepted Disney's \$52.4bln offer, with the vote on that agreement scheduled for July 10. In the meantime, Fox will need to decide whether Comcast's offer is preferable. Comcast's bid will be formally considered by the Fox board Wednesday.

Five Star Service: It's not just for the home anymore. **Comcast Business** launched X1 for Hospitality, bringing the platform to hotel guests. **Four Seasons Hotel Philadelphia at Comcast Center** will include X1 in each of its 219 guest rooms upon its open this winter. The tech includes approximately 300 channel options and On Demand options, voice control and DVR. -- **DISH** is also boosting hotel guests' in-room experience, integrating **Netflix** into its Evolve TV solution over the next few months. Guests will be able to sign into their accounts with the solution, with DISH saying it's the first major pay-TV provider in the US to integrate Netflix into a customized TV solution for the hotel industry.

Premiering Soon: Looking to the 2018-2019 upfront selling season, **Discovery** developed a cross-network, cross-platform sales package called "Discovery Premiere." The deal allows clients to advertise exclusively in a mix of premiere episodes from series across Discovery's portfolio and brands, including **Discovery Channel, HGTV, Food Network, TLC, Investigation Discovery, OWN, Animal Planet** and **Travel Channel**. At the same time, advertisers will be able to reach the mobile audience across Discovery's suite of GO apps.

Say Cheese: There's more **Cheddar** to go around, as the company launched its news network on **fuboTV**. The deal will include Cheddar's full live channel and on-demand content with interviews, segments and Cheddar Originals. The two companies will also work together on videos for social media distribution. Current promos price the base Fubo plan at \$34.99 for the first month, with the Fubo Extra tier coming in at \$39.99.

Double the Coverage: **ESPN** is gearing up for the 2018 **NBA Draft** with two simultaneous but unique telecasts on **ESPN** and **ESPN2**. Beginning Thursday, June 21 at 7pm, the traditional NBA Draft coverage will air on ESPN with commentators *Rece Davis, Chauncey Billups, Jay Bilas* and *Adrian Wojnarowski*. Coming to ESPN2 is "The Jump: NBA Draft Special." The special will be led by *Rachel Nichols*, host of ESPN's NBA studio show "The Jump." She'll be joined by other commentators such as *Zach Lowe* and *Tim Legler*. Both telecasts will be available to stream through the ESPN app.

Time to Fly: **Disney** partnered with music producer and DJ *Marshmello* on a special "Ducktales"-inspired music video to his single "Fly." The music video will premiere on Saturday, June 23 during the channel's airing of "The Incredibles" from 6-8pm and leading into the "2018 Radio Disney Music Awards" at 8pm, where Marshmello will also perform. The

Cablefax:

What's Happening in October

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>> Most Influential Minorities Magazine

Cablefax's annual Most Influential Minorities magazine, celebrates the men and women who are shaping the industry and opening doors for minorities across all areas of business.

>> Hispanic Heritage Month

This growing demo has a huge impact on every aspect of the industry. This series we'll explore upcoming trends in the Hispanic marketplace, examine the latest research and look at what networks and distributors are doing to cater to this powerful segment.

>> CTHRA

Cablefax looks at the HR side of the business. What do the hiring trends and needs say about where cable is headed? Coverage will include HR organization CTHRA's annual Symposium and awards.

>> Diversity Week

Cablefax will be on the ground in New York for all the Diversity Week happenings, including WICT's Leadership Conference, NAMIC's annual conference and The Walter Kaitz Annual Fundraising Dinner.

>> SCTE Cable-Tec Expo

Daily coverage from the Expo show floor along with a preshow special report. We'll look at the technology and standards development that you need to know about right now. Our preshow will also highlight SCTE, WICT and Cablefax's Woman in Technology award winner.

Events

Cablefax & NAMIC Diversity Breakfast
October 16
NYC

music video is available now in the DisneyNOW app.

Ready to Play: **Counter Logic Gaming** named **Spectrum** as its official high speed internet provider. As part of the sponsorship deal, Spectrum brought the fiber optic internet service to the CLG Performance Center while earning the naming rights for the team's gaming lounge. Spectrum branding will be a part of all CLG social media accounts and livestreams. -- **Disney Channel** is inviting families to compete on "Nintendo Switch Family Showdown," which pits four families against each other through a series of challenges in **Nintendo** Switch games. They may need to compete in dance-offs in "Just Dance 2018" or take to the tennis courts in "Mario Tennis Aces." The showdown will be featured on Disney Channel, **Disney XD** and streamed on the DisneyNOW app this summer.

Ready to Shred: It's time to swap out the air guitar for something a little more substantial. **Zone tv** SVOD services **Pro Guitar Lessons TV** and **Stephen's Drum Shed** have come to Comcast's X1 platform. The former features instructors taking beginners through the basics and beyond, while the latter sees drum teacher *Stephen Taylor* giving tips to drummers of all levels. The services are priced at \$4.99/month each.

Generation 3000: **AT&T** upgraded its **DirecTV** for Business video headend by launching its third generation, COM3000. The platform aims to deliver up to 138 HD channels, including 4K HDR programming and allow business owners to keep it current by downloading software upgrades rather than installing any new hardware. Users will be able to view content on any screen, any hardware and delivered through coax, Ethernet or Wi-Fi.

Chatty Cathy: Voice activation is coming to **Brightline's** OTT ad platform, InCast. The enhancements allow InCast to detect which voice assistant a TV uses while incorporating available commands into ads. Prompts will appear on the screen related to the voice assistant being used, allowing viewers to make purchases or add shows to their watch lists. -- Brightline and **AMC Networks** agreed to a deal that brings InCast to the entire AMC Networks connected TV portfolio reaching **Roku** and **Apple TV**. AMC Networks is allowing viewers to engage with personalized ads across the **AMC**, **Sundance TV**, **WE tv**, **IFC** and **BBC America** OTT apps on Roku and Apple TV.

Step One: As cable operators continue to assess opportunities to work with municipalities on smart technologies, Portland, OR, *Mayor Ted Wheeler* joined officials from the **Portland Bureau of Transportation** and reps from **AT&T**, **Intel**, **Current by GE** and **Portland General Electric** to celebrate the Traffic Sensor Safety Project. It's the first major milestone for Smart City PDX, with 200 sensors installed on three of Portland's deadliest streets to provide around-the-clock counts of vehicles and pedestrians along with vehicle speeds. The city's traffic engineers plan to use the insights to improve street safety design and work toward the city's goal of making the streets safe for all. The Portland City Council will vote on the Smart City PDX Priorities Framework, a structured process for evaluating new technologies, uses of information and related partnerships that could assist the people of Portland, on Wednesday, June 20.

Ratings: **E!'s** latest episode of "Total Bellas" (June 10) marked a new high for the series among all key demos, earning more than 1.1mln total viewers. The show earned 717K in P18-49 and 273K in W18-34, with its third season shaping up as its strongest yet, seeing a 20% increase among P18-49 and a 14% increase among total viewers compared to Season 2.

Programming: The second season of "Swedish Dicks" hits **Pop** on July 26 at 10pm with two back-to-back episodes. The half-hour comedy continues to cover two private detectives solving LA's most minor cases. -- **ESPN** and the city of Boise came to an extension agreement, making the city the host of "Road to X Games: Boise Qualifier" through 2019. This year's event was expanded to include Harley-Davidson Hooligan Racing at CenturyLink Arena as well as the three events at Rhodes Skate Park. -- *Desus Nice* and *The Kid Mero* are coming to **Showtime**. The duo will star in the network's first weekly late-night talk show, scheduled to premiere in 2019. The TV and podcasting personalities will speak off the cuff with guests involved in pop culture, sports, music, politics and more. Desus and Mero will also executive produce the series along with *Victor Lopez*.

Editor's Note: Attention Peak TV Warriors! Go to www.cablefax.com to ensure that your best TV series, movies, shorts, trailers and online content get the recognition they deserve as **Cablefax** takes nominations for its annual Program & Trailer Awards. The deadline is this week, Friday, June 22, so don't wait until the last minute! Let us know if we can answer any questions about some of the exciting new categories unveiled this year. More info at www.cablefax.com.