

Cablefax Daily™

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What the Industry Reads First

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Union Unrest: NY Governor Lashes Out at Charter

It's been more than 18 months since a group of **Charter** Spectrum NYC-based workers and members of **IBEW Local 3** went on strike, and it doesn't feel like a resolution is near. Both sides have been outspoken, with Charter posting a [blog](#) Wednesday that it described as the "truth" about its attempts to end the talks. The union resumed picketing at various NYC locations this week and hosted a rally Wednesday on East 23rd Street alongside NY Gov *Andrew Cuomo*. Talks between the two sides appear to have broken down last week. "What Charter Spectrum has done is a gross injustice... How dare you abuse the hard-working men and women that built that company and put the money in your pocket," Cuomo shouted from the podium Wednesday. He also touched on NY PSC's decision to rescind its order approving Time Warner Cable's purchase. "Charter lied to the people of NY... They got a franchise agreement from the state and they promised to do certain things. They promised to keep the customer friendly workforce that was trained and they turned around and kicked you to the street. They promised to serve underserved households. And the state of NY... wants to fine them \$20mln for violating that agreement," Cuomo said as the crowd gathered chanted "kick them out." Charter was recently [granted another extension](#) to present a plan to exit the state, with the MSO and PSC staff revealing they've established a framework for a possible settlement agreement. The operator disagrees with the state over whether it has met buildout requirements and other conditions of the **Time Warner Cable** acquisition. The labor dispute caused NYC mayor *Bill de Blasio* to cancel his regular appearance on Charter-owned **NY1** this week and some guests scheduled to appear on its "Inside City Hall" Tuesday night also declined to cross the picket line Tuesday. Charter maintains that it has made "substantial" concessions, including continuing to fund the union's medical and benefit plan and allowing many strikers to come back to work. "While Charter still believes that the [union's medical and benefits plan] is not in the best interests of our employees and diverts money from wages to support less ideal benefits than the wages and benefits Charter provides, we made this concession in an effort to end the strike," read Charter's blog post. "In addition, Charter also agreed to bring back on an expedited basis and make eligible for the [benefit plan] an agreed to number of employees. Other employees would also be able to return over time through priority reinstatement." Charter added that during this dispute it has settled collective bargaining agreements with unions represent-

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WHERE WE'LL BE

- 1/8/19 CES in Vegas (Jan. 8 - 11)
- 1/22/19 NAPTE in Miami (Jan. 22 - 24)
- 1/28/19 ReelScreen Summit in New Orleans (Jan. 28 - 31)
- 1/29/19 TCA in Los Angeles (Jan. 29 - Feb. 13)
- 2/25/19 NCTC Winter Conference in Atlanta (Feb. 25 - 26)
- 3/8/19 SXSW Interactive in Austin (March 8-12)
- 3/19/19 CFX Roundtable at ACA
- 3/19/19 ACA Summit in DC (March 19-21)

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7:15 PM DINNER & PROGRAM

9:00 PM DESSERT RECEPTION

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ing employees in Hawaii, with the union in the Aloha State accepting terms similar to those rejected by Local 3. The dispute's impact has stretched beyond Charter, with the city's Department of Information and IT & Telecommunications informing franchise-holders in the city this week that it will consider the state of labor relations going forward when assessing whether to grant or renew a franchise agreement. Asked about the change in regards to the franchise process, a Charter spokesperson said "the quality of service Charter is delivering to New York City customers is at an all-time high. Charter continues to meet its franchise obligations and we will address franchise renewal at the appropriate time."

Law and Order: The start of oral arguments in the DOJ's attempt to block AT&T-Time Warner is nearly here, but the two parties won't be the only ones going before the DC Circuit Court of Appeals Thursday. The group of 27 antitrust scholars who asked for 10 minutes of argument time have been granted their request. The time will be subtracted from the 30 minutes originally allocated for the DOJ. AT&T still has its full 30 minutes, but it has the option of sharing that with the 37 other economists, scholars and former government officials who believe the original trial court was correct in its ruling to give the merger the green light. The DOJ is expected to point to real examples of the effects of the merger this time around. Outside lawyer Joseph Alioto filed a motion to file an amicus curiae brief in support of the US. The deadline to file was August 13, but the court may grant leave for later filing. Alioto argues that his brief contains facts that either have not or could not have been presented by either party, such as the HBO-DISH blackout that began last month.

XFL 2020: A news conference Wednesday to announce the inaugural eight teams for the XFL's February 2020 re-launch focused on how the alternative football league will use the time before its debut to get things right. Anyone who has watched ESPN's 30 for 30 film "This Was the XFL" knows there was plenty the venture got wrong when it bowed for its one and only season in 2001. However, fans contend there were things it excelled at—like innovative camera angles. WWE chmn/XFL founder & chmn Vince McMahon said Wednesday that the XFL launched 20 years before its time. Differences this go-round include that there's a financial commitment for the long term, said McMahon, who is personally funding the league. Another difference he pointed to is the atmosphere with distributors. "There is a clamoring for live sports events, entertainment events on many, many networks and what-have-you than ever before," he said. The eight cities that will have XFL teams for the Feb 8-9, 2020 launch are: Dallas, Houston, L.A., NYC, St Louis, Seattle, Tampa Bay and DC. No media partnerships have been announced yet, but XFL commish/CEO Oliver Luck said meaningful talks have occurred with major players and details should be announced "soon."

FreeWheel Finds: The FreeWheel Council for Premium Video (FWC) and the Video Advertising Bureau (VAB) found that TV attribution has now matured and is able to stand alongside attribution techniques that previously

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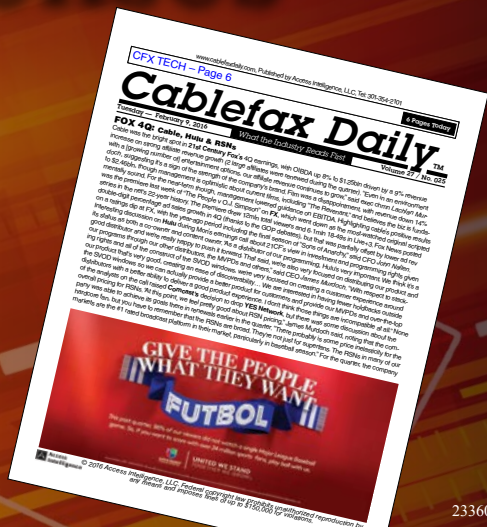
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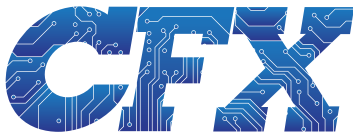
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The annual Cablefax Digital & Tech Awards honor the people, shows and networks who excel in digital content, marketing, advertising, social media and online content. Additionally, the Tech categories recognize the outstanding products, strategy, implementation and people across broadcast, cable and digital technology.

DIGITAL CATEGORIES

Content & Design

- » App for Smartphone
- » App for Tablet
- » Editorial Excellence
- » Graphics/UX Design
- » Live Event Coverage
- » Live Streaming
- » Mobile Experience
- » New Product or Launch
- » Online Press Center
- » Online Short (scripted or unscripted)
- » Original Content
- » Overall Website - Network – Large (More than 50mln subs)
- » Overall Website - Network – Small and Mid-Size (Fewer than 50mln subs)
- » Overall Website - Official Show Website
- » Overall Website - Regional/Local Programmers
- » Overall Website - Distributor
- » Podcast or Videocast
- » Use of Video/Moving Image
- » Virtual Reality/Augmented Reality Content
- » Website or Microsite Design
- » Website Redesign

Advertising / Marketing

- » Ad/Ad Series
- » Branding
- » Content Marketing Campaign
- » Digital Marketing Campaign
- » Email Communications
- » Influencer Campaign
- » Integrated Marketing Campaign

Audience Engagement

- » Contest/Sweepstakes/Promo
- » Fan Base Cultivation
- » Interactive Brand Content
- » Online Community
- » Online Game/Gamification
- » Social Good Campaign
- » Sponsored Content
- » Supplemental Web Content
- » Use of Facebook
- » Use of Instagram
- » Use of Snapchat
- » Use of Twitter
- » Use of YouTube
- » Use of Other Social Platform
- » Social Media Campaign
- » Overall Social Presence

Digital Innovators & Teams

- » Digital Hall of Fame
- » Content Marketing Team of the Year
- » Digital Team of the Year
- » Social Influencer of the Year
- » Social Media Dream Team of the Year
- » UX Designer of the Year

TECH CATEGORIES

Tech Categories

- » AI/Machine Learning
- » Blockchain
- » Cloud Solution
- » Commercial Product, Service or Software
- » Connected TV/Smart TV Solution
- » Home Automation/Networking/Security Product or Service
- » IoT Product or Service
- » OTT/SVOD Support Product or Service
- » Residential Equipment (set-ops, gateways)
- » Residential Software (tablets/smartphone apps)
- » TV Everywhere/Authentication System
- » Virtual Reality/Augmented Reality
- » Wireless/WiFi Solution

Innovation A-List

- » Overall Tech Innovation Award
- » New Product Award
- » Tech Partnership
- » Technology Exhibit, Display or Stunt

Communications

- » Tech Advertising Campaign
- » Tech Sales/Marketing Campaign

Tech Professionals & Teams

- » Innovator of the Year
- » Engineer of the Year
- » Rising Star
- » Tech Team of the Year
- » R&D Team of the Year

only served digital. Some key takeaways include a case study from **Comcast Spotlight's** campaign for a regional car dealership that showed how advanced TV can create incremental reach opportunities. The company added premium digital TV to its schedule to increase reach to an elusive audience, and the cross-channel television strategy saw a significant increase in the dealer's web traffic with a 49% jump in YOY direct/organic sessions. VAB's first TV campaign resulted in a 39x lift in traffic to its website. For sales, the report found that TV targeting drives incremental reach of qualifying audiences. **Discovery** worked with a CPG client to convert non-brand buyers and found a 32% lift in sales and more than \$3mln in incremental revenue. In addition, the report discovered that when combined with data, TV is able to engage consumers and drive acquisition behavior through smart targeting and cross-channel coordination in all stages of the marketing funnel. The report analyzed the results of case studies from marketers across industries, including packaged goods, automotive, QSR and retail.

New to the Family: **INVIDI Technologies** has acquired the advertising technology division of **Ooyala**. The division (formerly **Videoplaza**) offers a SaaS ad serving platform that specializes in digital video advertising and programmatic trading. Financial terms of the deal have not been revealed.

Prime Time: **Amazon Prime Video** is the latest service added to **Comcast's** Xfinity X1. The slate will add thousands of premium shows, movies and live events as well as Prime originals to Xfinity's catalog. This week X1 customers can now search for Prime Video programming alongside all the live, on demand and DVR content X1 already offered.

Spreading the Gig: Christmas has come a little early for **Vast Broadband** customers in the Black Hills. The company rolled out the first phase of its 1Gbps internet to Spearfish and most of Rapid City. The buildout will continue in the region with Sturgis, Deadwood, Belle Fourche and other locations in January and February. Vast will also be bringing 1 Gig service to eastern South Dakota and southwest Minnesota in early 2019. Vast's 1 Gig service starts at \$79.99/month with no data caps, no contract and a 30-day money-back guarantee. The price also includes an in-home WiFi assessment. Vast residential and business services are currently available to almost 60K potential customers in the Black Hills region.

5G Classroom: For those in Houston or LA, **Verizon** has set up pop-up showrooms for the public to see the power of 5G firsthand. Verizon's 5G Experience Labs allow visitors to test the internet services, see how it's set up and how it performs when streaming heavy content across a 4K TV and multiple connected devices. The labs, located in two of the first cities to have 5G commercial service, are open 12-8pm local time from Dec 3-9. 5G Experience Labs also popped up last month in Sacramento and Indianapolis. The service costs \$50/month for Verizon customers and \$70/month for non-Verizon customers. 5G Home customers will also get **YouTube TV** free for the first three months and a free **Apple TV 4K** or **Google Chromecast Ultra** device at installation.

Closing the Gap: **Microsoft** expanded its commitment to close the digital divide Tuesday. The Microsoft Airband Initiative will now aim to bring broadband access to rural Americans in rural areas by July 2022, Microsoft pres **Brad Smith** announced at an event in DC. The expansion also brings the program to new states including California, Indiana, Mississippi, Oklahoma and West Virginia. The program launched in July 2017 with an initial promise to make broadband available to 2mln Americans.

Ratings: **ID's** premiere of "Body Cam" on Nov 27 at 10pm became the network's most-watched series debut for 2018 among M25-54 (291K). In L+3 it was the second-highest series debut overall for the year, bringing in 1.579mln total viewers and 669K P25-54.

Programming: **MTV Studios** is reimagining "Celebrity Deathmatch." **Ice Cube** will star and executive produce the series along with his partner **Jeff Kwatinetz** through his **Cube Vision** production company. The show will be available as a weekly series for an exclusive SVOD or premium broadcast partner in 2019. -- **AT&T Audience Network** renewed its original comedy series "Loudermilk" for a third season. -- **BBC America** will expand its broadcast and streaming of professional darts with the addition of the 2018/2019 **World Darts Championship**, taking place Dec 13 to Jan 1. The net will air the best matches of the week Sunday mornings from 9am-12pm. -- **Netflix** picked up "Narcos: Mexico" for Season 2. -- **WGN America's** crime drama "Pure" has a release date. The series, diving into the Mennonite community, will premiere Jan 23 at 10pm. -- "American Gods" Season 2 will premiere on **Starz** on March 10, 2019 at 8pm. -- **NBC Sports Group** renewed its partnership with **MX Sports Pro Racing** and will continue to be the home of the Lucas Oil Pro Motocross Championship. The partnership began in 2012 and will extend through the 2021 season.

People: **Roku** svp/gm **Chas Smith** is expected to retire and leave the company by the end of 1Q19. Smith joined Roku in March 2010 as VP of sales, leading online Roku player sales.

Think about that for a minute...

'Tech'?

Commentary by Steve Effros

I was reading a business journal article about stock prices the other day. It struck me that when comparisons started to be made, and charts drawn, regarding the remarkable surge (and now some precipitous drops) in the "tech industry," Netflix was one of the primary examples. Netflix - "Tech"?

My immediate reaction was to be somewhat bemused that a company spending billions of dollars a year creating new videos, movies, documentaries, etc., to stay on top of its competitive mountain would be listed as a "tech" company rather than, say, an entertainment or movie company. So I started thinking about how we are characterizing companies today. This is legally important, and I'll explain why later, but I didn't realize how deep an intellectual rabbit hole I was falling into!

Just to save you time having to look up the technical definition of "rabbit hole," it's "...used to refer to a bizarre, confusing, or nonsensical situation or environment, typically one from which it is difficult to extricate oneself." That is about as accurate as you can get when musing about how we describe companies and industries today.

Take a few examples. Sony. When I was growing up Sony was a manufacturer. It invented the BetaMax video recorder, it sold a gazillion "Sony Walkman" CD players. Indeed, CDs became a "thing" because of Sony. They were also in television manufacturing, and Sony was the premier brand. Today, Sony screens are actually made by Samsung and Sharp and they use Vizio technology. So is Sony a "manufacturer" any more? A chunk of its income now comes from Sony Pictures, which, like Netflix, is a developer of movies and other video products. Just to give you a taste, the company says that its Motion Picture Group includes film labels Columbia Pictures, Screen Gems, TriStar Pictures, Sony Pictures Animation, and Sony Pictures Clas-



sics. So what do we call it? Granted, it also has a camera division, audio division, financial services division and of course the whole PlayStation video gaming thing. Do we just roll it all up and call it a "tech" company? Does that mean anything? I don't think so.

How about Amazon or Google? They use technology, to be sure. At one point Google would have been called a "computer services" company, as IBM was, except Google features software, and IBM started out with hardware. So is Google a computer company but was IBM originally a manufacturer, now turned "cloud, solution provider" whatever the heck that is? Amazon is a retailer, right? Or a bookseller, originally. But its biggest growth is in cloud computing services and it's now deeply involved, like Netflix, in video production, and, oh, electronics manufacturing (think Alexa!)

So what are all these companies? The reason this is important is that, as I have suggested for a while, the regulatory picture is changing. The mood is no longer always favorable for these big companies and neither is the politics. The primary suggestion is regulation through the FTC and the antitrust laws. But antitrust doctrine revolves around the concept of "relevant market" and what, exactly, is the "market" these companies are in?

Sure, we could split out and define this by the "division" we are talking about, but that's not sufficient when you consider the efficiencies or potential for abuse between "divisions." This is much more complicated than you might imagine once you start down this path, however it's a path we're going to have to go down if we are to make any regulatory sense of the new "tech" marketplace.

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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