

Cablefax Daily™

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What the Industry Reads First

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Batter Up: MLB Network Still Swinging 10 Years Later

It's hard to believe that 10 years have passed since **MLB Network** first launched, but time has flown faster than *Ricky Henderson* attempting a steal. "It is pretty remarkable how quickly it has gone by," network pres *Rob McGlarry* told **CFX**. "Every time we do something, we take a pause and think back to what's happened." On Wednesday, MLB announced it will exclusively air the 2019 Baseball Hall of Fame election results on the net in five hours of coverage on Tuesday (Jan 22). Back in 2009, the **Baseball Writers Association of America** had never televised the announcement, instead opting to send a press release. MLB Net changed the game by airing the show live just two weeks after its Jan 1, 2009 launch. "When you're launching a network that's solely focused on baseball, that's exactly the type of thing that we want to do," McGlarry said. "The Hall of Fame announcement, it's one of those days where we can show off what we do. It's a great opportunity to celebrate a special day for baseball, but also for the network to reflect back and see how we've been consistent and how we've grown." When it comes to distribution, MLB Net is in good shape with more than 280 partners in the US, Canada, Caribbean and Latin America, including every major MVPD. MLB scored carriage early on from **Comcast**, **Cox**, **DirectTV** (now part of **AT&T**) and **Time Warner Cable** (now **Charter**) as they have a minority stake in the channel. **DISH** signed on as a distributor in 2011. The net has carriage on DirecTV Now, **YouTube TV** and **Playstation Vue** and is in conversations with other vMVPDs. In the disruptive cable landscape, live sports are still thriving and MLB is no exception. "One of the things that we talk about here, we're living in a changing world," McGlarry said. "Amidst that is our belief that networks like MLB Network, which have live content are going to continue to thrive. We have daily live content that is not going to be something you just record and watch whenever you want." For 2018, MLB grew 6% in both primetime and total day over the previous year, ranking as the net's second- and third-best seasons, respectively, on record. Regular season games on MLB Net increased +4% over 2017. Other baseball players reported similar gains. **YES** had its best **Yankees** ratings in six years, averaging 61K TV households in prime. Looking back at MLB's 10-year history, McGlarry is proud. "With more than 30,000 hours of programming over 10 years, we've continually increased our coverage of the game, going from two original studio shows—'Hot Stove' and 'MLB Tonight'—to eight in our current lineup, and growing a roster of more than 40 on-air personalities, including three members of the National Baseball Hall of Fame," he said.

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Inside Look: Disney pulled back the curtain on its recently formed Direct-To-Consumer and International business segment and the investments it's made in the DTC business in an **SEC** filing Friday. Its efforts led to the company incurring \$738mln in losses from the segment in fiscal 2018 compared to \$284mln in the previous year. Equity loss rose to \$580mln mostly due to a higher loss from its **Hulu** investment driven by higher programming, labor and marketing costs. Disney isn't afraid to spend if it means building a dominant DTC business that brings in the cash down the line. More news surrounding its DTC efforts will come on its investor day on April 11, where the company will show a demonstration of **Disney+** as well as first looks into the original content being created for the service.

Court's On: As many expected, the **DC Circuit** declined to grant the **FCC's** request to delay Feb 1 oral arguments over its decision to rollback Title II regs. The agency requested the delay because of the partial government shutdown, but the court has routinely been denying similar requests from other agencies during the funding lapse.

FCC Reactivates EAS: A day after we [wrote](#) about the **FCC's** Equipment Authorization System being down due to the partial government shutdown, the agency announced it would reactivate it. This means that TCBs (Telecommunications Certification Bodies) will again be able to access the system to grant equipment certifications. However, it sounds like they won't be able to grant certification for novel products that would need FCC guidance until the agency resumes normal operations. Unlike the FCC's Electronic Comment Filing System, which is available but not being updated, the EAS hasn't been accessible for viewing since the agency suspended most operations on Jan 3.

Expanding C-band: C-band concerns haven't been calmed yet, and *Reps Tony Cárdenas* (D-CA) and *Adam Kinzinger* (R-IL) sent a letter Thursday to the **FCC** with worries about its proposed rulemaking on expanding operations in the band. They don't oppose new uses of the C-band, but want to make sure that existing services aren't disrupted. "This mid-band spectrum could prove to support coverage and capacity for next-generation technology that is critical to the nation, including 5G wireless services," the letter reads. "However, in the event the Commission opens the C-band for spectrum reallocation, the Commission should, at minimum, ensure that incumbents are made whole for costs incurred as a result of any new services or shared uses in the band." The letter drew attention and support from **ACA**, **NAB**, **NCTA** and **NPR**, who have previously voiced their own concerns over expanded C-band use.

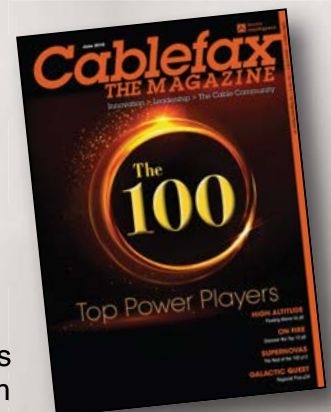
Launch Day: **Cleo TV**, **TV One's** new lifestyle and entertainment network for women of color, debuts Saturday (Jan 19) with a double helping of "Just Eats with Chef JJ" at noon and 12:30pm ET. The cooking show is a signature program for Cleo, with the net hosting reporters this week at the popular Harlem chef's new Manhattan eatery, The Henry by JJ. Initial



Who Deserves to Rank Among Cablefax's Annual Top Power Players?

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programming includes acquired digital dating series “Tough Love” (Sun, 9am) as well as eps of “Empire” and “Turn Up the Heat with G. Garvin.” Coming in February are “Cleo Speaks,” featuring influential women of color (Feb 17, 9am), and “Everything I Did Wrong in My 20s” (Feb 17, 9am ET). Cleo has distribution with **Comcast** and is in talks with other providers.

Netflix Reaction: Netflix’s pricing strategy and 4Q earnings haven’t really affected analysts’ confidence in the streaming powerhouse. “Given the feeble efforts by some traditional media companies to build an attractive SVOD offering, we are less worried about Netflix’s access to content (with the notable exception of **Disney** and **Fox**),” **MoffettNathanson** said in a research note. “Judging by recent moves, the rest of the media industry is more than happy to sell Netflix whatever they want as long as the bid is high enough and the check clears.” **Pivotal** expects Netflix to have the ability to take future, significant price increases and reminded investors Netflix won’t be seeing too much competition from traditional media companies as they continue to see benefits from the high monetization that comes with the existing pay TV model. **Bernstein Research** also was impressed by the streamer exceeding its expectations, moving forward its prediction for the service’s 300mln subscriber milestone to 4Q25 from 1Q27. Bernstein upped its price target from \$421 to \$451 and Pivotal bumped it to \$500 from \$480.

Cablefax Dashboard

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 **Jessica Rosenworcel** @JRosenworcel Following

A Rosenworcel is on @LateNightSeth tonight. Don't worry, it's not me. It's my brother, with his band, @guster. Check it out and let me know which of the gents playing the instruments you think just might be my sibling.

12:48 PM - 17 Jan 2019

 **Stephanie Abrams** @StephAbrams Follow

Roll call...live crews for #Harper #WinterStormHarper



4:56 AM - 18 Jan 2019

Up Ahead

- Jan 22-24:** [NATPE Miami](#)
- Jan 25:** [Cablefax 100 Nominations Due](#)
- Jan 28-31:** [Realscreen Summit](#), New Orleans, LA
- February 25-26:** [NCTC Winter Educational Conference](#), Atlanta
- March 8-17:** [SXSW 2019](#); Austin, TX
- March 19-21:** [ACA Summit](#), DC
- April 4-7:** [Adaptive Spirit](#), Vail, CO

Research

- New polling research shows that 55% of voters cited TV as the most influential medium in terms of awareness.
- TV was the most important influence throughout the voter decision process. 75% said TV ads have influenced their online searches for political information.
- 66% of voters said TV motivated them to get out and vote followed by local newspapers (31%) and social media (30%).

(Source: TVB Voter Funnel Study, Midterm Elections 2018)

Quotable

“It really is about winning time away from other activities. Instead of doing Xbox or Fortnite or YouTube or HBO, we want to win and provide a better experience. No advertising on demand. Think of the US, there’s a billion hours of TV content being consumed today. We’re winning about 10% of it. Disney, they have great content. We’re excited for their launch and maybe they grow to 50mln hours a day, but that’s out of a billion. That’s why we don’t get focused on any one competitor and think our best way is to win more time.”

-- Netflix CEO Reed Hastings
on the company’s 4Q18 earnings call

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