

Cablefax Daily™

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What the Industry Reads First

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Curious? Media Execs Ponder an Uncertain Future at TCA

TV critics are used to legends. After all, *Meryl Streep* was on hand over the weekend to promote season 2 of “Big Little Lies” on HBO. But Winter TCA got a dose of another kind of legend Saturday when **Discovery** founder and cable pioneer *John Hendricks* took the stage to tout his latest big bet, **CuriosityStream**, the nonfiction focused streaming service that just closed a \$140mln funding round in private placement (new investors include **Blum Capital Ventures** and **TimesSquare Capital Management**). “Cable was very disruptive of broadcasting,” Hendricks told critics. “Broadcasting was very disruptive back in the ‘40s of radio... so it’s very exciting to be part of this third wave and fortunately, we can bring the experiences of factual television to this third revolution of TV.” Hendricks sees only six broad-interest streaming services surviving long-term: **Netflix, Hulu and Amazon**, as well as supposed upcoming services from **Apple, Comcast** and **AT&T/WarnerMedia**. And while those services, in addition to many existing cable nets, also produce factual shows on history, science and other areas, Hendricks argued that none of them cover the entire factual category as a brand. “I think that’s one of the advantages that we have is addressing the full category, not a niche,” he said. “ESPN has always had a bigger future because they’re addressing the full category of sports than, say, a volleyball channel and, likewise, that’s the lesson that we take to heart.” TCA offered a glimpse of one of 2019’s upcoming streaming services. *Kevin Reilly*, chief creative officer at **Turner Entertainment**, told critics that the new WarnerMedia service will “beta” in 4Q with library content, with plans to add new originals in 2020. He said it will be a “seamless consumer experience” for HBO streaming subs, but no details yet on what exactly that will look like or whether those subs will get a package deal on pricing. He did say that the service will include the “crown jewels” of the Warner Bros library, which of course would include 1990s **NBC** hit “Friends” that currently (and famously) resides on **Netflix** and has enjoyed a resurgence among millennials. That, combined with Netflix’s eventual loss of **Fox, Disney, Lucasfilms** and **Marvel** content once Disney launches its own service, could make it increasingly difficult to know how the streaming wars will shake out. “This is still early days,” noted Reilly. “It’s going to get much more interesting.” Of course, no one is counting out traditional cable nets. Only three months into her expanded gig as **AMC Networks** entertainment pres, *Sarah Barnett* was at TCA over the weekend to assure critics

Announcing the Launch of the

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PEOPLE
AWARDS

In 2019, we are enhancing the focus of our awards and recognition programs to make them more efficient and impactful.

Categories include: *Top Lawyers, Sales Hall of Fame, People to Watch* and other individual categories.

The Cablefax People Honorees will be recognized at **The Celebration of Leadership Gala** on **June 6** at the Yale Club in **New York**.

Deadline: March 1, 2019 | **Final Deadline:** March 8, 2019

Enter at www.cablefaxpeople.com

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that the programmer will do whatever it takes to remain relevant amid massive change. “For us, everything, from the shows we choose to make, to every aspect of how we put them in front of viewers, and how we monetize those views, is shifting,” she said. “Playing it safe sure won’t get us anywhere.” Noting critically acclaimed hits like “Better Call Saul” and “Killing Eve,” she said quality remains an obsession. “And this is possible, this obsession, because we’re not making hundreds of shows,” she said. “At a time when the over-arching narrative is one of fighting for talent and creative projects, and fighting with multiple, high volume, deep pocketed competitors, we have long been, and continue to be at AMC Networks, a magnet for some of television’s most impressive storytellers.”

Hulu’s Future: The closing any day now of the **Disney-Fox** deal will make Disney the majority owner of **Hulu** even as it launches other streaming services. While that may suggest Hulu’s uncertain future, Hulu originals svp **Craig Erwich** noted at **TCA** that the streamer now has 25mln subs. “Hulu is a very important strategic asset for our owners,” he said, noting that it has added 8mln subs in the last year. “You don’t get that kind of growth without the support of our ownership, and I think we’ll continue to be an important player in the direct-to-consumer strategy of our owners.” He said Hulu also has no plans to alter its content strategy despite whatever new services a combined Disney-Fox might launch.

En Español: **Byron Allen’s Entertainment Studios** will launch the first Spanish language weather streaming service: **The Weather Channel en Español** in the 1Q 2020. It will have the full resources of **The Weather Channel** and will feature Spanish-speaking weather reporters and hosts, forecasting conditions in the US and Puerto Rico, as well as Mexico and Central America.

Epic Launch: **EPIX** is the latest to hop into the streaming game, with the launch of **EPIX NOW**, the net’s new DTC offering. The streaming service will feature EPIX’s full library of content and is available in the App store for **Apple** devices and in **Google Play** for **Android** phones and tablets. The net plans to roll out to **Roku** devices and **Amazon Fire TV** shortly, before continuing to expand to additional devices throughout the year. The service costs \$5.99 a month, and all four linear live channels are also available through EPIX Now on select connected TV devices.

Let’s 5G: **Verizon’s** latest effort to push 5G into the mainstream is the “**Let’s 5G**” initiative, which encourages citizens to reach out to local leaders and advocate for deployment. With some communities speaking out against small cell antenna deployments and raising concerns over radio frequency exposure, it gives Verizon a chance to present its side. Describing the antennas as about the size of a backpack, the initiative says the devices are meant to hide in plain sight among things such as street lamps and will emit RF energy in line with products such as baby moni-

Cablefax: What’s Happening... February

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FEBRUARY

Not the Super Bowl

Yes, it’s the biggest sporting event of the year, but not everyone watches the Super Bowl. Cablefax will dive into how networks are counter-programming against the mega event—and its commercials.

Black History Month

Cablefax will honor early African American pioneers in the cable industry—profiling those who broke barriers to launch networks, joined the C-Suite and led the industry’s innovation. This report will look at trailblazers who helped create today’s industry and also examine how cable is recognizing Black History Month on TV and within their own companies.

NCTC Winter Educational Conference

We head to Atlanta to hear what key suppliers are doing to help operators stand out in a crowded marketplace.

Sports of Tomorrow

The sports arena is changing—from streaming to legal betting to advanced technologies that put fans at the center of the action. As we head into March Madness and with MLB Opening Day not far behind, we will look at how companies are taking sports coverage into bold new frontiers.

Awards

Cablefax People Awards
Entry Deadline:
February 22

tors and WiFi routers. The campaign also is a vehicle to urge more cities to create 5G-friendly policies. Verizon 5G service is currently available in Houston, Indianapolis, L.A. and Sacramento. Meanwhile, cable continues to ramp up its 10G initiative based on Full Duplex DOCSIS 3.1 specs.

Rate Regs: Given the state of video, most US markets are no longer subject to rate regulation due to competition. But there are a few markets that remain subject to government regulation of basic service and equipment rates. The **FCC** is looking at ways to modernize its rate regulation rules. It's heard from a number of stakeholders. **NCTA** supports adopting an "Updated Comparative Benchmark"—a simplified process that would compare the regulated rates to "an objective sampling of the basic tier rates charged by the same operator in communities where effective competition is present." The Commission has tentatively concluded that commercial services aren't subject to rate regulation, a proposal **NCTA** strongly supports. The state of Hawaii is home to some of the markets still subjected to the regulation of rates. It agrees the rules are long overdue for housecleaning, but believe the scope should be limited to removing outdated rules, particularly given the small number of markets that have to deal with the rules. "Although the State empathizes with the Commission's desire to simplify the rate setting process, rate regulation in any industry is always complex and cannot be achieved in a reliable and effective manner using unstructured negotiations between cable operators and franchising authorities, or as a result of cable operators setting their own benchmarks," the Aloha State said in comments filed Friday. Hawaii also isn't a fan of exempting commercial customers from rate regs. **ACA** wants the FCC to adopt a proposal that exempts small cable systems from rate regulation, at minimum to those serving 15K or fewer subs that are owned by cable companies serving 400K or fewer customers. **ACA** said rate regulation rules provide "no meaningful benefit in today's highly competitive market." "Whatever justification there may have been for rate regulation nearly 30 years ago, no justification exists today because cable operators compete against satellite companies, other cable operators and online offerings like **DirectTV Now**, **Hulu** and **YouTube TV**," **ACA** pres/CEO *Matt Polka* said in a statement.

Waves of Change: **SeaChange International** is expanding, acquiring OTT video and TV cloud platform provider **Xstream A/S**. **SeaChange** paid a total of \$5.5mln for the company, \$4.6mln of it in cash along with 541,738 shares of common stock. **Xstream**, which is based in Denmark and Poland, already serves more than 5mln active subscribers globally while generating approximately \$6mln in annual SaaS revenues.

Philo-ed Up: **Philo** is now included in **Amazon Fire TV's** "On Now" row so subs can easily see what's live on the streamer. It has also been integrated into the **Android TV** home screen, allowing users to access channels without the extra step of browsing an app. To make it easier to use both platforms, **Philo** is now compatible with **Alexa** and **Google Assistant**.

Ratings: **ESPN** and **ESPN Deportes** telecast of the Saturday night **UFC 234** event Preliminaries is the second highest-rated PPV Prelims on record. The Prelims, airing from 8-10pm, averaged a 1.0 metered market rating, peaking with a 1.7. This is up 100% from Feb 10, 2018's **UFC 221** PPV Prelims with a 0.5 rating. The highest rated for the nets was the Nov 12, 2016 **UFC 205** PPV Prelim with a 1.1 metered market.

Programming: **EPIX** greenlit six-ep docuseries "Slow Burn," based on the podcast of the same name. Season one of the series will mirror the podcast, diving into the Watergate crisis and exploring parallels with the present. -- **History** renewed "Project Blue Book" for a 10-ep second season. -- **Disney Channel** will begin production for "Zombies 2" in the spring. The movie is a sequel to "Zombies," which was cable television's No. 1 rated telecast among Kids 6-11 and Tweens 9-14 in 2018. -- **Univision's** "Primer Impacto," the longest-running Spanish-language news magazine on television, is celebrating its 25th anniversary with a weeklong on-air celebration this week. The net is taking the show on the road with its "Ruta de Impacto" (Impact Route) to Houston, Dallas, L.A. and San Diego, along with the Dominican Republic. Featured stories will highlight 25 years of memorable moments and "where are they now" updates. Programming starts each day at 5pm.

People: **Showtime** named *Virginia Lazalde-McPherson* evp, business affairs. She previously served as head of business affairs, **Google's YouTube Originals**.

Pam Ford NAMIC Memorial Fund: Many in the industry were saddened to learn of the death of longtime **NCTA** staffer *Pam Ford* last fall. A [memorial fund](#) has been set up in her honor to assist with **NAMIC's** L. Patrick Mellon Mentorship Program, Executive Leadership Development Program as well as general funds for the association. *Ford* was an ardent supporter of **NAMIC** and **NAMIC** Mid-Atlantic and a **NAMIC** ELDP graduate of Class XII.

Obituary: **Cable Pioneer Don Mathison** passed away Thursday. A well-known industry vet, *Mathison's* career included stints at **Times Mirror**, **Media General**, **Group W Cable** and **Warner Communications**. As a hobby, he spent time as a part-time faculty member teaching broadband communications at George Mason Univ. *Mathison* is the CEO and founder of consultancy **Broadband Solutions Group**.

CFX TECH

Storm Surge

Its studios have survived a violent Category 5 hurricane, a powerful storm surge and a rapidly-spreading wildfire. Mid-January even saw an ice storm descend on its main set, but **The Weather Channel** is still standing. How? These natural disasters could actually be described as a little bit less than natural.

The weather events were all simulations, immersive mixed reality segments created with **Frontier**, powered by **Unreal Engine**. Since June, The Weather Channel has collaborated with augmented reality content provider **The Future Group** to create the segments designed to give viewers insights into the damage Mother Nature can deal to homes and environments around the world.

“All of these were wonderfully topical and very relevant,” Weather Channel design vp *Michael Potts* told **CFX**. “I don’t think the timing could have been more brilliant or spot on. Our latest one with the ice storms and going into the dangers and the perils that a lot of Americans will start to feel if they haven’t already, nothing could have been more relevant.”

That segment happened to debut just as Winter Storm Harper wreaked havoc across the US. Heavy snow fell from the Sierra Nevadas to upstate New York, and Weather meteorologist *Jim Cantore* was able to walk everyone through how to handle the dangerous conditions. For all the investment TWC has put into the segments, the return has been more than worth it, according to the company. The addition of the immersive content has resulted in the highest level of engagement of content Weather Channel has ever had, according to Potts. “The reaction—across our viewers to the industry, the peer groups, government officials, our wonderful partners at the National Weather Service—they all say this resonates,” he said. “It’s this inviting and fulfilling new way to think about the weather and the impacts and what are the safety precautions.”

When the partnership began last year, the overall production from concept to completion was right at 60 days. With

a few IMR segments under their belt, the team has been able to shorten that time to about 30 days. “The teams have picked up their level of comfort in either operating it or turning around creative,” Potts said. “That takes the right kind of planning, what the script will be, designing and the actual execution of the graphics, all the way through the rehearsal, getting the talent in the environment and making it all come together with the studio crew.”

The monthly presentations are a huge technological feat, but it’s not the end of the road. TWC continues to work toward a goal of integrating IMR technology in 80% of its programming by 2020. “The next thing on the horizon is... how do we then take this idea where we create amazing immersive worlds and hyper-realistic environments... how do we do that every day, every hour and work that into our general approach to weather presentation,” Potts said.

TWC is hoping to answer that question in the coming year, investing in new studios and repurposing existing spaces to allow it to further explore what IMR content it can produce. Not everything will be as highly produced as the segments TWC is releasing now, but that’s not the goal. Rather, it’s to identify “the very smart immersive integration within the broadcast.”

“We’ll have these kinds of ways that we can storytell that’s not just what do great, beautiful maps and incredible talented presenters and meteorologists, but we put them into the weather and then by nature of that, we take our audience along with them,” Potts said. Eventually, he would love to give the audience a chance to see the storm through the eyes of talent. The team has begun looking at long-term goals and the possibilities of using the channel’s app as a way to bring viewers as close to weather events as possible.

What will that look like? Potts visualizes viewers being able to hold up phones or place them in a head-mounted display to unlock companion viewing angles as if you were Jim Cantore. It’s a whole new spin on the eye of the storm.
– *Sara Winegardner*

Don't miss this opportunity to get in front of small and mid-sized operators!

Find out the myriad ways Cablefax can help you maximize exposure before, during and after WEC 2019 in Atlanta Feb. 25-26. Contact Olivia Murray at omurray@accessintel.com