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What the Industry Reads First

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Game On: Cable Shows up at E3 to Tout 10G

First, cable used **CES** to introduce 10G. Now, it's turned to gaming confab **E3** to further show how serious it is about broadband. For the first time, **NCTA** – The Internet & TV Association is a sponsor and has a presence at the gaming super show. The trade association has nearly 100K square feet of floor space, dubbed the “10G Gaming Lifestyle Pavilion,” with activities on tap all week. “The purpose of the sponsorship and presence at E3 is to demonstrate how live gaming needs a great broadband connection with super-fast speeds and low latency. The gaming industry is moving from a console-based model to one that relies on live online playing... and 10G will essentially eliminate all latency/lag,” said *Brian Dietz*, NCTA's strategic communications svp. Just last week, **Google** announced **Stadia**, which allows games to play console and PC games on any Chrome web browser, Chromecast Ultra TV device or Pixel 3 smartphone via streaming technology. Game developer **Bethesda Softworks** surprised audiences at its E3 showcase Sunday with Orion, a technology designed to enhance the experience of playing streamed games. Orion reduces latency and bandwidth while streaming, making such games more accessible to folks with lower internet speeds. Cable's message is why settle... On Tuesday, players from the **Atlanta Reign Overwatch League**, which is partially owned by **Cox Communications** parent **Cox Enterprises**, will make an appearance at NCTA's pavilion. Those who visit will get a download from NCTA on what 10G is. “The global cable industry will deliver 10G with such great reliability, security and speed that gaming won't feel like a game at all,” says one NCTA message. Another reads: “What lag? With 10G, lag in online live gaming will be a thing of the past. You'll have to come up with another excuse for losing.” When Cox announced its sponsorship of Atlanta Reign in April, Cox Communications marketing & sales chief *Mark Greatrex* said gaming was the perfect complement to the company: “Cox has invested billions of dollars in its network to create the best broadband experience nationwide and the gaming community includes some of our most enthusiastic users. Our mutual passion for connections in real and virtual worlds makes this sponsorship a natural fit.” **Comcast** also has a team in the Overwatch League, clearly illustrating that cable has a stake in the esports community.

Charter + Sinclair + Fox RSNs: According to a recent research note, **Charter** has struck a deal for renewal of

**GAME
SHOW
NETWORK**

**TOP 30
NETWORK**

600+ New Episodes in 2019

Source: Nielsen Media Research, NPower Time Period Report, P2+, Trad. Prime, Total Day, 12/31/2018 - 05/26/2019, CVG AA%, Game Show Network ranked against all rated networks.

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Sinclair broadcast stations that includes the **Fox** RSNs. Charter declined to comment, but a recent Wolfe Research note declared, "CHTR renewing the Fox RSNs for a 'slight increase' is a nice little positive." Of course, Sinclair doesn't have regulatory approval yet to take ownership of the Fox RSNs, so that portion presumably takes effect once the deal closes. It's a nice win for Sinclair, with a lot of chatter in the marketplace on how difficult RSN renewals may be given that Disney sold them for less than expected. *Sports Business Journal* reported in March that RSN pres *Jeff Krolik* had reportedly hired a team of experienced distribution execs to help lead negotiations with **DISH's** deal for the nets expiring at the end of summer. Charter was viewed by many as the second big test, with its RSN carriage expiring in the fall.

Not So Fast: The Supreme Court announced Monday that it will hear **Comcast's** bid to dismiss **Entertainment Studios** founder *Byron Allen's* racial bias lawsuit accusing the company of discriminating against African American-owned channels. It will take a fresh look at a decision made by the 9th US Circuit Court of Appeals saying that Allen's claims are plausible. "Comcast has an outstanding record of supporting and fostering diverse programming, including programming from African-American owned channels, two more of which we launched earlier this year," Comcast said in a statement. "There has been no finding of discriminatory conduct by Comcast against this plaintiff because there has been none. We carry more than 100 networks geared toward diverse audiences." Allen alleges that what Comcast claims and the reality of what it carries are two very different things. "Unfortunately, Comcast continues to mislead the American people and its subscribers," Allen said in a statement. "This case is NOT about African American-themed programming, but IS about African American OWNERSHIP of networks. Unfortunately, the networks Comcast refers to as 'African American-owned' are not WHOLLY-owned by African Americans, and did not get ANY carriage until I stood up and spoke out about this discrimination and economic exclusion."

BET on It: **Viacom** will expand its DTC play this fall with streaming service **BET+**, the *WSJ* reported Monday. The service would serve as an expansion of actor/producer *Tyler Perry's* five-year production deal with Viacom and will be centered on original movies and TV shows. It will also include content from **Tyler Perry Studios** as well as fellow Viacom nets **MTV**, **Comedy Central** and **VH1**. Pricing is still up in the air, but one source expected it to cost more than fellow Viacom streamer **Noggin**, which comes in at \$2.99/month. It's not the first talk of a BET streamer. Viacom CEO *Bob Bakish* said at an investor conference in February that the freshly-announced acquisition of **Pluto TV** would be an entry point into the Viacom ecosystem. It would then be used to upsell targeted DTC products, including **Noggin** and upcoming **BET** DTC products.

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Another Round: The **FCC** authorized \$166.8mln in funding over the next decade to bring broadband to an additional 60850 unserved rural homes and businesses in 22 states. Applications approved Monday include those from **Central Virginia Services**, **NTUA Wireless** and **Co-Mo Comm**. The funding comes through the second wave of support from last fall's **CAF Phase II** auction. Providers will begin to receive funding later this month. Overall, the auction allocated \$1.488bln to expand broadband to more than 700K unserved rural homes and businesses over the next 10 years. The first wave of funding came in May, releasing \$111.6mln of those funds for 37148 unserved homes and businesses in 12 states.

Better Than Before: Broadband investment was up \$3bln in 2018, according to the latest data released by **USTelecom**. USTelecom is estimating that broadband providers invested \$75bln in the year versus the \$72bln offered up in 2017. "In short, we're moving in the right direction," **FCC** chmn *Ajit Pai* said in a statement. "So in the time to come, we'll continue on the same course—full speed ahead. That means getting rid of more unnecessary regulatory burdens and updating more outdated rules so that we can continue to connect more Americans with high-speed broadband and digital opportunity."

Plan Ahead: **FCC** commish *Geoffrey Starks* sent letters to 14 major voice service providers Monday asking for details on their plans to offer free call blocking services to fight against robocalls. The move comes after the FCC approved a declaratory ruling and NPRM clarifying that providers could deploy call blocking by default on an informed opt-out basis. "Carriers made clear to the Commission: they want to offer call blocking services to consumers by default. My colleagues and I made clear to carriers: they should not charge consumers for these services," Starks said in a statement. "The Commission has acted. Now it is industry's turn to put these new tools to work for consumers." The letters question whether the providers will offer such call blocking services, their plans for implementation and how they intend to inform consumers of the service. Responses are due by July 10.

Big Bets: A group of 125 brands across 52 unique DTC categories collectively spent \$3.8bln on TV in 2018, a 60% jump from spending in 2017, adding \$1.4bln to the TV advertising marketplace. The **VAB's** "Direct Outcomes" report is its largest analysis to date, and looked at "emerging" brands (63 in 34 categories) and "expanding" brands (62 in 31 categories). Emerging brands spent over \$1.4bln in TV in 2018, a 167% YOY increase. Forty-one of the 63 brands were either new TV advertisers, or existing brands that more than doubled their TV investment YOY. Expanding brands spent more \$2.4bln on TV, a 29% increase over 2017.

What's Happening: Local news streamer **NewsON** is launching a free app for **Amazon Fire TV**. The app will give viewers access to live and on-demand video newscasts from 179 TV stations in 123 US markets. Up to 50 additional stations are in the onboarding process to be brought to the platform in the coming months. NewsON's app, which is also available on iOS, Android and Roku devices, sees total OTT viewing time of over 80K hours per day with the average session lasting over an hour.

Vice Out: **HBO** and **Vice Media** officially terminated their seven year relationship after the network canceled nightly news show "Vice News Tonight." The show will end in September, when HBO and Vice's deal expires. "We've had a terrific seven years partnering with Vice Media, first with the weekly news magazine series and most recently with the nightly news show," *Nina Rosenstein*, evp, programming at HBO, said in a statement. "We want to particularly thank *Josh Tyrangiel* for his tireless effort in creating a news show from the ground up, geared for a modern generation of viewers. We are very proud of what Josh and his team accomplished." Tyrangiel, Vice Media's news chief, will be leaving Vice, and former CEO and publisher of the **New York Post** *Jesse Angelo* has been named pres of global news and entertainment, reporting directly to CEO *Nancy Dubuc*. HBO had already decided not to renew the weekly show "Vice."

Ratings: **Fox Sports** saw ratings growth in its coverage for the 2019 **FIFA Women's World Cup**. Through Match Day 2, ratings are up 11% vs 2015 and 79% vs 2011. Norway vs Nigeria and Spain vs South Africa each brought in a 1.0/3 on Saturday, and Saturday matches on the net were up 150% from 2011 non-US group stage average.

People: **WarnerMedia** has tapped *Jessie Henderson* as evp, original feature films. Before coming to WarnerMedia, Henderson formed and served as co-pres of **Feigco Entertainment**. She's also held positions at **Universal Pictures** and **Chernin Entertainment**. -- In the wake of the **Disney/Fox** merger, *Sharon Klein* has been named evp of casting for **Disney Television Studios** and **FX Networks**, effectively immediately. She previously led **20th Century Fox Television's** casting team for 18 years. -- **INSP** promoted *John Roos* to evp, corp communications and research.

Obituary: *Betty Zeman*, marketing manager for **Cedar Falls Utilities**, died at home June 5 due to glioblastoma. Zeman was **Cablefax's** 2014 Independent Marketer of the Year.