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What the Industry Reads First

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Map Attack: FCC Chair Readying Broadband Mapping Overhaul

FCC chairman *Ajit Pai* kicked off Wednesday's **Senate Commerce FCC** oversight hearing with a bit of news—he'll circulate a report and order in August on broadband mapping that will require ISPs to report where they actually offer service. The idea is to drill down beyond census blocks. The map's problems have been top of mind, with Commerce chmn *Roger Wicker* (R-MS) beginning the meeting by announcing he will introduce legislation with a bipartisan group of Senators that would require the FCC to collect more granular data about where wired, fixed wireless and satellite broadband is available and isn't. "It is clear to me that short of a completely new approach to developing accurate and reliable maps, the FCC should not move forward on broadband funding decisions until it gets the maps right," Wicker said. Not a lot of details at this point on the order, though Pai said the agency will look to sources beyond ISPs to provide data, specifically mentioning crowdsourcing. Democratic commish *Jessica Rosenworcel* has consistently criticized the data and initiated her own crowdsourcing campaign in 2017. She called on consumers to send errors and stories of speeds short of what was advertised to BroadbandFail@FCC.gov. She continues to believe that a public input is essential. "As the agency moves ahead, it's essential that it embrace crowdsourcing—the best broadband map is not going to be built by one authority in Washington, it is going to be built by all of us," she said. **NCTA** has urged the FCC to use "shapefile mapping," arguing that it provides more granular info in the shortest timeframe. It appears that Pai's announcement took Rosenworcel and commish *Geoffrey Starks* by surprise. "I don't believe any of my colleagues knew, and that's one of the things we wanted to introduce—a topic we know that's of great interest to both sides," Pai said in response to questions by Sen *Brian Schatz* (D-HI) on why he didn't offer the Democrats a heads up. Schatz didn't appear satisfied, noting that he had his staffers check to make sure that they were as surprised as they looked at the hearing. "It's not enough to assign individual projects to members. They have to be in the loop so you're working together as a Commission," Schatz said. The problems with broadband data resonate with members on both sides of the aisle. "The data that you all generate doesn't match with the anecdotal data that we see in our communities," said Sen *Shelley Moore Capito* (R-WV), who introduced the Broadband Data Improvement Act last month with a bipartisan group of senators. Pai said he supports the purpose of Capito's legislation and will work with her. -- An FCC oversight hearing in the GOP-controlled Senate is naturally more friendly to

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Pai than a House oversight hearing, but the chmn still had to take some grilling. There was a lot of pushback on the FCC not requiring that phone providers not charge for robocall blocking, with Pai countering that the agency was hindered by notice and hearing requirements. Sen *Jon Tester* (D-MT) warned his head might explode if consumers are charged for call blocking. Pai also answered questions on his support of **T-Mobile/Sprint**, telling senators that he's had no contact with the White House on the matter and doesn't believe any other commissioners have either. As for his decision to voice support ahead of a **DOJ** decision on the deal, he had the support of Sen *Roy Blunt* (R-MO). "You know more about this than the Department of Justice does," Blunt said.

Comcast Gatekeeper Gaiski Exiting: Longtime **Comcast** exec *Jen Gaiski* will be leaving the company this year to pursue the next chapter in her career. She will continue to serve as an adviser until year-end. Gaiski was promoted to her current role of svp, content acquisition in 2007, but has been negotiating programming agreements within the cable industry for more than 20 years. It's not immediately clear what will happen with her role, which includes oversight of a multibillion dollar content acquisition budget, programming contracts and coordination of field operations and communications for Comcast's three cable operating divisions. Gaiski has been a perennial on **Cablefax: The Magazine's** "Most Powerful Women" Top 50 and was named a "Wonder Woman" by *Multi*. She also served on the board of the **WICT** Philadelphia Chapter for more than six years.

Across the Pond: **Sky** revealed plans Wednesday to launch **Sky Studios**. The development and production entity will create new offerings for Sky channels, **NBC** broadcast and cable outlets, **Universal Pictures** and other distributors. The Sky Studios plan is to see Sky's investment in original programming more than double over the next five years. *Gary Davey*, who currently serves as Sky UK's managing director, content, will lead Sky Studios as CEO. Production on six-part drama "The Third Day," a co-production with **HBO**, is set to begin next month.

Child's Play: **Viacom** is teaming up with **Emerge Gaming** to create a **Nickelodeon** competitive esports platform. The platform, to be called NickX, will be operated by Emerge Gaming. NickX will be a free service and accessible through the Nickelodeon website, Android and iOS apps. The platform will be monetized through brand take-up, premium subscriptions, in-app subscriptions and advertising across the platform.

Nexstar-Tribune: It appears **Nexstar's** plan to divest stations related to its proposed **Tribune** purchase drew only one petition to deny—and it was a little hard to find. It was submitted by **New Beginnings Movement** (NBM) in regards to Nexstar's request to assign Indianapolis' **WISH-TV** and Indianapolis station **WNDY-TV** to **Circle**

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**FINAL DEADLINE
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City Broadcasting (CCB), a newly formed minority led broadcaster owned by *DuJuan McCoy*. CCB would pay \$42.5mln for the two stations following the completion of Nexstar's acquisition of Tribune. Nexstar notes that New Beginnings petition wasn't filed in the merger docket and appears to have been filed electronically through CDBS. "NBM's petition fails on multiple ground, both procedural and substantive," Nexstar told the FCC this week. NBM holds an authorization for an FM radio translator station in the Indianapolis area. According to Nexstar, NBM allegedly had an arrangement with a third party to provide NBM space for its translator on a WISH tower on by Nexstar, but the third party allegedly breached the arrangement by making the space available to a different FM translator. "NBM's assertions revolve around a private contractual dispute that does not involve Nexstar," the broadcaster said. Nexstar also is divesting certain stations to **Scripps Media** and **Tegna**.

Done Deal: **BBC Studios** and **Discovery** closed the **UKTV** transaction that will see the latter take control of lifestyle channels **Really**, **Home** and **Good Food**. BBC Studios will now lead entertainment channels **Alibi**, **Dave**, **Drama**, **Eden**, **Gold**, **W**, **Yesterday** and digital service **UKTV Play**. Discovery and BBC Studios announced the deal in early April when the two also inked an agreement to partner on a natural history streaming service.

Another Round: **Simulmedia** closed a \$29mln Series E investment round at the end of last week. The round of funding was led by **Union Square Ventures** through their 2019 Opportunity Fund with existing investors **Avalon Ventures**, **WarnerMedia** and **Valiant Capital** also participating. The end of the funding round will also see former **Turner** pres *David Levy* rejoin Simulmedia's board as an independent director. Levy originally joined the board over two years ago, representing **Time Warner** and eventually WarnerMedia. He had to resign that seat with his recent departure from the company.

Midwest Investment: **ImOn Communications** revealed a multi-year plan to bring its residential broadband services to Dubuque, Iowa. ImOn has been building out its network in the area since 2017 and construction on its fiber-to-the-home offering is set to begin next spring. The buildout is expected to take at least four years to complete.

Just Added: **Cinedigm's** three SVOD properties are now available on **The Roku Channel**. Faith-based **Dove Channel**, fact-focused **Docurama** and niche interest **CONtv** can be added to users' lineups for \$4.99 a month each after a free trial period.

Friendly Fun: It's a summer of soccer for sure, and **Mediacom** founder and CEO *Rocco Commisso* couldn't be more excited. News came Wednesday that Italian soccer club **ACF Fiorentina**, which Commisso acquired last week, will participate in the 2019 International Champions Cup, replacing AS Roma. Three matches are scheduled for Fiorentina in July (July 16 vs Chivas de Guadalajara in Bridgeview, IL; July 20 vs Arsenal in Charlotte, NC; and July 24 vs Benfica in Harrison, NJ). "As a proud Italian American, I can think of no better way to introduce myself as the new owner of ACF Fiorentina than to play in the International Champions Cup," said Commisso in a statement. "I am especially excited for Fiorentina's match on July 24th in Harrison, NJ, as the New York metropolitan area is where I grew up, played soccer, founded my cable company, Mediacom Communications, and continue to live today."

Ratings: The US Women's National Team's record-setting blowout of Thailand (13-0) on Tuesday also saw the best metered market rating on **Fox Sports** for any soccer telecast on English-language television since the 2018 Men's FIFA World Cup Final. The 2.2/7 rating is up 5% from the US 2015 opener and up 175% from 2011.

Set Your DVR: OK. Maybe don't set it yet. It's not coming out until 2020, but **Rocky Mountain PBS** is at **The Cable Center** this week filming a documentary on cable history. Participants include **Starz** founder *John Sie*, **Comcast** Mountain West Region svp *Rich Jennings*, **Cable Center** CEO *Jana Henthorn* and many others familiar names.

Programming: **INSP's** latest original "Turquoise Fever" will premiere on the network on August 14 at 9pm. -- **EPIX's** "Pennyworth" will premiere on July 28 at 9pm. The drama's first season will include ten hour-long episodes. -- **A&E** is extending the first season of "Live Rescue" by 10 episodes, bringing the first season total to 19. The new episodes will continue airing on Mondays at 9pm. -- On July 5 **TBS** is celebrating 30 years of "Seinfeld" with a 30-episode marathon of the iconic sitcom. Programming kicks off at 6am.

People: *Christy Haubegger* has been named **WarnerMedia** evp/chief enterprise inclusion officer. She'll report to WarnerMedia CEO *John Stankey* and will be tasked with driving business growth through investment in diverse audiences. Haubegger previously spent 14 years at CAA leading efforts to become a leader in representing women and people of color. -- Ex-**Starz** evp, original programming *Marta Fernandez* was tapped as pres, **MACRO Television Studios**, the production house that develops, produces and finances content that seeks to accurately represent people of color. Projects include film "Mudbound" and TV series "Dawn."

Think about that for a minute...

Shrinking News

Commentary by Steve Effros

There were hearings this week in Washington on the turmoil in the news business. The focus this time was not on “fake” news or First Amendment issues, it was about the business of news, how it has massively changed, and why it is now endangered. It’s a tough problem, and as you will see, the cable industry has intimate familiarity with some of the issues and a not totally comfortable intellectual position.

Here’s the fundamental problem; newspapers (and many magazines) appear to be in trouble. Granted, I’m talking about more than the “news,” publications or “journalism” per se, but let’s just look at the issue from that perspective. The journalism folks are loudly complaining, with apparent good cause, that Google and Facebook are killing them. A study released on Monday shows why. It’s estimated (and the numbers, of course, are challenged) that Google made about \$4.7 billion in 2018 derived from their aggregated “Google News” platform and related searches. To give you some perspective, news outlets claim that their total revenue from digital advertising was only \$5.1 billion that year.

Whatever the numbers really are, there can be no doubt that the aggregators of digitally available news are making a whole lot of money by using the associated information they then get from consumers to sell advertising and other data. The folks creating all that news want a share of that money. After all, they are the ones creating the product that folks want to read! There’s legislation being considered that would modify the antitrust laws to allow the news folks to band together to have more leverage in negotiating a deal with the Googles of the world.

Of course Google argues that it is actually helping all those news sites because it highlights them and then sends millions (billions?) of “clicks” to their sites! Does all this sound



familiar? Think retransmission consent. Cable aggregated the “free” tv channels and provided a delivery service to viewers. But in the process that introduced more competition to local broadcasters who said they were going to go out of business (no tornado alerts!) unless they got a piece of the financial benefit cable derived from delivering their product. Pretty much the same argument.

But the two examples diverge at this point. The broadcasters got legislation through that allowed them to demand money for the use of their “free” programming if it was delivered by cable. But there were very, very few broadcasters in any given community, so they achieved maximum leverage in any “negotiation” over what the fee should be.

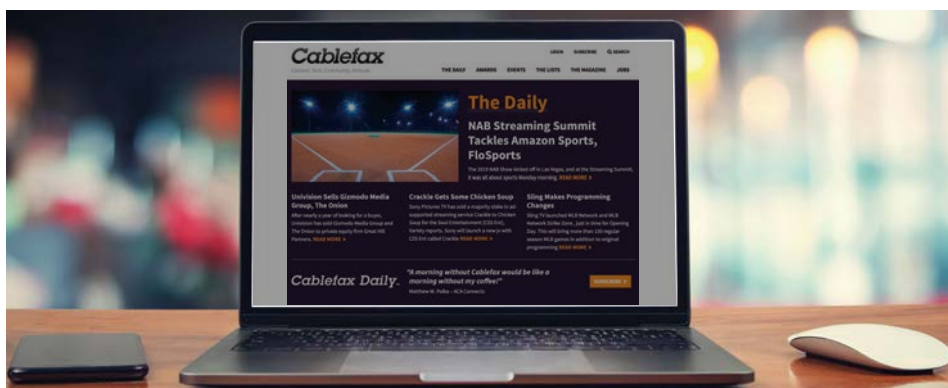
In the Google case, there are lots of news sources, so without the ability to negotiate as a group (which is what this new legislation would allow) it’s Google which retains the negotiating leverage. All fascinating, and I suspect in one way or another the news outlets will eventually succeed in getting some revenue. They need it, and we need them.

Now for a little rant about the newspapers from my myopic point of view: Hey, folks... wondering why you’re losing readers? Consider who your largest cohort of readers is: older folks. The young read on screens. So what are you doing? Constantly listening to your young graphic designers and making the font smaller and smaller! Then you print things in colors that make it even more impossible to read, and then you wonder about why a lot of us have simply given up on reading the paper or the magazine? A little situational awareness might be useful!

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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