

# Cablefax Daily™

Monday — July 1, 2019

What the Industry Reads First

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## Still Valuable: Beachfront Remains Optimistic on Traditional Linear TV Space

For the past several years, OTT has driven a lot of talk when it comes to advertising. And while that's led to some incredible innovation in addressable advertising and DAI, linear has fought for some of that oxygen. Enter ad tech startup **Beachfront Media**, whose real-time tech enabling set tops to monetize advertising from OTT to VOD is now headed to linear TV. "We leaned into the traditional TV space, and no one's doing it. Everyone's running to OTT, but we figured that out three years ago," Beachfront CEO *Chris Maccaro* told **CFX**. "It gave us the flexibility to be able to focus on another area of need that's being underserved." Beachfront partnered with **Frontier Communications** to develop set-top box VOD live and now has two MVPDs live with supply, with eyes on three more by year-end. Closing those deals would allow Beachfront to reach close to 30mln addressable households. "We're now in the early to mid-level stages of developing an RTV [real TV] solution for linear, and we're highly confident we'll be in a lab environment in some kind of alpha testing by end of Q3," Maccaro said. "The only remaining platform is linear, live." On the tech side, Beachfront is able to allow programmatic access to VOD inventory, claiming that an advertiser can set a campaign live and have it running in a VOD environment in under 15 minutes. The goal now is to have VOD bridge legacy linear TV and OTT. "We locked arms with Frontier in Q4 of last year, and started dev work. If you think about a set-top box, which is what makes a house addressable today, right now VOD supply is growing, monetization is getting slightly better, but by any measure success is about 50% to 60% sell-through and what is getting sold is getting sold at high single digit to low double digit CPMs," Maccaro said. "We said let's solve that problem first. We think technically it's easier to solve, we have our sights set on linear, and we'll figure that out." With companies beginning to hold tight to their own data, Maccaro argues that advertising companies such as **FreeWheel** and **Xandr** also will bring automation to the traditional TV ecosystem. "As it relates to ad decisioning, I would be very concerned if I was an MVPD or a content owner if I was leaning on a competitor to determine decisions for me," he said. Beachfront recently hired vp, advanced TV *Ben Abbatiello* away from competitor **SpotX**. For Abbatiello, priorities lie not just in solving the fragmentation problem at Beachfront, but for the industry-at-large. "With that problem comes the understanding that it's not just a yield gain, and that's what programmatic vendors



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**Advertising Opportunities:** Contact Olivia Murray at [omurray@accessintel.com](mailto:omurray@accessintel.com).

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and SSPs and DSPs really focus on. That yield gain needs to sit alongside the idea of sponsorship, newfronts, cross screen formats. There's bigger initiatives at play, you have to honor that and think about ad decisioning along those lines," Abbatiello said.

**Companies Celebrate World Pride Industry-Wide:** Fifty years ago, the gay rights movement exploded onto the scene with the Stonewall Riots. Now, with World Pride taking place on Sunday in NYC, companies across the industry are showing their support for the community. **Verizon** partnered up with **PFLAG**, the nation's first and largest organization supporting the LGBTQ+ community, for its "Love Calls Back" campaign. Verizon released a 3min video that interviews members of the LGBTQ+ community and their parents and/or siblings. The company also made a \$250K donation to PFLAG. **Comcast NBCU** became the first corporate sponsor of the LGBTQ Digital Archives Project, created by the **ONE Archives Foundation**. Comcast will donate \$150K to the project that will digitize materials that document LGBTQ history in America. The Foundation is working with the **Smithsonian** to further develop the initiative. "Comcast NBCUniversal recognizes, celebrates, and supports diversity and inclusion, which is at the very heart of our culture," *Juan Otero*, vp of diversity and inclusion for Comcast Corporation, told **CFX**. "We are proud of our rich history of showcasing groundbreaking LGBTQ content and talent, inclusive benefits, and partnerships with LGBTQ suppliers and community organizations. We are pleased to be able to support the ONE Archives Foundation's efforts to digitize important historical LGBTQ materials, making them more accessible to the public." Comcast also has an LGBTQ Film & TV Collection. **CBS Corporation** is a platinum media sponsor of WorldPride and WorldPride NYC Pride March in NYC, the first time the event has been held in the US. **Showtime** sponsored multiple pride events throughout the month, ahead of the upcoming sequel to "The L Word." A series of PSAs ran throughout the entire month on CBS, **CBS All Access** and Showtime.

**Fubo Sports Network Launches for Free:** **fuboTV** is going free with the Thursday soft-launch of the **Fubo Sports Network**. The live TV network promises to offer event coverage, news and exclusive programming with fubo rolling out originals starting in August. At launch, Fubo Sports Network is available on ad-supported service **Xumo** as well as on fubo's base subscription package.

**Senators Propose FCC Partner with States on Rural Broadband:** Sens *Susan Collins* (R-ME) and *Doug Jones* (D-AL) teamed up on Thursday to introduce a bipartisan bill directing the **FCC** to offer up \$5bln in matching grants to assist states in improving their broadband infrastructures. The American Broadband Buildout Act of 2019 would require that the funding be matched through public-private partnerships between service providers and the state

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in where the infrastructure projects reside. The bill would require that those funds be directed to unserved areas where broadband is unavailable at speeds that would meet the FCC's standard. ABBA projects would be future-proofed with the infrastructure being installed needing to be capable of delivering higher speeds as broadband advances. "This recognition that we are all in this together: providers; communities; states; and the federal government has a chance to move the needle on rural broadband like no program before it has," **Telephone Association of Maine** executive director *Ben Sanborn* said in a statement.

**Ratings:** It's not just the US Women's National Team dominating on the soccer field this year. The Gold Cup Group Stage on **Univision Nets** reached more than 28m total viewers 2+ and more than 11m A18-49, and delivered the top three men's matches of the current year. Matches airing on Univision (9) averaged 1.3m total viewers, and the USMNT (3 matches) averaged 1m total viewers 2+ on Univision Nets.

**Programming: Sony Pictures Television** and production company **Hivemind** are teaming up with video game developer **Square Enix** to develop an adaptation of the "Final Fantasy" video game franchise. -- **VH1** is diving into real estate with "Love & Listings," hosted by *Jacob Knight* (son of *Suge Knight*). The series will premiere July 31 at 9pm.

## Cablefax Dashboard

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Pop is a verb that means to cause to make a sudden, explosive sound.

Or, in this case, Pop has caused #OneDayAtATime fans to make sudden, explosive sounds.

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### Up Ahead

- July 11:** FCC SHAKEN/STIR Robocall Summit; DC
- July 18-21:** Comic Con; San Diego
- July 24-26:** NAMIC Leadership Seminar; Chicago
- July 28-31:** The Independent Show; Chicago
- Aug 4:** CableLabs/NCTA Smaller Market Conference; Keystone, CO

### Research

- > 69% of video ads served in 1Q19 were 30-second ads, a massive increase that's in direct correlation with a drop in 15-second spots.
- > 15-second spots accounted for 28% of video ads in the quarter, down from 36% in 4Q18 and 48% YOY.
- > While 60-second ads only make up 3% of all ads, their quantity has increased five-fold since 1Q18.

(Source: [Extreme Reach](#))

### Quotable

Now when it comes to mid-band 5G, one of the most critical steps that the FCC can take is to approve the T-Mobile/Sprint transaction. Right now, Sprint has tremendous mid-band spectrum resources. But the record before the FCC makes clear that the company standing alone does not have the capacity to deploy 5G in this spectrum throughout large parts of rural America. On the other hand, if the T-Mobile/Sprint transaction is approved, the combined company will have the capacity to do just that. We should seize this opportunity to provide 5G to rural America and close the digital divide. -- **FCC chmn Ajit Pai** in [remarks to the New York State Wireless Association](#)

## Cablefax: What's Happening... July

Cablefax Daily Digital Edition: [www.cablefax.com/daily](http://www.cablefax.com/daily) • Online Product Listing: [www.cablefax.com/advertise](http://www.cablefax.com/advertise)

#### JULY

#### Cablefax: The Magazine – July Issue Top Operators

Cablefax's annual magazine recognizing large and small operators for innovation, community service and financial wizardry.

#### Summer TCA

Once again the TV critics will descend on Los Angeles, and we will cover executive sessions and programming developments at this bi-annual gathering.

#### EDITORIAL:

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#### ADVERTISING: AWARDS:

#### The Independent Show

Cablefax will cover every moment of the annual NCTC and ACA gathering in Chicago, sharing the latest on technology, regulatory and business strategy from independent operators.

#### Comic-Con

We'll look at why this consumer event is on everyone's must-attend list.