

# Cablefax Daily™

Friday — July 12, 2019

What the Industry Reads First

Volume 30 / No. 132

## Hammer Time: AT&T Files Suit Against Max Retrans

AT&T filed a lawsuit in US District Court in St Louis Thursday against **Max Retrans**, whose principal is former **Nexstar** exec *Duane Lammers*. The company claims in a heavily redacted suit that it has suffered damages by broadcast consulting firm Max Retrans breaching a 2016 non-disclosure agreement that prevents it from disclosing AT&T's confidential rates and contract terms with any client other than the specific station group engaged in the specific negotiation. In other words, there should be no sharing of one station group's terms with another station group. "The lawsuit arises from our concern that Max Retrans has not complied with a non-disclosure agreement that enforces confidentiality principles the **FCC** has explicitly moved to protect," AT&T said in a statement. "That confidentiality prevents negotiators like Max Retrans from using one station owner's retransmission consent rates—established on the basis of the popularity of that station within the specific market it's licensed to serve—as the basis for compensating other stations—with entirely different content, network affiliations, resources or civic commitments—that the FCC has licensed to serve their own distinct communities." **Cablefax** was not able to reach Max Retrans or Lammers for comment by deadline. AT&T is in the midst of many retrans blackouts right now. On May 30, AT&T lost 17 stations represented by different independent broadcast owners. Another three stations from a different owner went dark on June 10. AT&T has filed an [FCC complaint](#) alleging that the nine different broadcast groups that own the stations appear "to be managed and controlled by **Sinclair Broadcast Group**" and have failed to negotiate retrans consent in good faith. AT&T is also about to enter the second week of a retrans black out with Nexstar that involves more than 100 stations. Notably, AT&T recently made a \$500K donation to **Locast** parent **Sports Fans Coalition New York**. Locast is a free service that lets consumers stream local TV stations. It's available in 13 cities, including NY, Dallas, DC, Chicago and Sioux Falls.

**Charter-NY PSC All Settled:** The **NY PSC** voted Thursday to approve a settlement with **Charter** that resolves a dispute over whether the MVPD met buildout conditions imposed when it acquired **Time Warner Cable** in 2016. Comments on the proposed settlement, which was revealed in April, were due to the Commission on Monday. "While some of the comments in the record suggest that the Commission should not adopt the 2019 settlement agreement because of concerns about Charter's prior performance, the Commission notes that, this new agreement has more granular targets and report-



C2HR  
CONFERENCE

October 16-17, 2019 Philadelphia

engage.  
empower.  
elevate.

Join human resources professionals for industry-specific insight and networking!

Register at [C2HRCON.org](https://C2HRCON.org)

Cablefax Daily (ISSN 1069-6644) is published daily by Access Intelligence, LLC • www.cablefax.com • 301.354.2101 • Editorial Director: Amy Maclean, 301.354.1760, amaclean@accessintel.com • Publisher: Michael Grebb, 323.380.6263, mgrebb@accessintel.com • Senior Editor: Sara Winegardner, 301.354.1701, swinegardner@accessintel.com • Associate Editor: Mollie Cahillane, 212.621.4951, mcahillane@accessintel.com • Acct. Exec: Olivia Murray, 301.354.2010, omurray@accessintel.com • VP Marketing: Amy Jefferies, 301.354.1699, ajefferies@accessintel.com • Director of Marketing: Kate Schaeffer, kschaeffer@accessintel.com • Prod. Mgr: Joann Fato, jfato@accessintel.com • Kerry Smith, Divisional President, Marketing & Media Group, ksmith@accessintel.com • Group Subs or Subscription Questions, Client Services: 301.354.2101, clientservices@accessintel.com • Annual subscription price: \$1,749.00/year • Access Intelligence, LLC, 9211 Corporate Blvd., 4th Floor, Rockville, MD 20850

ing requirements that will enable the Commission to more efficiently track Charter's performance," the PSC concluded. Under the settlement, Charter must continue to invest in network expansion to bring broadband to 145K unserved/underserved addresses in upstate NY by Sept 30, 2021; provide \$12mIn in additional funds to further expand coverage beyond those addresses; and meet various interim milestones. The first deadline is Sept 30, when it must have built out to more than 76K addresses. By Jan 31, 2020, it should top 87K. Should the company miss a buildout commitment, it faces a \$2,800 payment on a per address basis. Compliance with these milestones will be reported by Charter on the 15th of every month. "We're pleased the PSC has approved the agreement, and we look forward to continuing to serve our customers and expanding the availability of high-speed broadband in New York State," Charter said. The settlement resolves litigation between the two in NY State Supreme Court and revokes a PSC ruling that Charter would have to stop providing service in the state. The PSC noted that the agreement doesn't constitute a finding or admission of any violation by Charter. The NY PSC addressed several of the comments that have been filed in the record, saying some—such as suggestions for additional protections for low-income consumers, internet speed upgrades and studying the impact of an ongoing strike against Charter in the state—go beyond the scope of Charter's buildout. The Commission noted Charter already is required to increase network speed to 300Mbps by the end of this year. One important issue in all this is whether Charter can overbuild to addresses that are scheduled to get broadband through another wired provider because of a grant from the new NY Broadband Program. The settlement limits Charter to expanding to no more than 9400 of those addresses, and it sounds like Charter should have less than that. "Charter filed a Plan of Record that only identified 6,614 addresses that are in the BPO wireline overlap category (more than 4,300 of which are already constructed), significantly less than the 9,400 contemplated in the 2019 Settlement Agreement," the PSC said. In the end, one PSC commish, Diane Burman, dissented to the agreement, according to Commission documents. However, Burman told *The Times Union* that she considered herself as abstaining, instead of voting no. She told the paper she objected to the process, citing a special session being held last July to kick Charter out of the state while she was on vacation.

**AT&T Offers Weather Info Amidst Retrans Battle:** DirecTV and U-verse customers won't be without local emergency weather information while Nexstar stations remain dark. AT&T is launching national and local emergency weather information services on Friday to keep customers in the know on the latest involving Tropical Storm Barry, which is expected to make landfall along the Gulf Coast sometime Saturday. The weather info will be on DirecTV channel 361 and on U-verse channels 1226 (HD) and 226 (SD). It's not the first time AT&T has made such a move, creating similar channels for Hurricane Michael (2018), Hurricane Irma (2017) and Superstorm Sandy (2012). Major local station

# Corporate Licenses

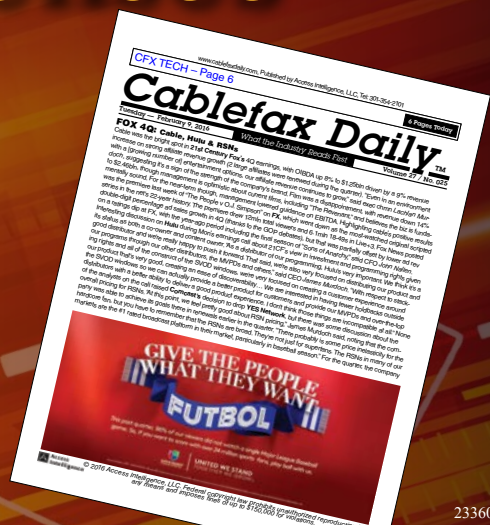
## Cablefax Daily

**WHAT THE INDUSTRY READS FIRST.**

Get reduced subscription rates for multiple readers in your organization.

Find out more! Contact Client Services at [clientservices@accessintel.com](mailto:clientservices@accessintel.com)

[www.cablefax.com](http://www.cablefax.com)



groups including **Sinclair**, **Fox Television Stations**, **Meredith Broadcasting** and **Hearst Television** have agreed to provide local news footage to AT&T. As for when the two will work out a deal to restore Nexstar stations for customers, the pair's next meeting has been delayed by one day. "AT&T has been ready to negotiate since Nexstar removed its stations more than a week ago," an AT&T spokesperson said. "As we enter the second week of their blackout of our customers, Nexstar has canceled our scheduled meeting for Friday and it now has been rescheduled for Saturday."

**Markey Blockchain Bill Gets Senate Thumbs Up:** **Senate Commerce** passed legislation that would see the Dept of Commerce establish a blockchain working group to recommend a definition of the tech. The Blockchain Promotion Act from *Sen Ed Markey* (D-MA) would see the working group consider recommendations from the **NTIA** and **FCC** to take on a study examining the impact of blockchain on spectrum policy and increased efficiency within the federal government. *Sen Todd Young* (R-IN) co-authored the legislation along with Reps *Doris Matsui* (D-CA) and *Brett Guthrie* (R-KY).

**ESPYS Celebrate Sports Stars:** Aside from some well-received comedic ribbing by host *Tracy Morgan*, **ESPN** mostly tugged our heartstrings at the ESPYS Wed night with inspirational stories ranging from the rampant 1960s racism faced by basketball great *Bill Russell* to the incredible journey to high school head coach for *Rob Mendez*, who was born without arms or legs. Russell won the Arthur Ashe Award for Courage, and Mendez took home the Jimmy V Award for Perseverance. Other speeches emphasized gratitude and teamwork, which came in handy as the US Women's National Soccer Team and World Cup champions arrived mid-show, having just gotten off a cross-country flight from their ticket-tape parade in NYC. The much celebrated gals, who received a standing ovation when they entered the venue during a commercial break, won for Best Team. After the event, everyone from hot basketball recruits like *RJ Hampton* to seasoned football stars like the New England Patriots' *Rob Gronkowski* roamed the Staples Center grounds. Even **WWE** power couple *Stephanie McMahon* and *Paul Michael "Triple H" Levesque* were spotted at the downtown Marriott nextdoor to the Microsoft Theater as they made their ways to the after parties. Check out the inspirational segments on *Bill Russell* and *Rob Mendez*. The broadcast of the event on **ABC** ranked No. 1 on Wednesday night, pulling in 3.9mln viewers. It held even with its year-ago telecast in both viewers and A18-49.

**Univision Highlights Seven Crucial States for Hispanic Voters:** **Univision** released new 2018 Hispanic voting data for seven states (AZ, CO, GA, NM, NC, OH, PA) ahead of the 2020 elections. It found that Hispanic voter registration significantly increased across states. In AZ, nearly 3 in 10 new voters were Hispanic and in CO it was 1 in 5. In New Mexico, nearly half of all new registered voters were Hispanic, and in NC the number of Hispanic registered voters grew 28%. In terms of turnout, growth in Hispanic voters aged 18-24 tripled on average across the seven states and nearly doubled ages 25-34. As engagement increases, political advertising is expected to continue growth. Univision saw a 67% increase in these ads from 2014 to 2018. "As the leading Hispanic media company in the U.S., Univision knows that our audience will play a decisive role in the 2020 campaign. Hispanic America turned out in unprecedented numbers in 2018 across all age groups and we expect that trend to continue into the 2020 election cycle. This new data from seven additional states demonstrates that Hispanic voters are a crucial demographic and any candidate or issue group that wants to win must speak to Latino voters in-language and in-culture," said CEO *Vince Sadusky*.

**Happiness Gap Grows between Small Business and Large Enterprise Customers:** The satisfaction gap between large enterprise and very small business wireline customers grew again in the past year, according to the latest study from **JD Power**. In the large enterprise segment, **AT&T** won out with a score of 844, followed by **Verizon** (833) and **CenturyLink** (806). Verizon flipped the script in the small/medium business segment, scoring 813 and beating out AT&T by one point. **Cox** ranked third with 789. Verizon was also victorious in the very small business segment with 762, beating out Cox (756) and **Comcast** (739).

**'Stranger Things' Attracts Record Viewers:** The third season of **Netflix's** "Stranger Things" pulled in record amounts of viewers, according to **Nielsen**. Across the July 4 holiday weekend, ST3 had an average minute audience of 12.8mln US viewers and reached 26.4mln unique US viewers. The first ep over four days had 19.2mln US viewers in the average minute, up from 17.7mln for the premiere episode of Season 2. On July 4, 824K US viewers watched all eight episodes of the season.

**People:** **Cisco** veteran *Yvette Kanouff* is leaving the company to join venture capital firm **JC2 Ventures** as partner and CTO, reuniting her with *John Chambers*. Kanouff will lead JC2 Ventures technology strategy, while also serving as its engineering interface to investment companies and channel partners. Kanouff most recently served as the head of Cisco's \$7bln service provider business and has held leadership roles at companies including **Cablevision**, **SeaChange International** and **Time Warner**.



## PROGRAMMER'S PAGE

### Have a Holly Jolly July

For those who just can't handle having to wait until Oct 25 to start binging Christmas movies and downing the eggnog, Hallmark is your Christmas spirit animal. **Hallmark Channel, Hallmark Movies & Mysteries** and **Hallmark Movies Now** all are featuring Christmas content this month, with the flagship net kicking off its two-week "Keepsake Christmas" programming on Friday. This isn't just about a desire to play secret Santa. Hallmark routinely dominates 4Q ratings with its Christmas fare, and its ongoing July stunt has shown there's no cannibalization. "When we began airing Christmas in July programming as part of a limited weekend event on Hallmark Channel in 2012, we saw a huge influx in audience levels and knew we were on to something," **Crown Media Family Networks** pres/CEO *Bill Abbott* tells us. Crown established a second Christmas in July event on HMM and the rest is history. "[We are] now featuring two-full weeks of 24/7 holiday programming on both networks in the month of July. And the viewership continues to grow year after year making these events more and more successful. So, really, these franchises do the opposite of diluting 'Countdown to Christmas' and 'Miracles of Christmas;' they further reinforce Hallmark's leadership position in the holiday programming space." This isn't just a way for Crown to regift its Christmas content, with originals also premiering during the two-week span, including HMM's "Christmas Camp," in which an ad exec is shipped off to a camp to learn about all things Christmas as she tries to land a toy company as a new account. "That said, our holiday movie reruns in July earn great ratings by themselves, so we save the overwhelming majority of our new movies for 4Q," Abbott noted. And what a 4Q it will be, with Hallmark Channel and HMM set to debut a record 40 hours of Christmas movies. What about the grinchers who tune in to the nets in July looking for beaches and fireworks? "It comes down to the ratings—they don't lie," said Abbott. "We know that we can never make 100% of viewers happy 100% of the time but the overwhelming majority of our audience can't seem to get enough of our holiday programming." — *Amy Maclean*

**Reviews:** "Biography: JFK Jr., The Final Year," 9pm, Tuesday, **A&E**. Critics usually warn viewers when someone leads a production about a person they're close to, or were. The result often is a love poem. Fortunately, that's not entirely the case here. *JFK Jr* met *Steven Gillon* when the latter was a teaching assistant at Brown. (This 2-hour doc includes a funny story about Gillon's first lecture. The topic of the lecture was the morals of the Kennedy Administration. JFK Jr was sitting in the front row. Talk about pressure.) Eventually Gillon became close to the Kennedy scion, helping him edit "George," the political magazine. While it's more a nostalgic than critical look at JFK Jr's final year, Gillon's access yields good material and previously unseen footage. His access to JFK Jr pal *Carole Radziwill* also is a plus. -- "Shangri-LA," part 1, 9pm, Friday, **Showtime**. Similar to the program above, this 4-part doc about the home/recording studio of pop impresario *Rick Rubin* has an intimate at the helm. It's Rubin himself. So, it's not a surprise that this is an uncritical view at Rubin. On the other hand, this untraditional choice is not completely detrimental to the production. The strength of the first ep is how it shows the process of making and recording music. It's a rare treat. — *Seth Arenstein*

#### Basic Cable P2+ Prime Rankings\*

(07/01/19-07/07/19)

Mon-Sun	MC	
	US	US AA
	AA%	(000)
FNC	0.658	2,011
MSNBC	0.393	1,200
HGTV	0.372	1,135
USA	0.327	1,000
TLC	0.322	982
HIST	0.296	905
HALL	0.284	867
ID	0.279	854
INSP	0.261	797
DISC	0.250	765
A&E	0.249	760
FOOD	0.246	750
TBS	0.246	750
ESPN	0.237	724
CNN	0.224	683
NICK	0.217	663
FS 1	0.213	651
FX	0.205	625
TNT	0.198	605
TVLAND	0.198	604
HMM	0.193	591
FRFM	0.190	581
NAN	0.189	579
LIFE	0.166	506
HBO	0.158	482
SYFY	0.157	478
VH1	0.155	473
BRAVO	0.153	468
OWN	0.149	454
NATGEO	0.147	449
TRAVEL	0.146	446
ADSM	0.144	441
WETV	0.143	438
AMC	0.142	435
APL	0.141	432
GSN	0.138	420
MTV	0.131	402
DSJR	0.129	394
PARA	0.121	370
NKJR	0.119	363
LMN	0.116	354

\*P2+ L+SD rankers are based on national Nielsen numbers, not coverage.

Reach your target audience **TODAY** at the Independent Show

**Ignite**  
The Independent Show

July 28-31, 2019

**Chicago**

Presented by NCTC & ACA Connects

Need help driving traffic to your booth or securing meetings?  
Looking to promote the launch of a new product?

**SECURE YOUR AD SPACE TODAY!**

**Cablefax Daily:** Special print distribution before and at the show in pub bins  
as well as electronic distribution to c-suite level paid subscribers.