

# Cablefax Daily™

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What the Industry Reads First

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## StreamStorm: Execs Ponder Future of Content at TCA

It's no secret that modern TV content delivery has evolved into a multi-faceted beast that feeds off a smorgasbord of distribution options—with consumers and TV execs caught in the middle of what can feel like a chaotic food fight. And now with **Disney**, **AT&T's WarnerMedia** and **NBCU/Comcast** all planning to launch new streaming services in the coming months to compete with the likes of **Netflix**, **Hulu**, **Amazon** and others, it's anyone's guess how things will shake out. But execs who took questions at Summer TCA in LA over the last couple weeks expressed a willingness to go with the flow, no matter what happens (as if they have a choice). On Monday, **ABC Entertainment** president *Karey Burke* even sent a shot across the streaming bow, arguing that broadcast and traditional TV still offer the best home for creators and citing Nielsen numbers that suggest 85% of streaming shows perform below a 0.1 rating, "which is to say they don't really perform at all. So we believe we offer creators the superior platform." Critics even chuckled when she pointed out that with streaming, "sometimes they get a billboard on Sunset, and sometimes they disappear into the sunset." For show creators, it's an abundance of riches in terms of options, but Burke insisted it has been more of a plus than a minus for the nets. "We don't feel any sort of infighting for content," she said. "Our studio partners are very good about working closely with the talent and guiding the projects to the right home." For others with decidedly less scale than a Disney or Netflix, it's all about carving out a niche and meticulously crafting shows. "Even given the crazy volume of content today, as well as the rapidly changing nature of content platforms, some key things remain constant," said *Sarah Barnett*, **AMC Networks** president, entertainment networks earlier in the tour. "For all the turbulence in the entertainment industry today, at heart, it's still about finding and showcasing strikingly great work." **Starz** COO *Jeffrey Hirsch* even scoffed at the notion that the smaller-scale streamers and nets must get big or die—or just sell out to larger entities. "I think Netflix has done a phenomenal job of convincing everybody in this room and everybody on Wall Street that unless you spend \$13 billion you can't compete and you should take your ball and go home," he said. "That's just not the case... But ultimately we think people will have four or five services in their home... If Netflix and Amazon and Hulu are trying to replace television, we're happy to be again sold on top of it." **Amazon Studios** chief *Jennifer Salke*, formerly **NBC's** president, entertain-

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ment, said even big players still must curate content for multiple niches. “We’re not in the volume business,” she said. “We’re in the curated business of bringing individual shows, show by show by show by show, to our global diverse audience.” Even on streaming, she said the basic principles of the TV business—creating buzz-worthy shows—remains constant. “We say you’re part of a greater value package across all of Amazon, and we also know from our experience in these jobs, this is a hit-driven business,” she said. Over the weekend, **The CW** chief *Mark Pedowitz* told critics that he doesn’t worry about cannibalization across platforms, but “the consumer is going to make the determination what they want to buy as an SVOD service or not, how they want to do it and what they want to do, and I think it’s going to go down to dollars and cents of what you want to pay.” In the end, the old Hollywood adage may hold true: Nobody knows anything. As producer *Marc Cherry* of “Desperate Housewives” fame noted last week, “I would not be surprised if the television landscape changed dramatically five years from now.” Neither would we.

**Management Team Set for Potential CBS-Viacom Joining:** The rumor mill continues to swirl around **CBS** and **Viacom**, but reports state that the two have reached a working agreement on the management team of the combined company should they pursue a merger. Viacom CEO *Bob Bakish* would become CEO of the new company while acting CBS CEO *Joe Ianniello* would continue overseeing all CBS assets. CBS CFO *Christina Spade* will also be elevated, becoming CFO for the combined company. The future of Viacom CFO *Wade Davis* remains up in the air. While this marks the third time the two have explored a merger in four years, agreeing on the future leadership structure eliminates a major roadblock. People close to the companies told *WSJ* that a deal could be announced before the end of the month while **Fox Business’** *Charlie Gasparino* tweeted Monday that there was a 50% chance of a deal being announced this week. Both companies will be reporting 2Q19 earnings on Thursday.

**FCC Seeking to Further Modernize, Reminds of FEMA Test:** The **FCC** Media Bureau is seeking comment on a proposal to allow MVPDs to send certain required notices electronically. The current rules require cable operators and DBS providers to give written notice to a local broadcast television station before deleting or repositioning the station or commencing service in a market. Rather than being delivered via mail, certified mail, or hand delivery, the NPRM would allow notifications to be delivered via email. Comments are due on Sept 4 with the reply deadline set for Sept 19. -- **FEMA**, in coordination with the FCC, will conduct a nationwide test of the Emergency Alert System on Wednesday with the message being sent to radio and television stations at 2:20pm EDT. The test will not include the Wireless Emergency Alert system, which sends alerts to mobile phones.

**Verizon Expands Phone Plan Options:** Verizon announced a new lineup of Unlimited phone plan options, begin-

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ning Monday. Verizon's mix-and-match portfolio now includes five plans: Start Unlimited, Do More Unlimited, Play More Unlimited, Get More Unlimited, and Just Kids (introduced first in April). Start Unlimited is the cheapest plan, starting at \$70 a month, and includes unlimited 4G LTE data, unlimited talk and texting, 480p "DVD-Quality" video streaming (which doesn't qualify as HD), talk, text, and data in Mexico and Canada, Verizon Up rewards, and a 6-month subscription to **Apple Music**. However, Verizon notes in the fine print "In times of congestion, your [unlimited 4G LTE] data may be temporarily slower than other traffic (only after 25 GB/mo on Play More Unlimited, 50 GB/mo on Do More Unlimited and 75 GB/mo on Get More Unlimited)." In other words, data speeds could be throttled depending on congestion. The most expensive package is Get More Unlimited, starting at \$90 a month. It comes with everything in the cheaper plans, as well as 75GB of "premium" 4G LTE data, 720p HD video streaming, 30GB of 4G LTE hotspot data, and Apple Music.

**Windstream's Kinetic Upgraded in Iowa:** Windstream completed a major broadband upgrade to parts of Iowa's Poweshiek and Mahaska counties. About 1700 homes in Montezuma, Deep River and Barnes City now have access to 300Mbps Kinetic internet. Windstream spent \$75K on the rural broadband update.

**Four More Cities Receive Fidelity Gigabit Speeds:** Fidelity Communications has added Rolla, MO; Nevada, MO; Lebanon, MO; and New Roads, LA to its roster of One Gig cities. Fidelity now offers gigabit internet speeds in 18 of its 20 cable modem communities.

**Dalton Gets 10 Gig Residential Services:** Residents of Dalton, GA will get a 10-Gig residential service from Dalton Utilities' OptiLink. The city was one of the first to launch municipal Fiber-to-the-Home networks in 2003, and the launch of GIGLink in 2018 made available a dedicated Gigabit service to every home in the community. The new 10 GIGLink connection starts at \$349.95, and 1 Gigabit connections start at \$79.95.

**Tubi Launches OOH Branding Campaign:** AVOD service Tubi launched its largest out-of-home branding campaign to date in NYC, LA, Chicago and Detroit on Monday. An aerial stunt is planned to take place over LA Monday, and media will also include CTV, Taxi TV, DOOH and digital and social launches. The campaign targets consumers experiencing "subscription fatigue" and copy includes things such as: "Dear Netflix, I didn't think you'd find out. I streamed Tubi last night" and "Dear Hulu, I was with Tubi last night, but I only watched."

**Don't Retire, Kid:** ESPN and tennis star Sloane Stephens partnered up for public service campaign "Don't Retire, Kid," alongside the Aspen Institute's Project Play. The initiative is aimed at reversing the national trend of diminishing participation in youth sports. In 2018, only 38% of kids aged six to 12 played team sports on a regular basis, down from 45% in 2008, according to the Sports & Fitness Industry Association. ESPN will incorporate campaign messaging and discuss the importance of youth sports during live MLB, Little League World Series and X Games telecasts.

**Ratings:** Paramount Network's drama "Yellowstone" pulled in series high L+3 ratings for the July 31 in P18-49 (1.9) M18-49 (2.0), and M25-54 (2.8). The ep averaged 4.9mIn total viewers. Its 2.7 P25-54 rating is up 7% from the season average. The net's unscripted series "The Last Cowboy" drew double digit ratings growth in key demos over the previous week. The second episode of the first season drew in a .33 P18-49, up 19% over the prior week.

**Programming:** Hallmark Movies Now is giving subs all new content for the month of August. The streamer's first original series "When Hope Calls" will be airing new episodes every Friday beginning Aug 30, and the original movie "In the Key of Love" premieres Aug 11. The streamer also will offer 11 Hallmark series and films. -- **Science Channel** is launching a new Wednesday night lineup starting Aug 7. The Season 2 premiere of "Building Giants" kicks off at 9pm, followed by the series premiere of "Monster Ships," which looks at how the world's largest vessels operate while crossing global waters. -- **NBA TV** will televise all five USA Basketball Men's National Team exhibition games, beginning with the Blue-White intra-squad game live from Las Vegas on Aug 9, at 10pm. The USA vs. Spain exhibition game airs on Aug 16, at 10pm from Anaheim. The network will round out its coverage with three world feed game telecasts from Australia, including two USA vs. Australia exhibitions on Aug 22, at 5:30am and Aug 24 at midnight, then USA vs. Canada on Aug 26 at 5:30am. -- **Netflix** announced it has canceled "The OA" after two seasons. "We are incredibly proud of the 16 mesmerizing chapters of The OA, and are grateful to Brit and Zal for sharing their audacious vision and for realizing it through their incredible artistry," said Netflix head of originals Cindy Holland.

**People:** National Geographic Partners is splitting its Business and Legal Affairs division into two separate departments: Legal Affairs and Television Business Affairs. Jeff Schneider will serve as evp of television business affairs and operations, and Evelyn Miller has been tapped deputy chief counsel of National Geographic Partners.