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What the Industry Reads First

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Try Again: AT&T TV Launch Stumbles With DirecTV Now Rebrand

It was an ambitious Monday for AT&T with the company rolling out its AT&T TV service to 10 markets and revamping DirecTV Now with a new name and logo. Unfortunately, not all went according to plan. Problems seemed to begin late Sunday with customers turning to Twitter to report difficulties signing into the app to access their newlydubbed AT&T TV Now service. AT&T identified the problem Monday morning and resolved the issue, but did not reveal the cause. It seems likely that the problem could be traced back to AT&T TV's launch as both services are housed in one app, which AT&T began rolling out to current DirecTV Now users as an update. For now, AT&T TV will be limited to Orange, CA; Riverside, CA; West Palm Beach, FL; Topeka, KS; Wichita, KS; St Louis, MO; Springfield, MO; Corpus Christi; TX; El Paso, TX and Odessa, TX. On the bright side, AT&T TV's launch did offer up more details on where exactly the service fits in comparison to the rest of AT&T's video portfolio, and it seems to be most closely related to DirecTV. Its base Entertainment tier clocks in at \$59.99/month with a 12-month contract, or \$79.99/month with internet included. And yes, early termination fees do apply. AT&T sets itself apart by not requiring a satellite dish or a cable box. "It was created to help us reach customers who either can't use satellite for a variety of reasons or live outside AT&T's broadband footprint and can't access U-verse TV," an AT&T spokesperson said. Instead, the service is delivered via AT&T's 4K-enabled next-gen streaming device, with subs also able to access it directly through a web browser or on the AT&T TV app. AT&T is calling its next-gen device "televisionary," touting it as the new hub of your home. Its features include universal search, the ability to control syncable smart home devices and a 500-hour cloud DVR. Google Assistant is built-in to both the device and its accompanying voice remote. Streaming services are integrated into the device, giving interested customers an easy way to access **WarnerMedia**'s HBO Max when it launches in the spring. With the lesser equipment requirements and the extra features, AT&T is hoping to keep subscribers by offering a linear experience full of perks at a lower price point. During AT&T's 2Q earnings call, CEO Randall Stephenson said that AT&T TV allows the company to take its customer acquisition costs and cut them in half. "And the beauty of that is that you can begin to address a fundamental problem with the current linear TV business, and that is the price point," Stephenson said.

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Altice and CuriosityStream Sign Carriage Deal: Streaming service CuriosityStream will now be in an additional nearly 5mln homes, thanks to a carriage deal with Altice USA. The cabler's Optimum and Suddenlink video customers now have complimentary access to all of CuriosityStream content. "Altice is such a forward-looking operator who is looking to create the most frictionless environment they can for the consumers. We both saw a unique opportunity to help leverage that," CuriosityStream pres/CEO Clint Stinchcomb told Cablefax. "I do think trends are shifting [for more base-level bundling], and I do think we're helping lead the shift with Altice." Altice USA plans to add CuriosityStream to its Altice One entertainment and connectivity platform, as well as to its OnDemand platform and mobile apps. CuriosityStream first launched in 2015 as a brainchild from John Hendricks, the founder of Discovery Channel. Discovery and BBC Studios recently struck a 10-year global partnership deal that incorporates a global SVOD service launching in 2020 with natural history content. "I think competition makes everybody better. We welcome the competition, and oftentimes imitation is the sincerest form of flattery," Stinchcomb said. Last November, CuriosityStream completed external fundraising to raise \$145mln. "We're pouring that money into programming. Into programming first, and second into marketing. That's enabled us to grow the overall quality of the service and tell more people about it," he said.

FCC Reveals Impact of CenturyLink's Winter Network Outage: As many as 22mln customers across 39 states were affected by **CenturyLink**'s nationwide network outage last December, according to an **FCC** report released Monday. The FCC report traced the fiber network outage to an equipment failure exacerbated by a network configuration error. The outage also left approx 17mln customers across 29 states without reliable access to 911 with at least 886 calls to 911 going undelivered. FCC chmn *Ajit Pai* called the "sunny day" outage completely unacceptable and encouraged communications providers to "take heed of the lessons learned from this incident." The report laid out network reliability best practices that could have prevented the outage or, at the very least, lessened its impact. They included turning off or disabling any system features that are not in use; having standard operating procedures for network repair, especially in cases where normal networking monitoring procedures are out of commission; and including processor utilization alarms that are regularly audited.

<u>Disney Unveils International Streaming Rollout</u>: Disney+ is set to launch in Canada and the Netherlands on Nov 12, the same day as the US rollout. It will then launch in Australia and New Zealand on Nov 19. In the US, Disney+ will cost \$6.99 a month and will cost about the same internationally adjusted for exchange rates. The streaming service is priced at \$8.99 CAD in Canada, €6.99 per month in the Netherlands, \$9.99 NZD in New Zealand and \$8.99 AUD per month in Australia. Ahead of the launch, **Disney** activated Disney+ social media accounts on **Instagram**, **Facebook** and **Twitter**



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on Monday. The company said the app will be available on Apple, Google, Microsoft, Sony and Roku devices.

Canoe Drives 6.7bln VOD Impressions: In 2Q19 Canoe served over 6.7bln ad impressions in VOD content, slightly down from the 6.8bln in 2Q18. This brings its YTD total to over 13.1bln impressions. Nearly 83% of viewership came in on traditional set-top boxes, and 17.5% on other devices. This is the first quarter that the number of advertising impressions it delivered went down, which it said is due to added competition from new streaming VOD platforms. On average, VOD viewers saw 3.9 ads during mid-roll breaks in the quarter, up from 3.87 in the second quarter a year ago. In the second quarter, 60% of viewers saw individual spots just once per episode, up from 57% a year ago, with 26% seeing the same ad twice.

BelN Trying Again at FCC: Earlier this month, belN Sports submitted an emergency application at the FCC, asking the agency to review the Media Bureau's July 2 decision denying its carriage complaint against Comcast. BelN has been arguing since March 2018 that Comcast discriminated against its programming in favor of that provided by its own NBC Sports Net and NBC Universo. Comcast dropped belN programming in August 2018. The programmer argues that the Bureau made an "unprecedented departure" from FCC precedent by deciding itself the merits of the case, rather than forwarding the proceeding to the administrative law judge. The Media Bureau said last month that belN had failed to make a case because it concluded that belN en Español is not similarly situated with Hispanic-focused Universo. It did find that belN is similarly situated to NBC Sports Network and treated differently than it, but concluded Comcast didn't discriminate on the basis of affiliation or non-affiliation. "The Bureau's finding of legitimate commercial reasons was solely based on Comcast's say-so, without giving belN any opportunity for discovery," belN said. Not surprisingly, Comcast is opposing FCC review, arguing that the Bureau acted well within its discretion. "It is squarely within the Bureau's authority and discretion to decide program carriage cases on the merits, without ordering discovery, based on the complaint, answer, and reply," Comcast said.

Xumo Launches on Comcast: AVOD service **Xumo** is making moves with its largest pay-TV partnership to date. The streamer is now available on **Comcast** Xfinity set-top boxes as well as Android TV-powered smart TVs and streaming devices. With this, Xumo is now available on more than 30 different devices in the US. X1 users can access it through a dedicated app or through the X1 voice remote. The service is also available on Xfinity Flex.

<u>US Open Coverage Kicks Off From New York:</u> ESPN will carry more than 160 hours of exclusive, live US Open coverage this year. It all started Monday with the start of qualifying and will culminate in the with the women's championship on Sept 7 and the men's championship on Sept 8, both at 4pm. ESPN has expanded its coverage of the qualifying rounds this time around. Via ESPN+, fans will be able to view action on five courts from Aug 19-23 from 11am through the end of play each day. **Tennis Channel** will serve as another destination for analysis and commentary. "Tennis Channel Live at the US Open" will kick of Aug 26 at 8am, preparing fans for the day ahead. The network will also carry encore coverage of the Open with all-night match blocks running at midnight during the first ten days of the event, beginning at 11pm on Sept 5-6 and kicking off at 8pm on Sept 7-8.

<u>Bakish Eligible for \$31mIn from ViacomCBS</u>: As pres/CEO of ViacomCBS, *Bob Bakish* is set to receive \$3.1mIn in base salary and eligible to receive annual grants of equity compensation with an aggregate target value of \$16mIn, according to an SEC filing. His target annual cash bonus is \$12.4mIn. Other tidbits from the filing: CBS CEO *Joe Ianniello* reports to Bakish, but the board has exclusive authority to modify his duties or terminate him. As widely reported, Ianniello receives a \$70mIn payout when the deal is complete.

<u>Programming:</u> **ESPN** is celebrating man's best friend on Saturday with 12 hours of programming for "ESPN Dog Day." Programming kicks off at 12pm on **ESPN2** and ends at 6pm, with the majority repeating on **ESPNEWS** from 6pm until midnight. -- **HBO** and interactive content studio **Survios** partnered to launch "Westworld Awakening," a VR game based on the TV show. It'll be available in more than 400 VR arcades worldwide and available for download for \$29.99 on **Steam**, **Oculus** and **VIVEPORT** beginning Tuesday. -- **VH1** greenlit "RuPaul's Drag Race" and "RuPaul's Drag Race All Stars" for their twelfth and fifth seasons, respectively.

<u>People</u>: Joe Chow, previously of Cisco, Technicolor and Quantenna, was tapped to run CommScope's CPE segment. He fills the role previously held by <u>Larry Robinson</u>, who CommScope said will leave the company in mid-September to pursue other interests. -- Sinclair tapped <u>Cathy Jamison</u> as vp, sales and marketing of its TV group. She previously served as CMO of liquor brand start-up Original Jel Shot Co., and previously had roles with Fox Sports Florida and Fox Sports Sun.