

# Cablefax Daily™

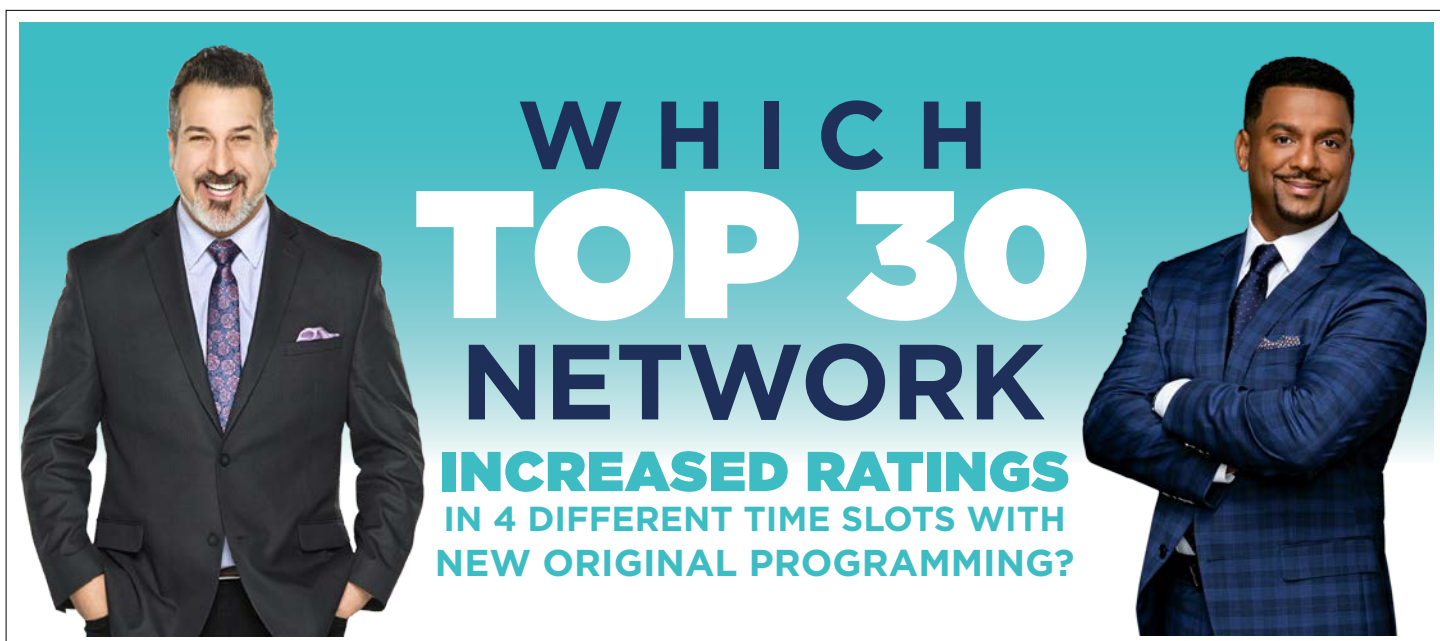
Thursday — December 19, 2019

What the Industry Reads First

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## 5Qs: CuriosityStream's Clint Stinchcomb Talks Carriage Deals, Sub Growth

*It's been quite the year for non-fiction SVOD streamer CuriosityStream, which just surpassed 10.5m total subs. Numbers were boosted by a new bundled carriage model that has given it distribution to all customers in around 20 service plans, including Altice USA in the US, Millicom in Latin America and StarHub in Singapore. Cablefax talked with pres/CEO Clint Stinchcomb about the streamer's explosive growth, carriage deals, and what's next. An edited excerpt follows.* **You've had one US distributor start to carry you in this bundled way, do you think this is the future?** We'll see certainly more of that in the US. We're a globally focused company in the factual space, and factual content tends to travel a lot better and easier than scripted programming. We don't have the fractured rights issues. We control the rights to the overwhelming majority of our content. Outside the US, the pay TV market is actually growing. We've taken great pains to build out a programming library that covers the full factual category [science, history, technology, nature, society and lifestyle]. We push on those bundle opportunities, so our proposition to distributors is unlike those other legacy networks that have been coming to you with massive rate increases. We're going to convey to you a very broad scope of rights, and we'll give you lots of pricing and packaging flexibility. We still have a strong DTC business, and that continues to grow. Another area we've had a lot of success in 2019 is we sell to corporations. We've had 45 corporations in 2019 say yes to buying CuriosityStream for all of their employees. **So is SVOD not really a model that makes sense? Is the landscape too crowded now?** It does. There's way too many SVOD services today, upwards of 250 in North America. There'll be a lot of these companies that go out of business. As far as the largest media companies, it's still a great business for Netflix, Hulu and Disney+. They're global with globally appealing content, and no fractured rights. I think HBO Max will have success and Apple TV+ will have a lot of success. I think you'll also see a lot of bundling. We see great bundling opportunities with our MVPD partners, they can offer a basic VOD bundle. We'll see Peacock in some of those VOD bundles, maybe a service like Pluto in a basic VOD bundle. Bundling and bulk is a big part of the future for the companies that can deliver value there. It's crowded for the niche players, but it's not too crowded for the big ones. I think they'll all be successful, it's just a matter of how successful. It's re-



**WHICH  
TOP 30  
NETWORK  
INCREASED RATINGS  
IN 4 DIFFERENT TIME SLOTS WITH  
NEW ORIGINAL PROGRAMMING?**

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ally difficult to be successful as a niche player, which is why we're focused on the full category of factual. If you're ultra niche, you better own all of your programming and have no programming costs, and you better own your own marketing and have no marketing costs. **Is CuriosityStream's plan more of an international play versus the US in terms of carriage?** It's all of the above. We have more subscribers outside the US and we'll continue to simply because there are more people and more distributors, and the business outside is growing. We definitely think that an offering in a cable operator in an expanded basic package that gives access to 3K on-demand titles is a much better proposition to the operators than continuing to pay for 10 linear channels that nobody really wants. The good news for us is we continue to grow in both places, and simply due to the scope and scale of the world outside the US. **Does CuriosityStream's 10.5mln subs include cable packages? What does having that number mean?** What we announced are global paying subscribers. If we included customers on free trial, it would be a dramatically higher number. We're including bundles, education, corporate and pure direct subs. We even have what we call MVPD a la carte agreements which are some of the ones we did when I first got here with Comcast and Amazon and others, but we're moving away from that. **How do you view competition such as BBC and Discovery's upcoming streamer?** We always welcome competition. We like our hand, we have great content proposition, people are gravitating to it. It's unclear what that service will even look like. They have a car SVOD service, a kitchen one, they have a lot of things to focus on. We're focused on one thing.

**NCTC Pens Deals with Cogent, Zayo:** NCTC, which now represents more than 750 broadband and cable operators within the US, signed partnerships with IP service providers **Cogent Communications** and **Zayo** to give its members cost-effective options to deliver broadband service to their customers. NCTC members will have access to Cogent's IP Transit product along with Zayo's communications infrastructure capabilities. "NCTC will work to create efficiencies and growth opportunities for Cogent through a common master agreement and a streamlined approach to managing new circuits," NCTC pres *Rich Fickle* said in a statement. Speaking on the Zayo partnership, Fickle said the relationship "allows us to explore ways to work together on applications of new technologies including 5G backhaul, gaming and other emerging opportunities pursued by our members."

**Cox Wraps Sale of Media Assets to Apollo-Owned Group:** **Cox Enterprises** has completed the sale of its TV and radio stations, including its assets in Ohio, to a new media company that is majority owned by affiliates of **Apollo Global Management**. Cox Enterprises will maintain a minority stake in the new company, which will include the assets from **Northwest Broadcasting** and will continue to operate under the Cox Media Group name.

The Answer is...

**GAME  
SHOW  
NETWORK**

**600 Original episodes in 2019.  
1000 Original episodes slated for 2020!  
The best is yet to come.**



Source: Nielsen Media Research, NPower Time Period Report, P2+, Trad. Prime, Total Day & Fringe, 12/31/2018 - 11/28/2019, CVG AA% RTG, Game Show Network ranked against Ad-Supported Cable networks. Star Trak Media, L+SD, P2+ IMP, program averages 12/31/18 - 11/29/19 vs. same time period year ago (1/1/18-12/30/18).

*Kim Guthrie* will lead the new Cox Media Group as pres/CEO, overseeing all content, sales and operations for the company's businesses. *Steven Pruett* is joining the leadership team as executive chmn. Pruett most recently served as evp/chief TV development officer at **Sinclair Broadcasting Group**.

***DISH Launches Addressable Solution:*** **DISH Media** in January will out Reach Booster, which uses its addressable TV tech and data for linear TV buyers to drive incremental reach across the DISH and **Sling TV** footprint. The product aims to identify households initially missed, or not sufficiently served, during a national linear campaign. The company says an initial linear schedule reached 58% of its target audience across both platforms, but that adding Reach Booster expanded the campaign's total reach to 86% (an additional 1.8mln households).

***Sprint Unveils Robocall Options:*** **Sprint** rolled out two robocall solutions for customers Tuesday, one free and one for a fee. Sprint Call Screener Basic is a free service that identifies unwanted malicious calls and allows users to block them. For \$2.99/month per line, customers can access the Sprint Call Screener Plus service, which categorizes incoming calls as spam, robocalls or fraud calls. It also identifies, blocks and reports additional calls that are lower-risk, but still a nuisance for customers. The services are available for both Android and iOS devices. Customers will receive a 15-day free trial of Sprint Call Screener Plus and, when that trial ends, will be automatically enrolled in Sprint Call Screener Basic if they choose not to continue subscribing to Plus.

***Netflix by the Numbers:*** **Netflix** shares closed up 3.7% Tuesday after the streamer released historical, global sub data for the first time. Not surprisingly, the data illustrates the growing importance of Netflix's business outside the US. The Asia Pacific region is its fastest-growing segment, with paid subs exceeding 14mln at the end of September 2019, up from 4.6mln in March 2017. EMEA (Europe, Middle East & Africa) jumped to 47mln from 19mln during that same period, while Latin America grew to 29mln from 15mln. The US and Canada showed higher penetration, but slower growth, rising from 54mln in 2017 to 67mln. The US and Canada have the highest average monthly revenue per paying streaming members, \$12.35 at the end of September 2019. That compares to \$8.21 for Latin America, \$10.26 for EMEA and \$9.31 for Asia Pacific.

***EMX, Viamedia Deliver Programmatic Ads In Live Linear TV:*** **Viamedia** and **EMX** teamed up for a market trial of advanced addressable ad tool QTT, reporting successful delivery of programmatic ads into live cable TV. The market trials were in WOW!'s Columbus, OH system, and mark the first time the digital video advertising marketplace and the cable TV marketplace successfully joined.

***NAMIC Names Top Companies for People of Color:*** **NAMIC** named the top companies of 2019 for people of color among both operators and programmers, stating that the 10 companies are "recognized as leaders in fostering diversity and inclusion in the cable and communications industry." On the operator side, **Altice USA**, **Charter**, **Comcast**, **Cox** and **Mediacom** came out on top, and **AMC Networks**, **NBCUniversal**, **REVOLT**, **TV One** and **ViacomCBS** round out the top five on the programmers side.

***Programming:*** **Tennis Channel** is ringing in the 2020 season with the inaugural ATP Cup Jan 2-12. The tournament features the US and 23 other countries in Australia beginning Jan 2 at 5:30pm on the linear net and **Tennis Channel Plus**. -- **CNN** ordered new series "The Story of Late Night" from **Cream Productions**. The docuseries will track the history of late-night TV from its inception. -- **AXS TV** is bringing back "The Very VERY Best of the 70s" for Season 2 on Jan 23 at 8pm. -- "Mythic Quest: Raven's Banquet" will premiere on **Apple TV+** on Feb 7. The series follows a team of game developers running a popular video game.

***People:*** **Evan Adlman** joined **AMC Networks** to take on the newly-created role of svp, advanced advertising and digital partnerships. He'll oversee the digital partnerships, programmatic business and operations team while working closely with the broader ad sales team on its go-to-market strategy. He reports to pres, ad sales and partnerships **Kim Kelleher**. Adlman most recently served as svp, enterprise sales for **Condé Nast**. -- **Comcast Advertising** tapped **James Rooke** to lead **Effectv** (formerly **Comcast Spotlight**) as the company's new gm, effective Jan 1. He currently serves as the manager of **FreeWheel Publishing**. -- **Roku** CFO **Steve Loudon** is stepping down after helping the company in its search for a successor. He plans to relocate back to the Seattle area with his family. Loudon entered the role in 2015 and has been applauded for his role in growing the company since its 2017 IPO. -- **Jonathan McCormack** was appointed deputy director of the **FCC's** Rural Broadband Auctions Task Force, which oversees the agency's efforts to efficiently distribute USF support to expand the deployment of broadband to unserved communities. McCormack currently serves as an attorney advisor in the FCC's Office of Economics and Analytics.

## Think about that for a minute...

### Stay Tuned

Commentary by Steve Effros

This is the last column for this year. Normally around now every columnist or reviewer looks back at the past year, points out the highlights, the “best movies, books,” or whatever, and then prognosticates on what’s coming. But I figure you’ve been with me for the journey over the last year, thank you, and we’re always, in this business, talking about what’s coming. I usually refrain from doing that. Not this time.

Yes, we’ve had the usual; too much consumer press surprise about the new OTT streaming services being announced, and then jacking up their prices by close to 50% in the first year and a half of existence, for instance. Heck, we were warning folks years ago that “a la carte” was most certainly not going to make things cheaper! And of course, the hype about the latest technology is trending true to form. This time it’s 5G. You could very easily go back and take out the term “HD” from articles and ads from years past and insert “5G.”

Actually, that’s not quite true. HD, while it took years and a government mandate to fully catch on, provided noticeably better pictures for home viewers. 5G will also take many more years to finally roll out than is being suggested now, but it’s not going to be all that obvious what the benefit is for the average phone user. When the hype really started going, for instance, T-Mobile promised that 5G would be 10x faster than 4G. Today, the operator is promising a 20% speed boost. AT&T doesn’t even promise anything any more. They just have a tagline on their 5G commercials saying “...Imagine what it can do for you!” I’m still trying.

But there are some very important things coming up in the next year that we need to really focus on, and they are both difficult and potentially game changing.



As this year ends I want to put a bit of a spotlight on two of them. First is the increasingly rancorous discussion about whether the edge providers, particularly Facebook, Google and Twitter, should be allowed to continue to “hide” behind the protection of “Section 230” of the Communications Decency Act which says they are not responsible for the things users of their networks post. Politicians on all sides and at the edges as well are starting to seriously consider major changes to that provision. This is not a “right” or “left” thing, the pressure is uniform across the spectrum. What happens if Facebook, et. al. are recharacterized as publishers, with real liability? This would force a tectonic shift in the entire Internet ecosystem. There’s no question we have a problem with uncontrolled, dangerous media manipulation, and blatant abuse of privacy, but is that the answer? It could start happening next year.

Also, are we in danger (if it is a danger) of “decoupling”? That’s the theory that different countries, particularly the U.S. and China are moving in the direction of breaking up the technical structure of broadband. We have already started banning the use of Huawei’s dominant 5G equipment in the U.S. China is now starting a purge of non-Chinese technology in their governmental computers. What if we wind up with two, “decoupled” and in some ways incompatible systems? That could get very messy.

Yes, as usual, I want to wish you all the best for the New Year, and a Happy Holiday. But in 2020, more than most years, I have to start out by saying, nay, warning; stay tuned!

*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.)*

**TELL US WHAT ELSE WE SHOULD KNOW ABOUT YOUR WORK CULTURE.**

**Cablefax is seeking nominations for The 2020 Work Culture List.**

This recognition program pulls back the curtain to give a glimpse at the culture behind the company names, shining a light on the magic that happens when work enhances your life.

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Deadline: December 20, 2019

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

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