

Cablefax Daily™

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What the Industry Reads First

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Still Kicking: AR Breaking Through in 2020, VR Awaiting Chance to Shine

It's been a few years since futurists and technology companies alike claimed that the age of VR was upon us, but it is still far from the norm to own a headset or device capable of transporting folks to other worlds or environments. It's clear from a handful of CES 2020 panels on the subject that the technology is far from dead. Advertisers, brands and content creators are finding ways to utilize mixed reality experiences in ways that feel intuitive and accessible to general audiences. For *Jeff Lucas*, **Verizon Media's** head of North American sales and global client solutions, extended reality (a combination of VR/AR technologies that the company has dubbed XR) opens up a world of possibilities by allowing a static ad to come alive. Lucas is nothing short of a mixed reality expert, serving as **Snap's** vp/global head of sales before coming to Verizon Media. "It allows you to enhance an image and a product and bring it to life for a user, and allow them to interact with it in one form or another," Lucas said. "It enhances the physical environment, adding a thin digital layer to let consumers see something new, something different, a different version of things." Lucas also has been working to introduce various publishers to the technology and the ways in which it can bring stories to life. The advent of 5G has only expanded the opportunity that comes with mixed reality technologies. "It opens up the pipe and there's more ability for a creator to drive more creativity through that pipe because they can carry more data," Lucas said, adding that the lower latency to come with 5G will also play an important role. "In a sense, it makes it seamless between content and an AR advertisement." For those still looking for the best way to enter the mixed reality space, Lucas said it's best to set out with clear goals and a good understanding of what is actually achievable. "You can't expect it to be the end all of everything," he said. He also advised teaming up with someone that already has experience in the space. On the programming side, **The Weather Channel** has fully embraced what it calls immersive mixed reality, a type of augmented reality technology that allows it to bring storm systems to life in a studio environment. It does so using a platform powered by the Unreal Engine, a suite of tools that is widely used in the design and production of video games. "Our success is based off our total and complete buy-in that this is a platform for storytelling, that the Unreal Engine can visualize and show a narrative that really makes the unimaginable real," Weather's vp, design *Michael Potts* said. This year, Weather will be opening a studio built for use with IMR technology and is promising to integrate

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IMR into 80% of its programming. That will mean finding the right daily hooks for IMR implementation, and you may be hearing less out of the meteorologists themselves as they let the technology do the talking. "We're going to show more and say less with our presentations," Potts said. For Weather, meeting its 80/20 goal for 2020 would not have been possible without complete commitment from the top down, and that's something Potts is hoping to see from other programmers. When asked about why standalone VR technologies have struggled to take off in the way that AR-based ones have, Potts said the price point and difficulty that comes with setting up headsets have proven to be huge hurdles. "Once that becomes more mainstream and it becomes as easy to use as your phone and as accessible as a gaming console as far as price, that adoption point might allow for more content creation and consumer experiences," he said.

Judge Dismisses Max Retrans Suit: A federal judge on Thursday granted **Max Retrans'** motion to dismiss **AT&T's** breach of contract lawsuit. AT&T had **accused** Max Retrans of conducting negotiations in a way that violates a nondisclosure agreement prohibiting the unauthorized sharing of AT&T's confidential information with third parties. In this case, AT&T said the third parties were nine independent broadcasters with **Sinclair** management agreements that were represented by Max Retrans, a consultancy firm ran by *Duane Lammers*. The US District Court for Eastern Missouri found that each station group was participating in a joint negotiation led by Lammers and thus not a "third party" and entitled to confidential information. "We're reviewing the ruling and considering our options," AT&T said. In November, the **FCC's** Media Bureau found that the nine broadcast groups represented by Max Retrans (**Deerfield Media, Howard Stirk Holdings, Waitt Broadcasting, GoCom Media, Mercury Broadcasting, MPS Media, Nashville License Holdings, Roberts Media, and Second Generation of Iowa**) violated rules requiring good faith retrans negotiating. The broadcasters have asked the FCC to reconsider that decision.

Majority of Marketers Use Advanced TV: OTT and connected TV was the most purchased type of advanced advertising in the past year, according to research from **Comcast's FreeWheel**. The survey of around 300 marketers found that 66% of respondents bought advertising on OTT/CTV. Both addressable TV and full-episode players were bought by 57%, audience-based linear by 56%, virtual MVPDs by 33% and set-top box VOD by 33%. Spending optimism surrounding OTT/CTV was also the highest, increasing from 37% in 2018 to 59% in 2019. Addressable TV also jumped in optimism, from 38% to 54%. VMPVD fell to 27% from 33%, and linear fell from 5% to -8%. Advertisers are still turning to digital video to extend the reach of their TV campaigns more than any other digital medium. Almost 8 out of 10 respondents (78%) cited digital video as the medium they're most likely to use to add reach, followed by social media with 61%. The survey also found that advertisers and marketers expect audience-based buying to increase in 2020. In linear TV, the expected

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- SCTE•ISBE's President and CEO, Mark Dzuban



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audience-based percentage jumps from 41% to 47%, and in advanced TV from 47% to 55%.

CBA Proposes Mandatory Clearing Fee for C-band Auction: The **C-Band Alliance** may have lost its bid to free up C-band spectrum via a private auction, but the companies that compose the group aren't done fighting with the FCC over how satellite operators with existing licenses should be compensated. In a document filed Thursday with the Commission, CBA argued that the **FCC** should require bidders in the upcoming C-band auction to pay for "accelerated clearing" to incentivize satellite providers to assist in the "rapid clearing of the lower 300 MHz of the C-band" and the enabling of 5G services on the band. It also claimed that such acceleration payments could guarantee the transition of existing C-band service to 60% less spectrum in 18-36 months and as much as double the proceeds generated from a C-band spectrum auction. "In the long run, recognizing that existing license holders should be both fairly compensated and incentivized to participate in technological transformation will enhance the value of FCC licenses (and future auction revenues), by providing additional certainty to all current and prospective license holders about the scope of the rights conferred by those licenses," CBA wrote.

Editor's Note: Your next issue of **Cablefax Daily** will arrive Tuesday evening due to Martin Luther King Jr Day.

Cablefax Dashboard

Tweet Tweet

 **John Legere** @JohnLegere
The merger trial for our proposed @TMobile and Sprint merger has wrapped up. We have appreciated the opportunity to present a strong case on why this deal is good for consumers. I want to thank everyone involved for their hard work!

 **Patrick Flowers** @PatrickFlowers
I'm no zoologist, but if a peacock comes out of that hen's eggs, someone's going to have some explaining to do, @peacockTV. #PeacockTV 🐔



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Thursday, Jan. 16 | 12pm ET

Up Ahead

Jan 21-25: [NATPE Miami](#)

Jan 27-30: [Realscreen Summit](#); New Orleans

Feb 7: [Cablefax 100 Nomination Deadline](#)

Feb 16-18: [NCTC Winter Educational Conference](#); Las Vegas

March 17-19: [ACA Connects Summit](#); Washington, DC

April 1: [CTAM Think](#); Philadelphia

Research

- 25% of US broadband households have watched video on a free, ad-based OTT service in the last 30 days.
- No single ad-based OTT service dominates the market. Among the leaders, 7% of US households use The Roku Channel, 6% watch Pluto TV and 6% use Crackle.
- 1/3 of broadband households have trialed an OTT subscription service in the last 6 months.

(Source: [Parks and Associates](#))

Quotable

"It seems Congress hits an error 508 message every time it tries to address net neutrality. Common-sense proposals for a compromise on net neutrality to protect Americans are met with fear mongering, political rhetoric and demands for ideological purity—on both sides of the aisle... We urge our colleagues in Congress, as well as all the stakeholders who have contributed to this national discussion, to step away from partisan corners or entrenched positions and join our working group's goal of a bipartisan path forward. Imagine the benefits for all Americans if both parties come together, fix this challenge and break the endless error 508 loop." — **Sens Roger Wicker (R-MS) and Kyrsten Sinema (D-AZ)** in an op-ed for [USA Today](#)



Who Deserves to Rank Among Cablefax's Annual Top Power Players?

The Cablefax 100 salutes the most influential executives whose leadership continues to take the industry to new heights. We will rank the top professionals in the media, cable & broadband industry and publish the list in the June edition of Cablefax:The Magazine.

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