

Cablefax Daily™

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What the Industry Reads First

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5 Questions: Fox News Ad Chief on Upfronts, Political Ad Spending

Fox News was the first network to cancel its upfront event in light of COVID-19, shifting to a virtual town hall for clients. It's a different world right now for advertising, but the upfront selling season continues on. With news especially vital these days, we chatted with Fox News Media ad sales evp Jeff Collins about the future of those splashy upfront presentations, what the ad market looks like for cable's most-viewed network and expectations for political. An edited excerpt follows.

Do you think that big upfront presentation is coming back or is it one of the things forever changed by the pandemic? We've heard folks in the past who might complain about having to go [to multiple presentations], but what I've seen is many of our clients have voiced that they are actually looking forward to it coming back again. Overall, to get everybody in the same room together and to be able to, if you're a client, get a very good understanding of 6, 7, 8, 9 networks in one week and what their schedules are... We've been told from our clients that's relatively efficient as opposed to a Zoom here, a Zoom there, not being there live, not being able to meet some of the executives and talent. I believe they will come back, maybe not to the same degree in the past.

Are there any projections for the upfront yet? We don't have any projections for numbers yet, by and large because our clients are still trying to figure out what their overall budgets could look like. I think there will be many 4Q deals, but whether many of those deals happen in that pre-July 4 time period, I would doubt it. I think it will be extended past that and you won't necessarily see a market that happens all at the same time. We've heard from many clients that they do plan to be back for 4Q deals.

The trends we keep hearing are viewership is up, ad spending is down. Do those same trends apply for Fox News? News tends to have a different category mix than cable entertainment. A lot of the categories strong in news—financial, technology, pharma—they're still relatively strong. And a lot of the impacted categories weren't necessarily news' largest categories. We have seen an influx of new advertisers who have come in to capitalize on two trends: Our viewership has gotten significantly younger—we're the No 1 network in 18-49s YTD in cable on both total day and prime. We're seeing a lot of younger-skewing advertisers like QSRs that are doing takeout and delivery, streaming services, advertisers targeting younger demos in technology and auto. Another trend we've seen is our upscale audience has increased by triple digits, those \$100K+ audiences. It makes sense because you have an entire workforce now working from home with the TV on and news on in

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the background. **We entered 2020 expecting political advertising to be hot, then COVID-19 hit. What's happening?**

One thing we're hearing from some of our clients is that they're anticipating ad spend could increase because a lot of the dollars allocated to in-person campaigning are being reallocated to ad spend. We've actually seen a pretty dramatic uptick in political advertising just in the course of the last three weeks. A month or two months ago, I believed there was a lot of uncertainty, but over the course of the last few weeks we've seen political lean in—both candidate money and advocacy money from both sides. **SVOD Fox Nation is staying ad free?** It is, however, we're offering 'sponsored by' messaging or even product placement within particular programs. While we're not running any traditional 30- or 60-second advertising, we will work with brands to integrate their product within a particular program only where it's contextually relevant to the program. There's a lot of lighter fare, more entertainment programming on Fox Nation that lends itself to product placement. We're trying to do more, quite frankly, on-air on Fox News with product integration. This isn't in hard news, but lighter fare—like cooking segments where we're integrating in product as well.

RSN Vet Krolik Retiring: Longtime RSN exec *Jeff Krolik* is retiring from his post as president of **Sinclair Regional Sports Networks** at the end of August. Krolik joined Sinclair from **Fox** after it bought the **Fox RSNs** from **Disney** last year. During his tenure, Krolik and his team negotiated over 40 team rights agreements. "This August marks the one-year anniversary of the Sinclair closing, as well as the integration of the network into the group. There could be no more perfect time to hand over the reins," Krolik said in a statement. He was pres, Fox RSN group from 2013-19 and evp, of the Fox RSN group from 2007-2013. Before that, he was svp, gm of **Fox Sports Bay Area** for 12 years. **Nolan Partners** has been retained to start the search for a new president. Sinclair has had its share of issues since launching the RSN group. **DISH** dropped the Fox RSNs shortly before Sinclair closed the acquisition. They remain off. Sinclair launched **Marquee Sports Network**, a jv with the Chicago Cubs, in February, but hasn't been able to show any regular season MLB games yet because of the pandemic. Marquee still hasn't gotten **Comcast** on board as a distributor, though there's been increased speculation in recent weeks that a deal may be close.

Comcast, Charter, ViacomCBS Launch JV: **Comcast, Charter** and **ViacomCBS** will all take equal ownership of **Blockgraph**, a TV ad tech initiative and platform that works to create a more secure way of using anonymized audience data and sharing information. Blockgraph was first launched in 2017 within **FreeWheel**, Comcast Advertising's tech unit. The jv is looking for new ways of using audience data for advanced TV and premium video advertising, and aims to allow media companies to help marketers form insights without relying exclusively on third parties. Comcast's **NBCUniversal** has already been working on integrating Blockgraph into its AdSmart platform. *Jason Manningham*, previously gm of Blockgraph under FreeWheel, will now lead the new jv as CEO.

Senators Want Supreme Court Video: In a letter from Sens *Chuck Grassley* (R-IA) and *Patrick Leahy* (D-VT), **Senate Judiciary** asked the US Supreme Court to make permanent its efforts to increase transparency in the midst of the COVID-19 by providing live audio streams of all oral arguments, beginning with its October term. The committee also asked the Court to provide live video access, citing bipartisan support in the Senate. "Given this widespread support for access to our nation's highest court—and the countless contributions it makes towards the civics education of the American public—there is no reason why pro-transparency measures should end when the Court returns to its normal functions," the letter reads. "By providing live audio access, the Court clearly demonstrated its technical capability to provide prompt disclosure and transparency to the public. And from all indications, the business before the Court was conducted in as dignified and professional a manner as is witnessed inside the courtroom under more normal circumstances."

Cox Media Group Names Daniel York CEO: **Cox Media Group** tapped *Daniel York* as its new pres and CEO. The former senior evp and chief content officer of **AT&T** and its subsidiary **DirecTV** will start in the role immediately. He takes over for *Kim Guthrie*, who announced earlier in the year she was departing CMG after more than 22 years. *Steve Pruett* had served as interim CEO, and will remain as executive chmn.

Cable TV Pioneers Still Inducting 2020 Class: With the Colorado Convention Center no longer available for **SCTE-ISBE Cable-Tec Expo**, **Cable TV Pioneers** is making plans for a "new and exciting celebration" in lieu of the live banquet originally scheduled for Denver the evening before Expo. It still plans to hold the 2020 induction celebration on Oct 13 with organizers looking at a variety of options. The 2020 class of Pioneers will be announced in July.

Cablefax Dashboard

Hero of the Week



Natalie Warren, TV5MONDE USA: While teams around the globe work from home, Warren, marketing Manager at TV5MONDE USA, is creating a safe and loving home for others. Warren is sheltering in place while looking after her 91 year-old grandmother, Daisy Syracuse. In partnership with the King of Hearts Foundation, Warren and Syracuse have opened their doors to rescue dogs in need of a temporary family while in search of their “forever home.” After fostering and finding an adoptive family for Boomer, a 6-month old Shepherd/Daschund mix, the two are now hosting a second dog named Ninja. Warren and her grandmother are saving the lives of these beautiful animals while bringing warmth and a new source of love to families during this challenging time.

Tweet Tweet

Amanda Brooks @BrooksAD
Really proud to be part of the @espnW team. #espnWnyc was incredible & so much work went into today

From the all-female control room in Bristol to the rest of us working the @espnW Summit from home, I raise my glass & donut to y'all & our 14,000+ registered attendees! THANK YOU!

The Weather Channel @weatherchannel
We're still dancing to #RainOnMe 🎶 in the studio! How many @ladygaga and @ArianaGrande song references can you count?

Thankful for our weather producers who make your forecasts fun, like @HeatherZWeather who wrote this segment!

Research

- Among consumers surveyed, the top expected benefits for 5G were faster data transfer speeds (67%), higher definition video content (56%) and consistent and better quality video streaming (55%).
- Three in four consumers say 5G technologies will have a significant impact on AR experiences (74%). Similarly, consumers increasingly believe 5G will benefit AI (71%).
- Three in five advertisers are already using or planning for 5G. Nearly all advertisers surveyed (90%) already using 5G are excited about the technology.

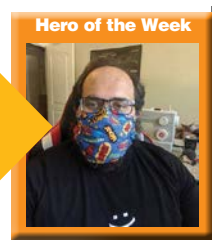
(Source: Verizon Media)

Quotable

“If you’re a tech company in the travel space or in the retail space, this pandemic has not been good for your bottom line... But you know, you’ve got companies who are building software that help education or connectivity, and they’re doing great... it has been much easier for tech companies to transition to working from home... these companies were already used to using the tools necessary and they all had everything in the cloud already. They were able to take their laptops home and pretty much seamlessly, not entirely, but pretty much get to work. That is not true in other industries.” – **Tech:NYC executive director Julie Samuels on FCC commish Jessica Rosenworcel’s “Broadband Conversations” podcast**

We Want to Feature Your Heroes!

On Fridays, Cablefax will feature a local hero. We’re looking for stories of employees who are going above and beyond. Maybe they are volunteering in their community, sewing mask covers for hospitals, spearheading supply donations, etc.



Please send a photo and 150-200 words about the person to amaclean@cablefax.com

Contact Olivia Murray at omurray@accessintel.com to sponsor this feature section