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Cablefax Daily™

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What the Industry Reads First

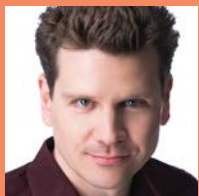
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Danger Zone: AT&T Struggles to Find 2Q Earnings Bright Spot

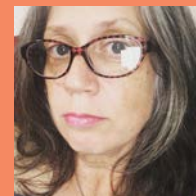
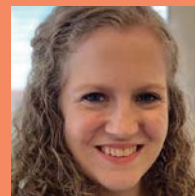
None of AT&T's business units were immune to the effects of the COVID-19 pandemic, the company revealed during its 2Q20 earnings call Thursday. For its first full quarter since the start of the pandemic, AT&T saw operating revenue drop to \$40.95bn from \$44.96bn during the same period last year. Net income fell from \$3.97bn last year to \$1.56bn. Revenue at its **WarnerMedia** segment fell a whopping 23% to \$6.8bn thanks to lower content and ad revenues partly due to the lack of open movie theaters. Newly-crowned AT&T CEO *John Stankey* remained positive, however, and applauded the **HBO Max** team for a "flawless" May launch. The company reported 36.3m US subscribers across both HBO Max and standalone **HBO** as of June 30, up from the 34.6m subs HBO reported on Dec 31. One month after launch, HBO Max had approximately 2m retail subscribers and 4.1m subscribers had activated their HBO Max accounts. More than 1m of those were wholesale subscribers through AT&T. The average number of weekly hours spent viewing HBO Max is 79% more than on **HBO Now**. Stankey didn't shy away from mentioning HBO Max's ongoing distribution disputes, saying that AT&T continues to do all it can to offer HBO Max to as many customers as possible. "We've tried repeatedly to make HBO Max available to all customers using **Amazon** Fire devices, including those customers that have purchased HBO via Amazon," he said. "Unfortunately, Amazon has taken an approach of treating HBO Max and its customers differently than how they've chosen to treat other services and their customers." He didn't directly mention **Roku**, but said WarnerMedia is glad to have agreements in place with **Apple TV** and **Google Chromecast** to give customers the right to stream HBO Max on those devices. And while there has been speculation that **Warner Bros** could place the delayed theatrical release "Tenet" on HBO Max to generate buzz for the platform and close those distribution deals, Stankey said that is not in the cards. "Do I think that there could be some things that we had originally chartered and built for theatrical release that maybe migrate into an SVOD construct? Sure, I think that could occur," Stankey said on the call. "I can assure you on Tenet that's not going to be the case." Also affecting WarnerMedia revenues were declines in domestic video and legacy wireline services. Losses across its Pay TV services continued this quarter. AT&T reported 886K disconnects in the segment, which includes **DirectTV**, **U-verse** and **AT&T TV**. Those losses include 91K customers that would have had their service terminated if not for the FCC's Keep Americans Connected Pledge, which AT&T has chosen to report as

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disconnects. It's now left with approximately 17.7m total subscribers across those services. Another 68K customers left AT&T TV Now, the service formerly known as DirecTV Now. On the broadband side, the company added 220K AT&T Fiber subs and the number of customers opting for gigabit speeds increased by more than 750K in the quarter. That number does not include 159K subs tied to the FCC pledge.

AT&T Activates 5G Amidst Wireless Weakness: AT&T turned on its nationwide 5G network Thursday. Starting Aug 7, AT&T is adding 5G access to its AT&T Unlimited Starter wireless plan, which starts at \$35/month for four lines. It is also adding 5G access to its AT&T Business Unlimited Web-Only and Starter plans. The news came as AT&T reported 2Q postpaid phone net losses of 151K. That number includes 338K accrued disconnects for which the company continues to provide service for the FCC's Keep America Connected programs. In a note, **MoffettNathanson** blamed the weakness outside of AT&T's mobility segment on its struggles to compete in the wireless space. The firm said the loss of post-paid phone subs is in part due to AT&T's need to prioritize free cash flow over growth to mitigate the damage being done by the media and wireline businesses. "And, perhaps more importantly, it is unclear whether AT&T has the balance sheet to vigorously compete in the FCC's upcoming auctions for mid-band spectrum," MoffettNathanson said. "T-Mobile already has a huge spectrum advantage over AT&T and Verizon. Verizon is expected to pay handsomely to close that gap. Can AT&T afford to do the same?"

Wearing the Crown: Crown Media Family Networks named *Wonya Lucas* its new pres/CEO starting Aug 10, reporting to **Hallmark Cards** CEO *Mike Perry*. She's taking *Bill Abbott's* place, who exited the company in January after Hallmark faced backlash for removing, then backtracking, a commercial featuring a same-sex couple. Lucas most recently served as pres/CEO of **Public Broadcasting** in Atlanta, but has also held the role of pres/CEO of **TV One**, and multiple positions at **Discovery**, including evp, COO for **Discovery Channel** and **Science Channel**, as well as global chief marketing officer. "Wonya is a brand builder at her core who shares Hallmark's beliefs and values. She has a deep understanding of the role our brand plays in fulfilling a bigger purpose in people's lives," said Perry. "After a thorough search process, we found a remarkable leader with proven general management skills, as well as a track record of success in driving business results and evolving the positioning and programming of a brand."

FCC's 5G Auction Begins: The FCC's auction for county-based Priority Access Licenses in the 3550-3650 MHz band began Thursday, with gross proceeds through Round 1 at \$357,344,200. The auction is considered a critical step in freeing up spectrum for 5G. This week, **Windstream** asked the Commission to grant a waiver to allow it to amend its short-form application for the auction, when and as necessary, to reflect changes related to a court-



Thursday, August 13
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approved plan of reorganization. Windstream said such a waiver would allow it to emerge from bankruptcy during the auction, without disqualifying it from participating. The auction features a total of 22,631 PALs nationwide, the largest number of flexible-use spectrum licenses ever made available for bidding in a single auction. Round 2 kicks off at 10am ET Friday and runs for 2 hours before 2-hour-long Round 3 starts at 2pm. The auction has 271 qualified bidders. The FCC said Thursday afternoon that there are 1439 counties with demand greater than supply, 1734 with demand less than supply and 60 were the counties with demand are equal to supply.

Comcast Buys Vermont Operator: Comcast completed a deal for **Southern Vermont Cable**, with customers set to transition to Xfinity over the next several months. The acquisition of the **ACA Connects** member company means Comcast will now be available in 157 communities across Vermont. “The acquisition of Southern Vermont Cable Company gives Comcast an opportunity to provide the residents and business in Dummerston, Jamaica, Newfane, Putney and Townshend with access to our innovative products and services, including an amazing internet experience with the fastest broadband speeds available,” *Dennis Mathew*, svp, Comcast’s Western New England Region, said in a statement.

Pluto TV Launches on Verizon: AVOD **Pluto TV** is rolling out across **Verizon** devices as part of a new distribution deal. Pluto TV launched Thursday as a pre-loaded app on select Verizon Android mobile devices and will continue to rollout, preloaded on Fios cable boxes, Stream TV and 5G **Amazon** Home Fire devices, throughout the summer. The distribution deal also includes the introduction of three exclusive co-branded Pluto TV channels for Verizon customers: Movies on Verizon, Real Life on Verizon and Yahoo Finance.

New Deal: As **T-Mobile** and **Sprint** gear up for their combined operations on Aug 2, T-Mobile is offering customers a limited time deal of four lines for \$25/month each, or get four 5G phones included for \$5/month more each. The company said the deal is part of its commitment to “supercharge competition.” The deal is available on Friday and available for a “limited time” this summer.

Get Voting: With just over 100 days until Election Day, **Telemundo** launched a non-partisan civic engagement campaign to inform and encourage the US Hispanic community to participate in the upcoming elections. The network partnered with multiple organizations to help reach Hispanics across all platforms, including registration drives, voter education, virtual community events and digital citizenship.

Distribution: **Philo** and **TV One** struck a distribution deal, adding the channel to Philo’s lineup. This is the first vMVPD deal for TV One. -- Upcoming video game network **VENN** announced its distribution lineup. Beginning Aug 5, initial platform partners include **Twitch**, **YouTube**, **Facebook** Gaming and **Twitter** for streaming. It will also be available on connected-TV platforms including **Vizio**, **Xumo**, **STIRR** and **Distro TV**.

PPV Boxing: Boxing is back at **Showtime** in a big way, with *Mike Tyson* to face *Roy Jones* in a PPV exhibition bout on Sept 12. Tyson, 54, hasn’t fought since losing to *Kevin McBride* in 2005. After months without boxing, Showtime Sports plans more than 20 fights to close out the year, including the Charlo twins in separate title bouts on PPV Sept 19.

Ratings: **WE tv**’s series “Love After Lockup” pulled in nearly 1mln viewers for its Season 3 premiere on July 17, up from the premiere of the second half of Season 2.

Programming: Baseball is back on Thursday, and **Fox Sports** announced it will introduce “virtual fans” to its live MLB broadcasts. The net is using Pixatope software in partnership with Silver Spoon Animation and SMT. -- **BET** is honoring the late US Representative *John Lewis* with news special “John Lewis: In His Own Words” on Sunday at 7:30pm. The special will air on **BET** and **BET Her** and will feature one of the last interviews he conducted before his death. -- On Aug 12 at 9pm, the third anniversary of the Charlottesville riots, **ID** will premiere “Impact of Hate: Charlottesville.” The two-hour doc is told fully through first-person interviews and archival footage from the rally. -- **Syfy** is launching a new interactive special, “Syfy Wire After Dark,” on Aug 1 at 11pm. The 45-minute special is the first **NBCU** show to feature NBCUniversal Checkout, the company’s new shopping cart that turns content into a shoppable moment. -- **HGTV** renewed “Flipping 101 with Tarek El Moussa” for Season 2. The season is set to premiere in 2021 in a new one-hour format. -- **HBO** is adapting *Ta-Nehisi Coates*’ “Between the World and Me” as a special event to air this fall. -- **Nickelodeon** and **CBS Television Studios** revealed the title for its new animated series. “Star Trek: Prodigy” follows a group of teenagers who discover a Starfleet ship and use it to search for adventure.

People: **FuboTV** named *Gina DiGioia Sheldon* to the newly-created position of general counsel, and she will also serve as corporate secretary. She was most recently US general counsel and chief operations officer for **Fitzy**. -- **Insight TV** tapped *Chris Cifarelli* as head of programmatic and brand partnerships, Insight TV Studios US. He comes over from **AMC Networks**, where he oversaw digital ad sales.

PROGRAMMER'S PAGE

Syfy Takes on Todd McFarlane

Syfy Wire's first original doc is set to take center stage as the kickoff for Syfy Fan Fest on the net Saturday at 11pm. "Todd McFarlane: Like Hell I Won't" follows the personal life and career of comic book legend McFarlane, who launched his own toy company and created the iconic comic book "Spawn." Syfy teamed up with creative agency **Tongal** and discovered the film's director, *David Oster*. "We always look for fans to either help us tell a story or include them in the story," said *Jeff Blackman*, svp of creative for **USA** and Syfy. "We wanted to keep some of the fan angle that drives so much of our work. It's really a story about a comic fan [Oster] who happens to be a maker, making a documentary about one of the super stars of comics." Since most of the production took place in 2019, the doc thankfully wasn't impacted by the pandemic. "We knew we had something here, and this is the first of its kind for a Syfy Wired brand on the Syfy channel, so we wanted to give it the right environment," said Blackman. McFarlane has an avid fanbase, so premiering the hour-long show in conjunction with a fan-based event like Comic-Con would only be a benefit. "We always have such a fandom coalesce around Todd, so we were always planning on premiering it in conjunction with a con. But then with San Diego going virtual, the Syfy network overall decided to try something interesting, which is to take a stack of our really fan-centric programming into a week to give it an anchor," said Blackman. Syfy Fan Fest coincides with Comic-Con@Home, which kicked off Wednesday. Expect an honest look at McFarlane's life in the doc. "There's an interesting tension and dynamic here between wanting to tell Todd's full story, because there are some things in the hour that aren't flattering to him. He lost a big lawsuit, not everyone who came in contact with him became a best friend along the way, because he is a very driven personality. This isn't a takedown, but hopefully it's honest," said Blackman. — *Mollie Cahillane*

Reviews: "Rebeka Martinsson," Season 2 premiere, **Acorn TV**. The first season of this Swedish import found many fans on this side of the world. It's easy to see why. Rebeka (*Ida Engvall*) is a 30-something lawyer who's left her Stockholm law firm for the bucolic surroundings of her hometown, above the Arctic Circle. The landscape is gorgeous, with vast expanses of trees and mountains. Ep 1 takes place in what looks like summer, but there's still a cold edge to the scenery that works well with the first case Rebeka tracks. Want to escape from the clutches of coronavirus for an hour? Entering Rebeka Martinsson's world, where people fight over reindeer. You'll leave your quotidian existence quickly. — "The Weight of Gold," premiere, Wednesday, 9pm, **HBO**. Initially, you're stumped with the choice of having *Michael Phelps* narrate this solid doc about psychological pressures on Olympic athletes. His voice is fine, though his affect is slightly flat. The viewer quickly gets used to him and then concentrates on myriad talking heads: *Sasha Cohen*, *Apolo Ohno*, *Lolo Jones* and *Bode Miller*, among others. And their story is heavy. Some win gold, others don't, but it's all over in seconds. And then there's the rest of their life. What to do after you've spent 365 training? — *Seth Arenstein*

Basic Cable P2+ Prime Rankings* (07/13/20-07/19/20)		
Mon-Sun	MC US	MC US AA AA% (000)
FNC	0.956	2,939
MSNBC	0.662	2,035
CNN	0.509	1,565
HGTV	0.419	1,288
TLC	0.397	1,220
TBSC	0.347	1,065
HALL	0.320	984
ID	0.266	818
HIST	0.260	800
DISC	0.244	751
ID	0.225	693
INSP	0.224	688
USA	0.211	648
TVLAND	0.206	633
TNT	0.199	610
BRAVO	0.168	515
HMM	0.166	509
A&E	0.165	508
ADSM	0.161	495
PARA	0.156	479
FX	0.153	470
LIFE	0.151	464
NICK	0.149	459
NAN	0.141	432
FRFM	0.137	422
GSN	0.132	406
NATGEO	0.127	390
WETV	0.127	390
APL	0.120	369
TRAVEL	0.120	369
AMC	0.120	368
MTV	0.116	357
FS1	0.111	341
DSNY	0.107	329
ESPN	0.105	323
SYFY	0.101	310
BET	0.096	295
E!	0.096	294
COM	0.094	290
DSJR	0.093	287
LMN	0.092	282

*P2+ L+SD rankers are based on national Nielsen numbers, not coverage.



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