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What the Industry Reads First

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Stream On: WarnerMedia Layoffs Tied to 'Refocusing' Around HBO Max

AT&T CFO *John Stephens* said the layoffs at **WarnerMedia** aren't an indicator of any need for change following the May launch of **HBO Max**. Rather, the restructuring and staff reductions are a part of a company-wide "refocusing" around its direct-to-consumer streaming efforts. "All of these groups are then focused and speak with one voice and, quite frankly, allow for some streamlining of support services, back office and G&A services. So, we can take that and continue to invest that money in being able to put the best content out there," Stephens said at the Oppenheimer Technology, Internet & Communications Conference Tuesday. "This is a transformation of making things better... not because we needed to adjust anything, but rather because we're aspiring to get even better than the launch was, to get even better than WarnerMedia has traditionally performed." The company's biggest priority for the second half of the year is HBO Max, according to Stephens. He called the launch really successful, and said AT&T has actually grown **HBO** customers in total despite the challenging COVID-19 environment. "I'm really excited about it going forward... not only for our digital platforms and abilities, but quite frankly, what it will do for our ability to grow fiber, grow wireless, take our existing wireless customers up to the kind of elite packages that include HBO Max," Stephens said. Turning to wireless, AT&T has seen churn drop since the start of the pandemic. Part of that can be attributed to customers not wanting to make changes to their service plans, but Stephens also said the change is related to the quality of AT&T's network. The provider turned on its nationwide 5G network last month. "The 5G rollout that we did not only benefits people with 5G devices, but the way we did it benefits all our existing customers with really better service today just by turning on their phone because of what we've invested," Stephens said. And while he's not sure what the world will look like when **DISH** gets its network up and running, Stephens doesn't anticipate it will easily take market share from AT&T. "It's hard to operate a retail wireless operation when you haven't had that experience and you don't have that in your, so to speak, DNA with engineers and people and staff and so forth," Stephens said. "It's a difficult lift, and we'll see how it goes for them. We respect them." AT&T is also paying attention to the cable providers that are diving into the mobile business, but won't look at them as a major competitor until they begin making large moves to expand their footprints. "People want the whole country, they want to be able to roll and they want to be able to use the network wherever, and cable footprints aren't set up that way," Stephens said. "So when you

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get into those roaming costs, are they competing? Yes. Do they have any established customers yet? Are they hitting the industry marks on margins and profitability? No, I don't think they are."

CuriosityStream Going Public: Unscripted streamer **CuriosityStream** is going public, thanks to a reverse merger with **Software Acquisition Group**. CuriosityStream will keep its current management team under pres/CEO **Clint Stinchcomb**. **John Hendricks** will remain board chmn as well as the combined company's largest stakeholder. The deal has an enterprise value of approximately \$331mln and an equity value of \$512mln. Upon closing, CuriosityStream common stock will be listed on the NASDAQ exchange under the ticker symbol CURI.

fuboTV Watch: fuboTV owner **FaceBank** was gearing up for its first 2Q earnings call on Monday, but delayed the report at the last minute. An SEC filing revealed that the company will restate financial statements as of and for the year ended Dec 31, 2019 and the quarter ended March 31. The company identified an inadvertent error in the accounting for goodwill relating to the acquisitions of Nexway AG and Facebank AG. Also among its SEC filings was the tidbit that Disney owns more than 6.6mln shares in the fuboTV owner (it inherited the stake through last year's **20th Century Fox** purchase). FaceBank also announced plans for a secondary stock offering, hoping to raise \$100mln. Disney and fubo reached a distribution agreement in late June for the majority of Disney-owned nets. Fubo ended 1Q with 287,316 subs, a 37% increase YOY. Disney-controlled competitor **Hulu + Live TV** most recently reported 3.4mln subs.

Football Punts the Season: We knew it was coming, but it doesn't sting any less. The Big Ten Conference announced the postponement of the 2020-2021 fall sports season, including all regular-season contests and championships and tournaments. The conference said that it will "evaluate a number of options," including the possibility of competition in the spring. The decision to postpone was not unanimous, with The University of Nebraska football coach, pres and chancellor releasing a statement saying they are "very disappointed in the decision" and are looking at ways to still play sports this fall. The Pac-12 made a similar announcement, postponing all of sports competitions through the end of the year in a unanimous CEO vote. That also includes any basketball games that would be played in the fall. The conference said that it would consider a return to competition for impacted sports after Jan 1, 2021.

Circle City Sues AT&T: Minority-owned broadcaster **Circle City** has filed a racial discrimination suit against **AT&T** and **DirecTV**, claiming that it has refused to negotiate any retrans agreement for its stations. AT&T refuted the claims, saying this is a straightforward dispute over retrans fees. The broadcaster filed a [similar complaint](#) earlier this year against **DISH**. The stations have been off AT&T and DirecTV since Jan 31, and they've been dark on DISH since Oct 4. Circle City's

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Bonny Roberts

*Director, Portfolio Management
for Business, Information
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Roberts is the Director of IT Portfolio Management for the non-clinical business of Centura Health, a 17-hospital system based out of Denver, CO. In this role she works with HR, Marketing, Supply Chain, Finance and Legal to research new solutions, introduce and scope requests, and serve as the advocate for the business within IT.

Roberts has previously worked at e Global Healthcare Exchange (GHX), The Ohio State Medical Center, Aventura and Diameter Health.

Roberts earned her MHA from The Ohio State University and completed an Administrative Fellow at Yale New Haven Hospital.

complaint centers on AT&T carrying the stations when **Nexstar** owned them, but not once ownership changed. "AT&T's present behavior in Indianapolis presents the perpetuation of the systemic racial bias embodied in its playbook and is an existential threat to minority-owned media as it shuts minorities out of ownership and leadership opportunities in American media," said the lawsuit, filed Monday in US District Court for Indiana's Southern District. Circle City was formed last year by **DuJuan McCoy** to buy WISH-TV and WNDY-TV in Indianapolis from Nexstar for \$42.5mln. McCoy sold his **Bayou City Broadcasting** in a \$165mln stock transaction to **Byron Allen** in May. "These allegations are baseless and we will fight them in court. This is a straightforward negotiation over retransmission fees," an AT&T spokesperson said. "Circle City sued as a negotiating tactic only after we declined its demands for compensation above and beyond what similar independent stations receive." AT&T was ranked No 1 on **DiversityInc's** most recent "Top 50 Companies for Diversity" list, which it has been a part of for 19 consecutive years. It also recently inked a retrans agreement with Allen's Bayou.

Cunningham Petitions FCC on C-band: Independent operator **Cunningham Communications** asked the **FCC** Tuesday to add its earth station to the list of those eligible for reimbursement of C-band relocation costs. The company said it had difficulty registering its earth station and paying the \$450 filing fee, and those challenges led to its earth station being left off the FCC's list of eligible stations. Cunningham claims it tried to pay the filing fee, but the Commission's International Bureau refused to add its earth station to the list of those covered. It has asked the Commission to waive the payment fee deadline Cunningham missed or reverse its decisions to leave its station off the list. If the FCC refuses, Cunningham says it will be forced to spend more than \$200K to transition its operations off of the C-band.

More Virtual Comic Con: The in-person New York Comic Con has been canceled. Originally set for Oct 8-11, parent company **ReedPop** teamed up with **YouTube** to exclusively stream panels on the same dates. The group also teamed up with sister event MCM Comic Con in London for the new, virtual event, now called New York Comic Con's Metaverse.

New International Channels: **A+E Networks** partnered with New Zealand's **TVNZ** for the launch of the first Lifetime-branded AVOD channel in the territory. Kicking off in August with forty **Lifetime** movie titles, TVNZ will add four new titles each month. -- **Fox News Media** is creating **Fox News International**, a live digital streaming service of linear nets **Fox News Channel** and **Fox Business**, for international users. The \$6.99/month service will debut in Mexico on Aug 20, followed by Spain, Germany and the UK on Sept 17. The company plans to have the streamer in 20 countries by the end of the year.

Doing Good: **Discovery** partnered with **Kellogg's** and **No Kid Hungry** to fight childhood hunger in America as part of Discovery's "Turn Up! Fight Hunger" initiative. A new PSA will air on **Food Network** and **TLC**, and Kellogg's is distributing specifically marked boxes of cereal with information and actions on how consumers can help end childhood hunger.

Distribution: Nonprofit local broadcast streaming service **Locast** launched in Minneapolis-St. Paul, delivering 48 channels in the DMA. With availability in MN, Locast is now in 22 US TV markets reaching 42% of the US population. -- Food-focused channel **So Yummy TV** is launching in 40mln US homes on platforms including **DirecTV**, **Xumo**, **Sling**, **Xfinity** and others.

Ratings: **Fox News** was the most-watched net in cable this past week, bringing in 3.169mln viewers in prime and 1.698mln in total day. In prime, **MSNBC** followed with 2.016mln and **CNN** with 1.361mln. In total day, MSNBC had 1.209mln and CNN 927K. -- The first-ever NHL Qualifying Round was up 39% across **NBC Sports** platforms when compared with the 2019-20 NHL regular season. The average total audience delivery drew in 553K viewers, and cable games were up 120% compared to regular season average. -- The season finale of **HBO's** "Perry Mason" attracted 1.1mln total viewers during its 9pm premiere on Sunday and on digital platforms. Replays and digital viewing brought total audience for the night to over 1.6mln viewers.

Programming: **ESPN+** will stream 64 out-of-market live MLS games when the league returns to regular-season play. The first regular games kick off Aug 20. FC Dallas and Nashville SC have makeup matches on Wednesday and Sunday after missing the MLS Is Back Tournament due to COVID-19 outbreaks. -- **Peacock** will become the exclusive streaming home of "PFT Live with Mike Florio" beginning Aug 24. -- **HGTV** greenlit a new series with interior designer **Tiffany Brooks**. "\$50K Three Ways" (wt) will be based in Chicago and highlight Brooks coming up with different design plans for three different spaces in homes. -- **Apple TV+** will premiere espionage thriller series "Tehran" globally on Sept 25.

Editor's Note: Know a female powerhouse? Tell us about her! **Cablefax: The Magazine** is accepting **nominations** for its annual Most Powerful Women issue. In addition to ranking the top female execs, this year we've added individual and organizational honors, including Mentor of the Year and Public Affairs Campaign. Nominations are due Aug 21.