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WHAT THE INDUSTRY READS FIRST

Upfront Week: Addressable Making Progress on a National Scale

With upfront presentations in full swing this week (virtually natch), networks are pulling out the glitz to promote their advertising opportunities over the next 12 months. Hopes are high for robust buying as Americans emerge from their pandemic cocoons. One word that may not be splashed across upfront stages in neon lights, but is definitely being talked about is addressable.

“This is the year of build, and next year is the year of scale [for addressable]. You will see national addressable in this year’s upfront in terms of a growing opportunity,” Jason Brown, head of agency planning & strategy for addressable at **WarnerMedia** Ad Sales, told **CFX**.

Case in point, **Univision** revealed at its upfront Tuesday that it’s building what it says is the industry’s first Hispanic audience data graph. “We’ll be rolling it out later this year, and we’ll continue to scale next year,” said ad sales chief Donna Speciale. “It will also help lead us into addressable TV, and I know you’re all hyper focused on that.”

Univision said it will have beta addressable opportunities with **DISH** and **VIZIO**, with more partners to come next year. “We’ve been talking to a lot of clients who want to do some testing with us within different audience segments that they’ll tend to choose,” Speciale said. “I’ll be honest—a lot of clients are talking about it. It’s not in a scalable set yet. So, it really is smart for us to do slow betas to make sure that we can get it right. I would say by the end of ’22, the industry should be in a

much better place where it should be scalable across the board to get the precision that we need for the different markets.”

Brown is no stranger to addressable, serving as the chief revenue officer for addressable and audience-based ad firm **Xandr** before moving over to the WarnerMedia side of the **AT&T** house in November. Addressable has really been around for about nine years, but what’s different right now is that the aperture of addressable is truly widening, both in terms of households and advertiser tactics, he said.

Typically, there is between 14-16 minutes of commercial time per hour that runs through broadcast and cable networks. Roughly two minutes of that is the local break that MVPDs retain per hour—and those local breaks have primarily been where addressable action was taking place. Often those are big national brands using all the MVPDs to stitch together a national buy against an advanced target. The industry is now getting to the point where the national breaks are going to see addressable buys as well, Brown said.

“Last year was really the year that addressable as a product went from endeavors in the upfront... to actual dollar volume commitments at the account level within each agency,” he said. “This year, everyone’s excited to start investing in national addressability beyond the two minutes per hour. There is a bit of scarcity around it, so we’re not going to be able to offer it to everyone. But it will be a key part of packages for many of our HoldCo partners, especially with data and audience-based buying and precision becoming increasingly important

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for the brands that they represent to show efficacy against their media investments.”

That jibes with what *Frank Sinton*, president and founder of convergent TV ad platform **Beachfront Media**, is seeing. He describes the current addressable opportunity as an optimization of an existing campaign. His example is selling a nationwide campaign to GM and then applying some data towards electric vehicle owners and making an addressable play for the Chevy Bolt.

“Last year was the year of Connected TV. This year is all about addressable TV, and I think it will be like one of the two years of addressable TV because legacy systems need to be replaced,” he said. “This is the next big, green pasture... As you meet this tipping point of spend on digital meeting or exceeding spend on TV, addressable becomes more important on TV. It used to be how do I bring my digital buy and match it to what I do on TV, and now it's getting towards the reverse.”

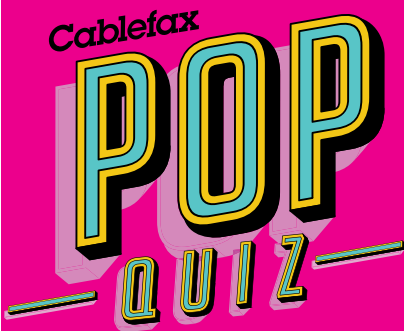
ZASLAV CONTRACT EXTENDED THROUGH 2027

Just one day after **Discovery** announced its merger with **AT&T's WarnerMedia**, the company extended president/CEO *David Zaslav's* contract through Dec 31, 2027. His previous contract ran through 2023. While a world of employment uncertainty exists for those at WarnerMedia, Zaslav can now sit comfortably knowing he'll be overseeing the new joint company for at least five years after the merger's completion. While it was known that cable pioneer *John Malone* approved of the transaction when it was announced yesterday, he took the opportunity Tuesday to voice his support publicly. “After over 30 years of being involved in developing Discovery as a global information and entertainment

company, the opportunity to combine with WarnerMedia to create the ultimate consumer offering in its space is compelling. The industrial logic of this investment grade, synergistic combination, under the leadership of David Zaslav, is appealing,” Malone said in a statement. “I am delighted to fully support this transaction, without asking for or receiving a premium for my high vote shares. I believe we are creating real value for shareholders and a legacy investment for my grandkids.” Analysts are continuing to look into the deal's implications, and some think this isn't just good news for Discovery and WarnerMedia when it comes to streaming. It could bolster their traditional pay TV businesses as well. “In 2020, Discovery accounted for 16% of time viewed, but captured just 6% of industry affiliate fees and 12% of advertising revenues. We estimate that the Discovery and Turner networks combined would still have been under-monetized, driving 29% of time viewed but just around 20%-22% of affiliate fees and advertising revenues,” **MoffettNathanson** said in a research note. “No other company will have as much national viewing share as Discovery/WarnerMedia which should give them greater leverage to drive affiliate fees in negotiations with distributors going forward.”

GCI BRINGING 2 GIG TO ALASKA

GCI announced it is bringing 2 Gig internet service to about three-quarters of Alaskans early next year. That's one step closer to 10G, with the company pledging to get to that milestone in just five years. “We're making some bold claims here today, but we've done it before. We led the nation in the deployment of 1G,” GCI CEO *Ron Duncan* said during a virtual press event Tuesday that was held at the Alaska Esports Center at the University of Alaska at Fairbanks. What about the quarter



What event launched in 2008 and featured companies like MySpace and MTV New Media along with ex-Disney CEO Michael Eisner?

[CLICK HERE TO ANSWER](#)

Last week's answer: FX launched a branding campaign in 2008 around the theme “There is no box.”

of Alaskans who won't have access to 2G? GCI's short answer: we're working on it. That includes partnerships and fiber builds to turn up 1G service in remote areas. Cable heralded the news as further proof that 10G is coming, with **NCTA** president/CEO *Michael Powell* making an appearance at the press event. "How fitting that Alaska, this great expanse that inspires our imagination, has moved into a leadership position on the road to 10G," Powell said. "Personally, I'm not surprised because I know that Ron Duncan and his phenomenal GCI team have made it their lives' work to bridge the digital divide."

VICARY OUT AT CROWN MEDIA

Michelle Vicary will leave her position as **Crown Media Family Networks'** evp, programming at the beginning of June. Vicary held multiple positions throughout her more than 20 years at the **Hallmark Channel** parent and helped put its networks on the map with original movies and series such as "When Calls the Heart" and "Good Witch." CEO *Wonya Lucas*, who joined the company last summer, has tapped *Randy Pope*, svp, programming and development, and *Darren Melameth*, svp, programming & content strategy, as interim co-leads as the company searches for Vicary's successor.

PRENETV TARGETING 5 MILLION SUBS BY YEAR-END

It's only been one month since **Univision** launched its free, AVOD **PrendeTV**, and it says it's already amassed more than a million active users. The Spanish-language programmer predicts it will hit five million actives by year-end. Speaking to reporters after the company's upfront presentation Tuesday, ad chief *Donna Speciale* said Prende launched to provide viewers another platform to consume content. "We did not go into streaming because of the attrition that was happening in linear. If you look at what's going on in English-language media companies, the main reason that all of them—**HBO Max**, **Peacock**, **Paramount**, whatever—the main reason they were going into streaming is they saw what was happening with consumer change and the linear business was drastically declining," she said. "That's not the case with Univision. We're growing our linear business. We're growing digital... To us, it's an extended reach."

MORE MERGER REAX

Falling in the shadows of the **Discovery-WarnerMedia** merger were the first of the week's upfront presentations. Having sold off its entertainment assets to Disney, Fox is sort of the antithesis to a big streaming company and it's OK with that. "We're in this space deliberately," **Fox Entertainment** CEO *Charlie Collier* told reporters. "The choice was to focus on free and ad-supported... We're going to be the No 1 network on the key demo for the second year in a row." And then there's free, AVOD **Tubi**, which Fox is painting as a cable replacement for viewers and therefore a must-buy for advertisers. **Roku** CFO *Steve Louden* sees the merging of **AT&T's** WarnerMedia with Discovery as a good sign for the company because it's just more evidence that the world is moving to streaming. He made it clear that while he's not entirely sure of the ramifications of the deal, he is optimistic about working with the combined company. "We obviously work with all the different pieces of that puzzle right now, so we'll continue to engage

with it and we'll be one of the best distribution partners for the combined entity like we were for the various pieces that are now together," he said at an investor conference Monday.

VEXUS BUILDING OUT TO TYLER

Vexus Fiber is expanding its FTTH network to Tyler, Texas. The network will soon connect over 40,000 homes and businesses in the area. Construction is set to begin this year with some neighborhoods and businesses scheduled to see availability in 2022. The full network should be completed within 24 months.

HAYSTACK NEWS, ALTICE NEWS EXPAND DEAL

Ad-supported news streaming service **Haystack News** is expanding its relationship with **Altice News** by adding **News 12 New York** on demand and a live stream of **Cheddar News** to its collection of curated on-demand news stories. A **News 12 New York** live feed will come to Haystack later in the year.

UPFRONT PROGRAMMING NEWS

As part of **Disney's** upfront Tuesday, **ESPN** announced an initiative to commemorate the 50th anniversary of the passing of Title IX, the civil rights law prohibiting sex-based discrimination in any education institution that receives federal funding. June 2022 will be declared "Fifty/50 Month" during which 50 women's stories will be told across podcasts, documentaries, long-form reporting and on digital and social platforms. – **Univision** touted more than 2,500 hours of original content across Univision and **UniMas** over the next year. At the heart of the lineup are two new live programs: "UniVisionarios" and "TUDN Mega-Fest." The latter will launch in summer 2022 and the multi-day event will include a concert, soccer awards gala and community events. UniVisionarios is a platform for recognizing those who are committed to improving and advancing the Hispanic community. It will culminate in a two-hour televised show during Hispanic Heritage month in September. – **Nat Geo's** 2021-22 content slate is headlined by a natural history series narrated by country singer *Garth Brooks*. "National Parks" will give viewers an up-close look at 10 locations across the US and highlight what makes those landscapes unique. New scripted series "The Hot Zone: Anthrax" (premiering Nov 28) will go back in time to the mailing of the anthrax letters, while unscripted series "Brain Games on the Road" will offer family-friendly fun outside of its usual studio. Turning to **Nat Geo Wild**, the network renewed six series, including "The Incredible Dr. Pol" and "Heartland Docs, DVM."

PEOPLE

Nexstar tapped *Michael Corn* as president of news, **NewsNation**. Corn comes from **ABC News**, where he most recently oversaw "Good Morning America." – *Regan Anderson* has been appointed vp, sales, Florida's Treasure Coast region at **Hotwire Communications**. Anderson joins from **Atlantic Broadband**, where he most recently served as vp, select communities in the Miami/Fort Lauderdale Area. – Analytics firm **FourthWall** appointed *Paul Haddad* as executive chairman of the board. Haddad has held multiple leadership roles in companies such as **Altice USA**, **A4 Media**, **Cablevision** and **Nortel**. – *Toni Beck* is leaving her role at natural gas company **NextDecade Corp** to join **Comcast** as vp, external affairs for the distributor's Houston Region.