

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Climb Every Mountain: Paramount+ to Continue Growth with Sky

ViacomCBS is continuing to go all in on **Paramount+**, and it is paying off. The service finished 2Q21 with more than 42 million subscribers, a gain of 6.5 million from the previous quarter. The programmer has high hopes that the number will only continue to skyrocket as it continues its international launches of the service, and a new deal with **Sky** will give it major visibility across Europe next year.

The streaming service will launch on Sky platforms in the U.K., Ireland, Italy, Germany, Switzerland and Austria in 2022. At launch, Sky Cinema subscribers will gain access to Paramount+ for free while all other Sky customers will be able to subscribe to the service as an add-on. By the end of 2021, ViacomCBS aims to have Paramount+ available in 25 markets globally.

In addition to the streaming aspects of the deal, ViacomCBS and Sky reached a multi-year extension for the carriage of the programmer's linear channels in the UK, Ireland, Italy, Germany, Switzerland and Austria.

While there have been rumors that **Comcast** and ViacomCBS could be discussing larger deals or even a merger, ViacomCBS CEO *Bob Bakish* said on the earnings call that the company isn't really interested in a transaction that large at this time. Instead, he wants to focus on continuing to grow the company with the properties he already has.

"The merger of Viacom and **CBS** was a transformative trans-

action and we continue to successfully create value from it. We believe organic execution continues to be the right path for ViacomCBS and our shareholders," he said. "But, of course, we will always evaluate any opportunities through a shareholder value creation lens."

Total revenues for the company grew 8% YOY to \$6.6 billion, primarily due to increasing strength across its advertising, affiliate revenues and streaming divisions. Advertising revenue outside of streaming grew 24% YOY thanks to the return of sports programming and the general recovery of the advertising industry as a whole. Affiliate revenues rose 9% YOY on the back of deal renewals, enhanced carriage agreements and price increases across the board.

Streaming is certainly at the center of ViacomCBS's strategy moving forward, but Bakish made it clear that the company's relationships with traditional video providers continue to be key to its success. He pointed to the recent carriage agreements struck with **Cox Communications** and **Charter Communications** as deals where streaming was additive and beneficial for all parties.

"ViacomCBS really is a cornerstone provider to the distribution community and yes, that started way back when with the provision of linear feeds. Probably five or six years ago, that expanded to include advanced advertising partnerships which were mutually beneficial, and now it's incorporating streaming as a fundamental element," he said. "It really is a modernization, a broadening and making these partnerships stronger as

THE FUTURE OF WORK:

VISION FOR THE
NEXT NORMAL

Register Now!

C2HRCON.ORG



we together transform the business and, for ViacomCBS, really accelerate the growth of our streaming portfolio.”

FOX READY TO INVEST IN DIGITAL

Fox Corp is doubling down on digital, announcing plans on its 4Q21 earnings call to invest \$200-300 million in net EBITDA in its digital properties. Revenues from Fox’s digital properties reached nearly \$1.4 billion for the full fiscal year, and management only wants to see that number go up. As for how the investment will be divvied out, Fox Corp executive chairman/CEO *Lachlan Murdoch* expects it to be split between SVOD **Fox Nation**, FoxNews.com and AVOD **Tubi**. There will be increased competition in the digital news space in the near future with WarnerMedia announcing plans to bring **CNN** content to its direct-to-consumer platforms, but Murdoch actually sees that as good news for Fox. “It’s the best form of flattery,” he said. “We think we’re doing all the right things with Fox Nation... tremendous growth in the quarter driven off of clever acquisition and clever high quality programming. So we don’t see CNN launching into that space as anything other than an affirmation of our strategy and what we’re doing, really driving the engagement and the tremendously high engagement from Fox News into a paid subscription service.” Fox’s cable networks continue to be huge for the company. Cable affiliate revenues rose 6% YOY due to double-digit pricing gains at Fox News. Advertising revenues were up 17% thanks to continued strength in digital monetization across the **Fox News** properties and the return of live events at **Fox Sports**.

FCC STAYING HOME (FOR NOW)

FCC efforts to have staff return to work at Commission headquarters have come to a halt. The Commission sent an email to staff on Thursday notifying them that mandatory telework measures will be in place through the end of September as it evaluates the latest developments in the COVID-19 pandemic. “Like everyone else in Washington and across the country, the news from the CDC regarding the Delta variant required us to reassess some of our plans,” FCC acting chair *Jessica Rosenworcel* said during a press conference Thursday. “We’re going to continue to reassess news and information as we get it, and the most important thing to know is that our top concern is the health and safety of our employees. That has not changed.” The Commission as well as other federal agencies were required to put together documents detailing their return to work plans by July 19. Rosenworcel said those documents are also being re-examined in light of the Delta variant. Her statements come as other media companies have been taking another look at their return to work plans. **CNN** told employees in an email that three unvaccinated employees were fired for entering the network’s offices, which had been open on a vol-

untary basis for those that had received COVID-19 vaccines. The company has also delayed its plan to return to office, which was previously scheduled for September 7.

WOW! CONTINUES GROWING HSD SEGMENT

WOW!’s broadband-first strategy continues to pay off, with 2Q21 high-speed data revenues growing by 14% to \$156 million YOY. That was by far the greatest contributor to an overall boost in the operator’s revenues of \$287.3 million for the quarter. WOW! is continuing to participate in the **FCC**’s Emergency Broadband Benefit program, and more than 7,800 customers have been eligible and begun receiving the \$50/month subsidy off of their broadband bills. Much of that activity continues to be existing customers upgrading to higher tiers of service rather than new customer additions. Those that are joining the service, whether they are utilizing the benefit or not, tend to be purchasing higher tiers of service from WOW!. CEO *Teresa Elder* reported that of those that began receiving

Cablefax Executive Round Up

How has the pandemic forever changed programming?



Kathleen Finch

Chief Lifestyle Brands Officer

Discovery, Inc.

“A lot of artifice was stripped away in the shows we produced during quarantine. Talent let their guards down, we saw inside their homes, we met their families, and we all shared the same experience in a way that’s never happened before on camera. That realness was embraced by fans and will continue to be evident throughout our content.”



Miguel Roggero

CEO

Fuse Media

“I don’t think the pandemic has really changed programming, but it has certainly elevated the importance of good programming. People will always seek out high-quality, authentic storytelling, and what we also keep learning, time and time again, is how strongly audiences respond when those stories are inclusive and represent their cultures and communities. This, of course, applies across all screens, from the movies to TVs to mobile devices.”



Brett Weitz

GM, TBS, TNT & truTV

WarnerMedia

“The pandemic gave everyone the chance to catch up on series you hadn’t yet gotten to, as well as old favorites. The data on which shows were go-to with a lot more time at home and which weren’t is helping to inform new series choices post-pandemic. For instance, I think people have gotten away from darker material.”

service in the second quarter, 89% purchased data speeds of 200Mbps or higher.

MEDIACOM, DISNEY SHAKE HANDS ON DISTRIBUTION

Mediacom and **Disney** have agreed to a multi-year carriage agreement that will see the operator offer **ACC Network** to its subscriber base. Access to the network will begin this September. The deal also includes renewals of Mediacom's carriage of the **ESPN** networks, Disney branded channels, **Freeform**, the **FX** networks and the **National Geographic** channels. Continued retransmission consent for the **ABC** owned television stations is also covered by the new agreement.

COLLINS BIDS C-SPAN ADIEU

C-SPAN corporate vice president/general counsel **Bruce Collins** has said goodbye to the network, retiring on August 2. He started at C-SPAN in October 1982 as a part-time employee while he finished law school. Over the years, he has become a powerful advocate on issues tied to the First Amendment for the network and cable operators, including on the battle against must carry rules. Collins also long fought for greater transparency in courtrooms, particularly the **U.S. Supreme Court**. He and other advocates won a major victory during the pandemic when SCOTUS provided a live audio feed of oral arguments to the media and the C-SPAN. "Bruce Collins has been a perfectly outstanding General Counsel at C-SPAN for close to 40 years," C-SPAN founder **Brian Lamb** said in a statement. "He has guided our network through a labyrinth of tricky twists and turns in communication and corporate law during this time without a hitch. His guidance has been critical to our success. Bruce Collins will certainly be missed."

SN NOW GETS A NEW LOOK

Canadian network **SportsNet** is getting a digital refresh. **Rogers Communications**, the owner of the network, has tapped **Firstlight Media** and **Deltatre** to revamp its SN Now streamer. On the backend, Firstlight is using the cloud to cre-

ate a platform that allows services on SN Now to be tweaked and adjusted in real time. Deltatre is crafting the user experience, which will be adaptable and allow for new advertising and sponsorship capabilities on the platform. The first phase of the new SN Now will be released this fall with additional development phases planned for the near future.

HONORS

The **Media Institute** is honoring **AT&T** chairman **William Kennard**, **CBS** Evening News anchor **Norah O'Donnell** and **NAB** president/CEO **Gordon Smith** at its virtual Free Speech America Gala on Oct 20. Kennard, a former **FCC** chair, will receive the American Horizon Award for visionary leadership in the communications industry. Smith, a former U.S. senator who will be retiring at the end of 2021, will receive a special Lifetime Achievement Award and be the event's featured speaker. O'Donnell will take home the Freedom of Speech Award, which honors an individual who has worked to advance free speech, a free press and the First Amendment.

RATINGS

WE tv reality franchise "Love After Lockup" saw double-digit ratings growth across categories from its July 30 episode. Ratings increased 23% among W18-49 (470,000), 26% across W25-54 (542,000), 33% among A25-54 (723,000) and 32% among total viewers with more than 1.2 million in **Nielsen** L+3 ratings.

PROGRAMMING

MTV Entertainment Studios inked a deal with "South Park" co-creators **Trey Parker** and **Matt Stone**, extending the series on **Comedy Central** through 2027 and taking cable's longest-running scripted series through a 30th season. The agreement also includes the development of 14 made-for-streaming South Park movies, with two to be made for 2021. – **Shudder** acquired "Hellbender" and will release the film in North America, the U.K., Ireland, Australia and New Zealand in 2022.



CONGRATULATIONS to all the honorees!

It's a Cablefax 100 like never before.

During these unprecedented times, we asked the industry's power hitters to reflect on how the pandemic has changed the business and their own personal perspectives.

**Read their thoughts in our annual 100 digital issue.
Browse and share individual profiles.**

www.cablefax100.com

PROGRAMMER'S PAGE

Admiring Some 'Cheap Old Houses' on HGTV

The housing market is no joke nowadays, and some folks may be considering purchasing an older home in need of some love in order to save a few bucks. Showcasing those homes is exactly what *Ethan and Elizabeth Finkelstein* love to do on **Instagram**, and now they'll be doing it on **HGTV's** "Cheap Old Houses" (premiering Monday at 9pm). "This show came about after [HGTV president] *Jane Latman* and myself had the pleasure of meeting with Elizabeth and Ethan in person. We instantly felt their passion for old homes and knew they needed a place within our HGTV family," HGTV svp, programming and development *Loren Ruch* told **CFX**. Followers of the couple's Instagram account will get much of what they are used to on the HGTV show. Featured homes in need of renovation will all be under \$150,000, and homes previously featured on the Instagram account that have been restored will also be given some air time. The show was shot over much of the spring, and the most challenging part of the production process was figuring out what mix of homes would be showcased on the series. "With Elizabeth and Ethan's incredible outreach capabilities after years of curing the Instagram site, they have terrific access to all sorts of homes in a variety of regions," Ruch said. "Of course some of the homes were in better shape than others, but we made sure to only shoot in places that were safe and potentially viable options to be highlighted on their page and appealing to lovers of old houses." The Finkelsteins hope that the spotlight they're shining on these architectural marvels will spark a new wave of appreciation for these historic homes, and ultimately save many of them from being replaced by new builds. "By showcasing the beauty and character of an old home, we think it may inspire a movement of preservation that will keep many of these older properties around for generations to come," Ruch said. – *Sara Winegardner*

REVIEWS

"Startup," streaming on **Netflix**. It's the dog days of summer and premieres, the staple of this column, tend to wane. On the other hand, there's a reason it's called the 'Golden Age of Television.' And there's plenty of gold in the on-demand and streaming hills of series past. A few issues back we reviewed "Good Girls," an **NBC** series that looked at what happens when decent, hard-working citizens do things they know are wrong. Laundering money for criminals, for example. Several years before *Good Girls'* debut in 2018, "Startup," in 2016, offered a plotline that also included money laundering. Importantly, "Startup," a terrific series that ran for three seasons and is streaming on Netflix, expanded into cryptocurrency. Should you desire a deeper dive into the money laundering basket, "Ozark," a 2017 Netflix original, is a must. Besides adults, *Ozark* pulls a couple of teenagers along for the ride, as money laundering becomes a family business. But perhaps the least-heralded series of the three, *Startup*, dare we say, is good, mostly clean fun. And like *Ozark*, its establishing shots, help make Miami part of the story. Still, we're drawn to the tension between good and bad. The wonderful *Martin Freeman*, who plays troubled souls better than most (see **FX's** " Fargo," season 1), has a field day as an FBI agent with a tortured soul. – *Seth Arenstein*

BASIC CABLE		
P2+ PRIME RANKINGS*		
(07/26/21-08/01/21)		
MON-SUN	MC	MC
	US	US AA
	AA%	(000)
FNC	0.634	1,952
USA	0.496	1,529
MSNBC	0.366	1,127
HGTV	0.318	979
HALL	0.288	887
TLC	0.287	885
INSP	0.259	798
CNN	0.225	694
DISC	0.219	673
TBSC	0.215	661
TNT	0.209	645
ESPN	0.206	636
ID	0.195	601
HIST	0.188	580
FOOD	0.184	568
NBCSN	0.174	536
HMM	0.172	531
LIFE	0.157	484
TVLAND	0.154	474
FS1	0.141	434
WETV	0.139	427
A&E	0.131	404
ADSM	0.131	403
GSN	0.125	385
BET	0.124	381
FX	0.123	380
BRAVO	0.117	361
TUDN	0.116	358
GOLF	0.115	354
NAN	0.112	346
NICK	0.105	324
TRAVEL	0.104	321
CNBC	0.102	315
SYFY	0.098	302

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

2021 CYNOPSIS RESOURCE CENTER

An online asset for media execs looking for the latest in tech, streaming, network offerings, & tools to support their business initiatives.

<http://www.cynopsis.com/resource-center>

ACCESS
NOW