Cablefax Daily

WHAT THE INDUSTRY READS FIRST

Old and New: Nexstar Launches Rewind TV, SportsGrid Subchannels

The era of the multicast network is far from over. **Nexstar** unveiled the two latest additions to its collection of digital subchannels Wednesday: the nostalgia-laden **Rewind TV** and wagering-centric **SportsGrid Network**.

Their launch was actually triggered by **Scripps**' acquisition of **ION Media** in January, a move that brought together the **Katz Networks**, **Newsy** and ION under one roof. Nexstar is a major distribution partner for folks like Katz Networks, but the latter didn't need Nexstar's help in as many markets following the merger. That left the broadcaster with a significant piece of leftover real estate in the form of newly designated or recently vacated digital subchannels.

Rewind TV will present a slate of classic sitcoms from the 1980s and 1990s, acting as a digital companion to subchannel **Antenna TV**, which offers similar programming from the 1960s and 1970s. At launch, Rewind will reach 40% of U.S. television households, or nearly 50 million homes, in markets that include New York, Los Angeles and Chicago. Nexstar has struck agreements with its cable partners in certain markets to offer the network, but its availability will be largely limited at the start. For instance, **Comcast** will offer Rewind in the Washington, D.C., area and **Charter** will offer it in the Buffalo, New York, market.

The broadcaster does have plans to expand and will bring Rewind to Las Vegas on November 1, according to the network's website. Right now, Nexstar doesn't have room to grow internally in terms of vacant digital subchannels, but it is looking to unlock more space in the near future.

"We will find room to grow, but we're not going around just taking off our existing partners to put Rewind on, and 40% of the country is obviously a really good start," Sean Compton, president of Nexstar's networks division, told **CFX**. "That's what we started with at Antenna, and I think we've been north of 90% now for about six years."

SportsGrid Network was created as a result of a partner-ship with streaming video network **SportsGrid**. It will offer 18 hours of exclusive live programming hosted by a team of on-air personalities, sports and gambling experts and guest contributors. The network is initially available across nine digital subchannels in nine major U.S. markets including San Francisco, D.C., Tampa, Portland, Nashville, Norfolk, Grand Rapids, Knoxville and Des Moines.

"There's hopefully some expansion with them later this year and next, and there's some content sharing potential with our stations and digital platforms. It's a good business for us to get in the long-form format, and what's good for them is obviously the over-the-air reach in addition to our cable slots," Compton said. "There are so many important cord-nevers who consume these networks. What is it, 16-17% of the country relying on rabbit ears? That's a large group of people that are available to these networks in addition to their cable slot. But when you're in cable, you're one of 300. When you're over-the-air, you're one of 20 viable outlets."

He has high hopes for the future of these multicast networks,

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and other broadcasters also aren't showing signs of ceasing their investments in the channels. Scripps is about to make a push of its own in the space, launching Newsy on Oct 1 as a free over-the-air broadcast network.

"To be honest with you, when we modeled it, we never thought it would be the business that it has become. I thought it would be a decent business or else we wouldn't have done it, but we never thought it would take off like it has," Compton said. "I don't know where the top is. I don't think we're there yet."

MRC SUSPENDS NIELSEN ACCREDITATION

The Nielsen saga continued Wednesday when the Media Rating Council officially suspended accreditation for Nielsen's National Ratings Service and Local TV Ratings service. "MRC's Board of Directors, which represents an extremely broad range of industry constituencies, and includes advertisers, agencies, and media companies of all types, is strongly unified in its positions on these matters," George W Ivie, executive director and CEO of the MRC, said. The decision comes after Video Advertising Bureau president/CEO Sean Cunningham asked the MRC to suspend the ratings service's accreditation in late July, prompting Nielsen to proactively ask for an accreditation hiatus from the Council in early August. The VAB cited Media Rating Council's audit of Nielsen, which in May found the ratings service to have undercounted viewership during the COVID-19 pandemic's start in 2020, as one of the reasons for its July ask. Cunningham said the MRC's Wednesday decision is proof that the ratings service needs to change with the times. "The united buy/sell marketplace decision to suspend Nielsen's national and local market accreditation must be seen by Nielsen as a loud change-or-die challenge. In fact, all measurement and currency

providers with big future aspirations in the video advertising sector must take the 2021 mandate for real transparency, full and deep audience capture, urgent innovation and rigorous verification as mission-critical for them all," Cunningham said in a statement on the vote. Meanwhile, Nielsen CEO David Kenny wrote a letter to clients assuring them of the company's commitment to address the concerns outlined by the Media Ratings Council. Those include panel size and maintenance levels, business continuity and recovery processes, transparency and clarity in recording or communicating any changes in methods and Nielsen's decision to include broadband-only homes in local measurement. "We understand and accepted the issues laid out—which is why we recently requested a hiatus in accreditation to address them," Kenny said. Nielsen added that while the outcome of the ruling was disappointing, the company's data can and should still be utilized. "The suspension will not impact the usability of our data. Nielsen remains the currency of choice for media companies, advertisers and agencies," a Nielsen spokesperson told **CFX**.

LOCAST DEALT A LOSS

A federal court delivered a blow to broadcast streaming app **Locast**, with a judge ruling it's not protected by an exception to US Copyright Law. The judge partially granted broadcasters' motion for summary judgment. In light of the order, Locast is suspending immediately all programming interruptions to request donations. **ABC**, **CBS**, **FOX** and **NBC** filed the copyright infringement suit against Locast in July 2019, claiming the app takes their signals and rebroadcasts them without their permission. They also challenged Locast's claim that it's a free service since it repeatedly interrupts programming ask-



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ing for a \$5 donation from users. Locast's nonprofit status is important because copyright law allows nonprofits to retransmit broadcasters' signals. The judge's ruling for partial summary judgment, released late Tuesday, cited Locast's total costs in 2020 as being \$2.436 million, which the streamer said represented what it costs to operate the service, when it began in 16 markets and expanded to 25. Locast's total revenue in 2020 was \$4.519 million, with \$4.372 million of that coming from users. Locast has said it needs that money to expand into new markets. It's now in 36. "On those undisputed facts, in 2020 Locast made far more money from user charges than was necessary to defray its costs of maintaining and operating its service," the judge wrote, saying that under the statute, income made from charges to recipients can only be used to defray the actual and reasonable costs of maintaining and operating the service—not of expanding it into new markets. Locast believes the court made a mistake and is evaluating its options. On Wednesday, the court released an order denying Locast founder David Goodfriend's argument that he can't be sued in an individual capacity. "There remains a genuine issue of material fact whether he receives 'any other thing of value' from his services at [Locast operator] Sports Fan Coalition of New York [SFCNY], and his motion for summary judgment is therefore denied," the judge wrote. While Goodfriend doesn't receive a salary from SFCNY, the judge said there's a question over whether he receives other value, such as relationships that benefit his reputation and could lead to future opportunities.

AT&T WANTS MID-BAND SPECTRUM PROTECTIONS

AT&T filed a petition for a rulemaking with the FCC Wednesday urging the agency to adopt a spectrum screen for midband spectrum. The spectrum screen would act as a filter the Commission could use to easily flag spectrum acquisitions that could result in competitive harms. "Like the separate screens already established for high- and low-band spectrum, we believe that such a tool would assist the Commission in identifying spectrum aggregations that may cause competitive harm by allowing a licensee to hold so much mid-band spectrum in a given market that it becomes impossible for others to compete effectively," AT&T evp, federal regulatory relations Joan Marsh said in a company blog. "Now, with 5G as the focus of investment and competition, it is clear that large blocks of mid-band spectrum are critical to 5G success. To the extent that such blocks become unduly concentrated in the hands of one or two licensees, 5G competition is likely to falter."

WOW! CLOSES SALE TO ATLANTIC

WOW! completed its \$1.125 billion sale of its Cleveland and Columbus, Ohio, service areas to **Atlantic Broadband** Wednesday. It expects to use approximately \$1 billion in net proceeds to pay down a portion of the company's debt. WOW!'s other agreement to sell its Evansville, Indiana; Anne Arundel, Maryland; and Chicago service areas for \$661 million to **Astound Broadband** is still on track to close in 4Q21.

TCM UNVEILS REBRANDED LOOK

On its 27th anniversary, **Turner Classic Movies** is getting a new look. The rebrand was announced Wednesday, with the new tagline "Where Then Meets Now," created to reflect the way modern audiences are engaging with classic movies. With the facelift, TCM aims to solidify the network as the destination for reframed conversations around 20th Century films in the 21st Century. The new logo features a "double C" – a 'C' inside a larger version of the letter, to reflect TCM's four key 'C's,' which include curation, context, connection and culture. The coloring also pairs the original Technicolor spectrum with the black lettering, representing the black and white of classic movies. Fans' favorite content and the character of the network will remain the same, though, as TCM executives and talent say the refresh is isolated to the aesthetic to help the channel stay relevant and expand its audience. Programming is being integrated into the face-lift, including "Reframed," a series that re-examines movies like "The Jazz Singer," "Gone With the Wind" and "Breakfast at Tiffany's," which have become controversial for their portrayals of race, gender and sexuality.

BOOST TO ACQUIRE GEN MOBILE

DISH subsidiary **Boost Mobile** is buying L.A.-based prepaid mobile service **Gen Mobile**. Boost will acquire the Gen Mobile brand, customer base, existing distribution network, technology and the company's team of wireless professionals. Following the acquisition, Gen Mobile co-founder/CEO *Robert Yap* will continue to lead the business, reporting to Boost Mobile evp *Stephen Stokols*.

IDA RATINGS

Fox News Channel delivered 1.538 million in total day viewers on Sunday with its breaking news coverage of Hurricane Ida. That mark bested **CNN** (958,000), **MSNBC** (545,000) and **The Weather Channel** (1.441 million). Over the entire weekend, The Weather Channel ranked No 1 in reach among households (16.6 million) and P2+ (24.6 million). The network averaged 102 minutes in time spent viewing for P25-54 across its weekend coverage.

CARRIAGE

HBO Max launched on **VIZIO SmartCast** Wednesday. To promote the new content to VIZIO customers, SmartCast created a dedicated carousel highlighting a limited free experience for users to access certain **HBO** shows with no subscriptions required. Titles on the page include "Game of Thrones," "Titans," "Doom Patrol," "Euphoria," "Love Life," "Raised By Wolves," "The Flight Attendant," "Lovecraft Country," "Perry Mason" and more.

PEOPLE

GAC Media added two ad sales professionals to its growing family. *Paul Brennan* joined the team as svp, ad sales and *Elizabeth Santos* has been named director, pricing and planning. Brennan last spent more than 16 years at **Sony Pictures Entertainment** while Santos has spent time at **a4 Media**, **ION Media Networks** and **Univision**.

Think about that for a minute...

Be Prepared

Commentary by Steve Effros

Yes, a bit of arcana from the past; "Be Prepared," lyrics by Tom Lehrer in a studio recording in 1953 admonished. He called it the "Boy Scouts Marching Song." Go look it up, or even better, find Lehrer singing it online. His message was clear, and it's just as prescient today as it was back then, although if you hear it, you'll know he was not referring to the same things I am here!

When you're in a business like ours the need to "be prepared" is absolutely a necessity. The best evidence of that today is the situation the big "tech" companies, Facebook, Apple, Google, et. al., find themselves in, facing investigations, fines, and potential legislation to break them up from multiple directions. The FTC, the FCC, the Department of Justice, the EU and, of course, Congress are all looking, and wondering what to do. Should the antitrust laws be unleashed? Should new legislation limit the types of businesses one company can be in? Can there be regulations that require editorial control, or specifically prohibit that sort of thing? Everything seems to be on the table.

Were they prepared for this? It's unlikely. Sure, it was easy to see that as these companies got big, then bigger, they were also going to become huge targets. As influence and power grows so do objections. But it is very difficult to know when and how the lightning bolts will strike, and from which direction. That's the challenge, and that's why it's so hard to "be prepared."

I recall a meeting I had many years ago with Paul Allen when he was building the original Charter Communications. We were talking about setting up a "Washington Office," and I was urging that he do so as soon as possible because cable was clearly going to be in the sights of Washington regulators as it became dominant. He told me he knew all about that, because he had been a member of the Board of Directors of Microsoft.

Given that Microsoft had already lost its antitrust battles and had to separate the sale of its operating system from its browser I suggested to him that the Board apparently acted a little late in getting "prepared" in Washington. Needless to say, I wasn't asked to set up a DC office for him after that comment!

The point is that the issues that are inevitably raised, particularly when it comes to "tech" are always "hot" issues. Whether it's price, availability, content control, internal competition (Amazon, for instance, selling its own goods while searching and advertising others as well) privacy, security or you name it. Our ability to communicate and the inherent nature of "networks" having to be unified result in the appearance of an essential utility regardless of whether something like Facebook is a utility or not.

So how do you get "prepared?" After watching this scenario for many years, I would suggest that you seek out and listen to your most vocal critics. They may be off the wall sometimes, and they may be suggesting "remedies" (for instance regarding pricing or build outs) that are simply not economically feasible. But by listening to what they want and hearing their concerns you can then, hopefully, be positively responsive to some and prepared to explain why others are not possible.

I know we all try to do that after the fact. But that's what Facebook, Apple and the rest of the crew are facing now. They are trying to respond after the facts on the ground have become major issues; privacy, security, self-dealing and the like. It's almost too late. They were not ready, and they're now going

> to have to go through a very expensive and complicated process to defend themselves. Better to have been prepared.



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(Steve Effros was President of CATA for 23 years and is now an advisor and consultant to the cable industry. His views do not necessarily reflect the views of Cablefax.)

