

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Full Stream Ahead: Sinclair Model Estimates 332K Subs for DTC in 2022

Sinclair moved closer to launching its DTC streaming product by securing a rights deal with the **NBA** that includes live games for the upcoming service. It follows a similar deal with the **NHL** last month.

In a regulatory filing Thursday, the company included several models based on management estimates for its **Diamond Sports Group** business with the DTC product. In one model, Sinclair estimates 332K paid streaming/features subs this year and \$111 million in DTC rev. That figure includes \$75 million in streaming subscription rev and \$31 million in advertising and other revenue. Under that model, Sinclair sees subs growing to nearly 6 million in 2027 and \$1.29 billion in revenue with \$753 million of that coming from subscriptions. A second model puts 2022 estimated subs and revenue at 332,000 and \$214 million, respectively, with subs soaring to 8.6 million in 2027 and revenue topping \$1.7 billion.

While no financial details were released on the NBA deal, the streaming rights aren't expected to have a heavy price tag and are instead seen as a way for the league to help keep RSNs running as they prepare for the business to eventually move to a DTC model. Under the agreement, Diamond Sports Group's **Bally Sports Regional Networks** are permitted to offer streaming content, including live games, on an authenticated and DTC basis to the local territories of 16 NBA teams.

Sports Business Journal's John Ourand [reports](#) that Sinclair

DTC service subscribers will be able to stream the games in their local markets for a monthly fee expected to surpass \$20, adding that the NBA games will still be available on Sinclair's Bally Sports RSNs and won't be available to stream nationally.

Sinclair's move into the DTC space is being scrutinized by MVPDs as they closely monitor the value proposition of RSNs. In the past month, **Comcast** and **Cox** have both hiked RSN fees in several markets by around \$2, citing the rising expense to carry the channels. Meanwhile, **DISH** has trimmed every RSN from its lineup, with **Frontier** following its lead.

As of Dec. 31, Diamond Sports Group estimated a cash balance of \$434 million. Cash sports rights payments are expected to grow 2-3% annually off a basis of 2021E cash sports rights payments of \$2 billion. Sinclair-owned subsidiary Diamond announced Thursday a new agreement with various lenders holding term loans under the company's existing credit facilities and with various noteholders under which it intends to raise \$600 million in new capital and to defer cash payment of a portion of its management fee to Sinclair. Together, this is expected to provide \$1 billion of liquidity enhancement over the next five years.

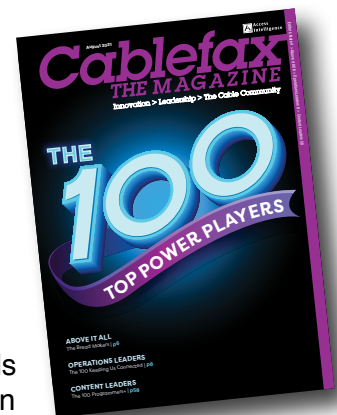
DTC is only one part of Sinclair's strategy for the Diamond Sports Group. The other key component will be sports betting. *Rob Weisbord*, Sinclair President of Broadcast and CRO, spoke about integrating wagering with the DTC product during a TVOT Live panel Thursday. "With our direct-to-consumer app, it'll be wireframe and will have a game center. So, you'll be able to



Who Deserves to Rank Among Cablefax's Annual Top Power Players?

The Cablefax 100 salutes the most influential executives whose leadership continues to take the industry to new heights. We will rank the top professionals in the media, cable & broadband industry and publish the list in the June edition of Cablefax: The Magazine.

It's free to enter — but you must submit your entries by January 21!



Nominate at www.Cablefax100.com | Questions: Mary-Lou French at mfrench@accessintel.com

play predictive games, DFS [daily fantasy sports] games and connect to the book,” said Weisbord. He noted that Sinclair/Diamond does not want to be licensed as a book and will instead work with the preferred vendors of the leagues. “We don’t want to be handling the personalized data... We’d rather be the conduit than the book itself. It’s not our core competency,” said Weisbord.

NBCU GETS FRIENDLY WITH ISPOT.TV

NBCUniversal is moving forward with its plans to expand its measurement partnerships, announcing a multi-year deal with **iSpot.tv** that will see the measurement company become one of its preferred partners for quantifying and unifying cross-screen media consumption, reach and impressions. iSpot.tv’s ability to support NBCU’s audience verification initiatives will be put to the test in what the company called a “massive pilot” to include both the 2022 Olympic Winter Games and Super Bowl LVI. iSpot.tv, which touts the ability to provide second-by-second measurement of ads and verified impressions for programming and advertising, will be expected to deliver metrics that can be used as an alternative currency among buyers and sellers.

COMCAST DIVES DEEPER ON 10G

Comcast successfully tested a prototype 10G modem using DOCSIS 4.0. In the lab test, a Full Duplex 4.0 system-on-chip cable modem built by **Broadcom** was able to deliver upload and download speeds faster than 4Gbps. The provider has been doubling down on its tests of the DOCSIS 4.0 technology in recent months, successfully testing a complete 10G connection using a virtualized cable modem termination system powered by DOCSIS 4.0 technology in October.

REDBOX IS ALL ABOUT DATA

It’s a new age for **Redbox**, and it is way more than an owner of DVD rental kiosks. It now counts multiple streaming services and an original content business within its portfolio and is highly focused on building relationships with customers looking for low-cost entertainment experiences. That focus on value and digital transformation are ultimately what drew it to expand beyond DVDs and toward the launches of its ad-supported streaming service and free live TV service. “You can save a lot of money over spending \$100-150 a month to now have this for free and be able to have it driven by the ads you want to watch. I think there’s a really unique customer—that Walmart, Dollar General, Family Dollar customer—that we have this great relationship with,” Redbox CEO *Galen Smith* said during an investor conference appearance Thursday. Redbox has also been able to begin gathering its own first-party data within its platforms, and while it is still navigating how it can monetize that data, it has been able to use those analytics

to improve its applications and strike new partnerships. The focus of those partnerships will be on driving subscriptions or consumer engagement with those applications. As an example, Smith said one partnership with a streaming service saw 60,000 subscriptions sold within 5-6 weeks just by driving it to Redbox’s customer base. “As people start to think a little differently about Redbox and this unique reach we have in terms of this value-conscious consumer, there’s a lot of value that can be created by helping to monetize the data, but maybe doing it in a way where it sits on our platform,” he said.

Cablefax Executive Round Up

What can the FCC accomplish in 2022 now that Jessica Rosenworcel has been confirmed as chair?



Shirley Bloomfield

CEO

NTCA-The Rural Broadband Association

“Chairwoman Rosenworcel is committed to ensuring that all Americans, regardless of where they live, not only have access to dependable broadband connectivity, but are able to use and afford it as well. I was thrilled when she took the

helm of the FCC and look forward to working with her on our shared goal of universal service.”



Catherine Bohigian

Executive VP of Government Affairs

Charter Communications

“Chairwoman Rosenworcel has been a strong advocate for closing the homework gap and digital divide, and we’re excited to work alongside her as we make reliable, high-speed connectivity available to hundreds of thousands of new

homes and small businesses over the next several years.”



Chris Lewis

President/CEO

Public Knowledge

“The FCC has a central role in protecting consumers on communications networks. Chair Rosenworcel and a full Commission’s first priority should be to restore authority over broadband – the essential communications network of the

21st century. With that authority, the FCC can address key protections including closing the digital divide, net neutrality, privacy, and reliability standards.”



Ross Lieberman

Senior VP of Government Affairs

ACA Connects-America’s Communications Association

“Under Chairwoman Rosenworcel’s leadership, the Commission can address some of the most challenging problems contributing to the nation’s digital divides, including the ‘homework gap,’ by collecting more granular broadband

deployment data, administering the Affordable Connectivity Program and Emergency Connectivity Fund, and eliminating barriers to deployment. ACA Connects wishes her every success in these efforts.”

605, DELOITTE PARTNER TO PUSH 605 EXCHANGE

605 and **Deloitte Digital** are teaming up to accelerate the launch of 605 Exchange, an independent media trading currency for transactions between those on the buy-side and sell-side. Deloitte Digital will serve as 605's exclusive software engineering and development provider, working hand-in-hand with 605's internal engineering and software development organization to shape a long-term roadmap of features to scale the existing 605 Platform and shape it to shifts in the advertising space.

WICKER ASKS AGAIN FOR FCC-NTIA COORDINATION

Sen. *Roger Wicker* (R-MS) is again calling on the **FCC** and **NTIA** to more effectively work together to resolve spectrum policy issues and update their Memorandum of Understanding on spectrum coordination. "This MOU has not been updated since 2003 and does not appropriately account for the dramatic changes in technology in the past 20 years," he said in a letter to FCC Chair *Jessica Rosenworcel* and newly-confirmed NTIA head *Alan Davidson*. Wicker joined with Sens. *John Thune* (R-SD) and *Marsha Blackburn* (R-TN) to introduce the Improving Spectrum Coordination Act of 2021 in April, which, if passed, would require the two agencies to update the MOU.

OPENVAULT GETS MARKETING HELP IN LATAM

OpenVault is expanding its global sales and marketing functions in Latin America and Europe through a partnership with **Lotier International**. The announcement comes one month after OpenVault's acquisition of **VelociData**, whose footprint extends across the U.S. and into Latin America. Under the agreement, Lotier will direct its business development and sales offices in Brazil, Argentina and Portugal to grow adoption of OpenVault's network solutions and insights for broadband providers.

CARRIAGE

ViacomCBS and **Comcast** struck a multi-year distribution agreement that renewed carriage deals for a number of the programmer's networks. Those include **CBS**, **BET**, **CBS Sports Network**, **Comedy Central**, **MTV**, **Nickelodeon**, **Paramount Network**, **Pop TV**, **Smithsonian** and **Showtime**. SVOD **BET+** will now be made available to Xfinity X1 and Flex customers alongside previously-carried services like **Paramount+**, **Pluto TV** and Showtime OTT.

TELEMUNDO TPLUS COMING TO PEACOCK

This fall, **Telemundo** will launch "Tplus," a content brand on **Peacock** targeting U.S. Hispanics. The programmer promises a wide variety of Spanish- and English-language programming, including a reality dating series by the same folks behind "Love is Blind" and "Married at First Sight." Other Tplus programming includes anthology series "Mysteries & Scandals" (wt), which investigates impactful stories in Latino pop culture, and a documentary film on sports icon *Lionel Messi*. Telemundo also announced today that Telemundo owned stations will be launching their own local news streaming channels later this year to super-serve Spanish dominant and bilingual local audiences in NYC, Miami, L.A. and Puerto Rico. The programmer also outlined plans to present live coverage of FIFA World Cup Qatar 2022 matches on Peacock—including the group stage, all knock-off stage World Cup matches and the final.

PROGRAMMING

fuboTV will be the exclusive home to the Premier League in Canada for the next three seasons, starting with the 2022/2023 season. fuboTV will carry all 380 Premier League matches each season on its SVOD service as well as on its **Fubo Sports Network** channel. – **HBO Max** has greenlit a revival of teen drama series "Degrassi." It's expected to launch on the service in 2023. It's also picked up the U.S. rights for the 14-season library of "Degrassi: The Next Generation." The show will be available on the platform later this spring and on **Cartoon Network** at a later date. – **Nickelodeon** and **AwesomenessTV** have signed a deal with actor and executive producer *Jace Norman* and Spotlight, Norman's production company, to develop content for **ViacomCBS** brands. – The HBO Max original six-episode docuseries "Take Out With Lisa Ling" debuts on Jan. 27. It examines the history of Asian Americans in the U.S with a particular focus on food. – **Lifetime** is developing a two-picture deal with *Jenna Dewan*. The projects are currently in development, and one of the films is slated to be as part of the network's annual "It's a Wonderful Lifetime" programming event. – **INSP** is premiering historical docudrama "Into the Wild Frontier" on Feb 17 at 8pm ET. – **EPIX** announced the return of "Godfather of Harlem" for a third season. Production will take place in New York this summer. – **MLB Network** is debuting "MLB Tonight: A Conversation" on Monday at 5pm ET. The program will feature a series of interviews with folks like Houston Astros manager *Dusty Baker* and top 2022 draft prospects on the Black representation in the sport.

PEOPLE

The Broadband Cable Association of Pennsylvania (BCAP) elected three new members to its board Monday: **Charter** Director of State Government Affairs *Jason Kershner*; **Shentel** Consultant *Curt Kosko*; and **Comcast** VP, Government and Regulatory Affairs *Elizabeth Murray*. Kosko was elected to a three-year term, while Kershner will fill the remaining year of a three-year term vacated by departing board member *Connie Luck* of Charter. Murray will fill the remaining year of a three-year term vacated by *David Breidinger*, retired from Comcast. – **BBC Studios** promoted *Eve Frederick* to SVP, Production for its L.A. production arm. She oversees production teams for a variety of series, including **Nat Geo's** "Live Below Zero" and **Netflix's** "Murder Among the Mormons." – *JiYoung Kim* has been tapped by **GroupM** to serve as the company's North America Chief Product & Services Officer. She most recently served as Chief Digital Officer at global media and marketing agency **Carat USA**.

ON THE CIRCUIT

BCCA's Media Financial Management Association is hosting its annual "Media Credit & Collections Virtual Workshop" Jan. 19-20 from 10:45am – 4pm ET each day. The virtual event feature talks from media industry experts on issues of importance to credit and collection professionals. – **Incompas** plans to hold its [Policy Summit](#) in person in D.C. on Feb. 8. Confirmed keynote speakers include Sens *Ben Lujan* (D-NM), *Rob Portman* (R-OH) and **FCC** commissioners *Brendan Carr* and *Nathan Simington*.

PROGRAMMER'S PAGE

Urban One Celebrates Black America Soundtrack

“Urban One Honors,” an annual televised event celebrating Black excellence, returns Monday with an emphasis on iconic Black musicians in American culture. “We went through a lot of different themes this year” before settling on music, **TV One** and **CLEO TV** president *Michelle Rice* said during a recent press event. “We really thought that a lot of the music and the bodies of work that this group has produced are something that brings us together.” The two-hour awards show, themed “The Soundtrack of Black America,” premieres on Martin Luther King Day at 6pm ET on TV One and CLEO TV with an impressive slate of honorees, including *Jennifer Hudson, Timbaland, Jimmy Jam* and *Terry Lewis*. Choosing artists whose music represents Black America was more difficult than anticipated. One of the challenges was choosing which genre of music to focus on. “It is always a delicate dance because we have a lot to choose from,” said *Susan Henry*, executive producer in charge of production for TV One. Urban One Honors first debuted in 2018 as a televised event to spotlight the accomplishment of individuals who have made contributions in entertainment, music and more. Presented by TV One and Radio One’s Washington D.C. market’s cluster of radio stations, Urban One Honors chooses different industries and people to showcase. Last year, it spotlighted African American women who were leaders of change in business, health, media and politics. “Particularly now we are going through quite an ordeal with the pandemic. I think this will be a bright spot in everyone’s MLK Day night to watch this show,” said Rice. Grammy Award-winning singer and songwriter *Ne-Yo* hosts this year’s festivities. “The honor that it is to be a part of the show that is celebrating these people, you know Jimmy Jam and Terry Lewis, without them in a lot of ways there would be no Ne-Yo,” he said. The show will open with a performance by *H.E.R.*, with *Tasha Cobbs-Leonard, Kelly Price* and *Johnny Gill* also scheduled to take the stage. “Hopefully we can do this show for years to come so that we can give everyone their flowers,” said Henry. – *Goa Zhu*

REVIEWS

“Selling the Hamptons,” streaming beginning Thursday, **Discovery+**. With so many of us spending much more time at home, the DIY home-improvement market is hot, as is real estate. Yet, the homes featured on this new Discovery+ series are a stretch for all but the One Percenters. 100 miles east of NYC, the beach-lined Hamptons offers some of the country’s most expensive homes. If you can spare \$35 million, the brokers at Nest Seekers International are happy to show you around. The series occurs during the short Memorial Day-to-Labor Day selling season, so the views of the homes and the Atlantic Ocean surrounding them are excellent. Let’s stop here, though. The homes here are several levels better than just about any place you’ve seen. You could turn down the audio and just view the footage. It’s that good. And forget the cheaply printed brochure and online tours used to move the homes of the un-rich and not famous. Selling a 2-acre mansion requires extensive photography (\$2,500), a life-style video (\$15K) and massive staging...in short, you spend \$100K on marketing. But think of the commission. It’s a great investment...if it works. Almost needless to say, nearly everyone on the Nest Seekers team is young, trim, attractive and well-dressed. And since it’s TV, there’s pressure to sell now. Enjoy the escape. – *Seth Arenstein*

BASIC CABLE		
P2+ PRIME RANKINGS*		
(01/03/22-01/09/22)		
MON-SUN	MC	MC
	US	US AA
	AA%	(000)
ESPN	1.172	3650
FNC	0.723	2253
MSNBC	0.412	1284
HALL	0.382	1189
HGTV	0.374	1164
TLC	0.280	871
INSP	0.264	823
DISC	0.233	727
HIST	0.232	721
FOOD	0.230	715
TBSC	0.225	702
CNN	0.220	685
USA	0.200	622
ID	0.190	592
TVLAND	0.184	573
TNT	0.184	573
LIFE	0.177	550
HMM	0.174	541
A&E	0.161	500
ESPN2	0.148	461
PARA	0.144	449
FX	0.144	449
AMC	0.144	449
WETV	0.141	439
BRAVO	0.141	439
GSN	0.132	410
SYFY	0.128	398
NATGEO	0.120	374
BET	0.116	362
NICK	0.112	350
OXYGEN	0.103	320
NAN	0.102	319
NBATV	0.098	306
APL	0.095	295

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

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