

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## Ukraine Invasion: Some U.S. Pay TV Providers Carry Russian-Backed RT

While many Americans tuned in to **CNN**, **Fox News** and **MSNBC** as news broke of Russia's invasion of Ukraine, some viewers had the option of watching Russian state broadcasting network **RT**.

**DISH** and **DirecTV** both carry the English-language channel according to their online channel guides. RT's website also lists the two satellite providers as carriage partners in the U.S. along with several other companies, including **Roku**, **Buckeye Cable-system** and **KlowdTV**. **CFX** reached out to several of those companies to see if any were re-evaluating carriage given current events. Only DISH and DirecTV responded by our deadline, confirming that they do currently carry the Kremlin-financed channel.

"Our thoughts are with all the people of Ukraine, and particularly with our team members in the country. We are closely monitoring the situation," a DISH spokesperson said. Earlier in the day, DISH CEO *Erik Carlson* began the company's 4Q21 earnings call by wishing safety to the people of Ukraine, including those who are part of a "small development shop" DISH has there. "It's really close to home," he said of the invasion.

A DirecTV spokesperson said the company has offered RT on both its satellite and DirecTV Stream IPTV service since mid-2017. The company doesn't disclose terms of agreements, he said, adding that it does evaluate network carriage on an ongoing basis. Case in point, DirecTV decided earlier this year to drop **One America News Network** from its lineup when

its contract expires.

The Russian news channel, previously known as Russia Today, has faced scrutiny over the years. This week, UK Culture Secretary *Nadine Dorries* asked the UK media regulator to look at whether RT is a tool for a Russian disinformation campaign, [Reuters](#) reported. **Comcast** and **Charter** previously carried RT in some markets, but both ended carriage in 2018. The U.S. cable operators were carrying RT because the channel was paying for carriage through leased access arrangements. RT said Charter told the channel that it has long believed mandatory leased access violates its free speech rights and was pursuing a policy of discontinuing leased access deals. On Thursday, former First Minister of Scotland *Alex Salmond* suspended his talk show on RT until "peace has been re-established," according to the [BBC](#).

Rep *Anna Eshoo* (D-CA) has written to the **FCC** multiple times over the years asking it to apply stronger broadcast transparency requirements to state-sponsored media entities, citing RT and Russian-government operated outlet **Radio Sputnik**. Eshoo got her wish when last April the FCC adopted a new sponsorship identification requirement forcing broadcasters to disclose when foreign governments or their representatives lease time on their airwaves.

As for American news outlets, they quickly pivoted to overnight coverage of Ukraine last night. **CNN** correspondent *Matthew Chance* was on air speaking to *Don Lemon* when the first missiles began unexpectedly landing around 11pm ET

# Corporate Licenses

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Wednesday night. Other powerful video over the past 24 hours included **C-SPAN's** live coverage of the UN Security Council, in which Ukrainian Ambassador *Sergiy Kyslytsya* confronted Russia's representative during the emergency meeting. "There is no purgatory for war criminals. They go straight to hell, ambassador," Kyslytsya said.

As the invasion began, President *Donald Trump* called into **Fox News** host *Laura Ingraham*, criticizing the *Biden* administration. Fox News will have *Shannon Bream* preempt "Gutfeld!" Thursday for the second night in the row with a special two-hour live report, with *Trace Gallagher* taking over live coverage from 1am-4am. Over at **MSNBC**, *Rachel Maddow* is taking a break from her hiatus. She announced on Twitter that she will be on air tonight at 8pm with reporters joining live from Kiev, Kharkiv, Mariupol and other cities.

While CNN doesn't have *Jeff Zucker* presiding over its coverage, soon-to-be new boss *David Zaslav* is definitely watching. He commended the network during **Discovery, Inc's** 4Q21 earnings call Thursday morning. "There's a news network that's on the ground with journalists in bulletproof vests and helmets that are doing what journalists do best, which is fight to tell the truth in dangerous places so that we all can be safe and we can assess what's going on and what's dangerous in the world. So it's a proud moment for us to watch what's going on there," he said.

#### ZASLAV PROMISES CONTROLLED CONTENT SPEND

*David Zaslav* isn't afraid to open **Warner Bros Discovery's** piggy bank and spend money on additional content once he takes the combined company's reins, but only in situations where it makes sense. On Discovery's 4Q21 earnings call, the exec said he has no intention of winning any sort of "spending war" to reach the upper echelons of the streaming ranks. "We want to compete against **Disney** and **Netflix**, but we're a very different company than the two of them," he said. "And if you look at what [**HBO** and **HBO Max** Content Chief *Casey Bloys*] is doing with HBO, he has 'Euphoria' right now. He just had 'Succession.' He has the period drama 'Gilded Age' going right now. Would HBO be doing a lot better if it had three more really successful scripted series at this moment? It's not clear that they would be." Zaslav's argument centered on the idea that spending funds for content areas that are already rich and vibrant on properties like HBO Max or discovery+ would be redundant. Those comments drew some skepticism as it is no secret that content spend has only continued skyrocketing. Netflix's content spend has risen dramatically to more than \$17 billion in 2021 from the \$14.6 billion it spent in 2019. Clarity could come once the world gets a better view of what a combined Warner Bros Discovery looks like, but a future with controlled content spending looks somewhat uncertain. "To date, we have yet to see evidence of any media com-

pany being able to compete with Netflix and the other major streaming services without spending a lot more on content," **MoffettNathanson** said in a note. "So, will WBD with HBO's premium programming combined with lower churn and lower costs from discovery+ be able to strike a more balanced approach to increasing programming spend while growing DTC subs?" For now, the programmer is wholly focused on growing the subscriber base of discovery+. Discovery ended 2021 with 22 million DTC subscribers with 2 million additions coming in 4Q21. Total revenues for the quarter came in at \$3.187 billion with a 5% increase in U.S. ad revenues. U.S. distribution revenue increased 17% primarily due to growth in discovery+ and increases in contractual affiliate rates partially offset by a drop in linear subscribers. The European discovery+ subscriber base has now been transitioned onto the same technology platform as U.S. subscribers, allowing those customers to receive more personalized content and better viewing experiences overall. It also opens the doors for Discovery to introduce its ad-lite offering to the UK in March. The executive team is still confident that it will be able to surpass a 20% margin at scale, a figure that roughly represents where Netflix is today.

#### DISCOVERY READIES FOR WARNERMEDIA COMBO

A **Discovery** shareholder vote is all that stands between the programmer and its merger with **WarnerMedia**, and it is preparing as much as possible for the major transitions that will come with it. Integration management offices have already been established on both the WarnerMedia and Discovery sides, but there won't be much to do until the merger officially closes. At that point, Discovery plans to spend some amount of time evaluating all the existing content pieces and properties within its expanded portfolio, determining cost savings opportunities and finding holes where Discovery will need to spend money in order to fill holes in offerings like **HBO Max** and **discovery+**. CFO *Gunnar Wiedenfels* believes the merger will close in early 2Q21, ahead of the upfronts. He didn't detail whether WarnerMedia and Discovery would hold separate presentations, only saying they'll start putting together a strategy for the upfront and advertisers post-merger.

#### DISH WIRELESS PLANS

**DISH** pulled back the curtain on its 5G deployment plans, revealing a list of more than 25 markets it plans to launch before a June deployment deadline to reach 20% of the U.S. population. Charlotte, NC; Dallas, TX; Orlando, FL and Syracuse, NY, are among those initial markets. Las Vegas is already up and running, but is presently only available to friends and family. DISH expects to expand it to additional customers in the coming weeks. DISH chair *Charlie Ergen* said the company probably ended up doing more development with vendors on

the standalone 5G network in Vegas than it initially anticipated. “When it works, it works pretty well. We still have work to do. We’re not ready to spike the football... But the technical challenge has been resolved.” DISH is six months behind in Vegas, according to Ergen, who said the company didn’t realize it would have as much to do on the technical side. Things still being worked out before a commercial launch are optimization of the network and regulatory issues, such as e911. Ergen also said the company has reached an agreement with **T-Mobile** that resolves the dispute over the shutdown of the CDMA network that’s used by DISH’s Boost Mobile customers. Under the agreement, DISH will support T-Mobile’s March 31 shutdown date. **AT&T** will remain DISH’s primary vendor. Ergen said he couldn’t go into detail because the T-Mobile agreement is currently in front of the **FCC** and **DOJ**. “We’re working together on communications, on handset supplies, on incentives,” he said. “I’m sure that’s some short-term pain for us, but we’ve already experienced a lot of pain with the uncertainty and changing dates.” T-Mobile had originally planned to shutter the network on Jan. 1, 2022. DISH’s retail wireless business lost 245,000 subs in the quarter, with management giving some of the blame to cell phone shortages and the CDMA shutdown.

#### DISH SUB SLUMP

**DISH** CEO *Erik Carlson* didn’t beat around the bush. “We need to do a better job on subscriber targets for DISH TV and **Sling** and retail wireless, and we will move some headwinds in order to execute this year” he said at the top of the company’s 4Q21 earnings call Thursday. DISH lost 203,000 subscribers sequentially, while Sling TV shed 70,000. The company blamed the sub loss on the programming dispute with **TEGNA**, with nearly 3 million customers across 53 markets losing access to the broadcaster’s stations from October right up until nearly the Super Bowl/Olympics. A price increase that hit in November didn’t help sub numbers. Reflecting on the retransmission consent dispute, Chair *Charlie Ergen* said neither company came out a winner, with DISH losing subs and **Standard General** likely paying less for TEGNA because of it. On the other hand, DISH did prove it could make it through NFL season without a major broadcast group in place. As for vMVPD Sling, DISH spent last year re-engineering the platform and tweaking the user interface, with the company optimistic the changes will pay dividends. “Sling is a profitable business that will grow. It’s going to require a little patience, but with the platform overhaul last year, we’re now better positioned to be able to innovate and enhance the customer experience, features and differentiated offerings,” Carlson said. Sling is still the best overall value in regard to other OTT services due to service reliability, live TV offerings, launch party capabilities and its value price position.” **MoffettNathanson** analysts aren’t as bullish, noting that the consensus had expected Sling to add 16,000 subs in the quarter. “We don’t think the vMVPD segment is ever going to be the growth business it was originally hoped to be; it has been trading water for the past three years. Cord-cutters,

particularly those focused on scripted entertainment rather than sports and news, are fleeing for SVOD, not vMVPDs,” the firm said in a note to clients.

#### FUBOTV TALKS NEW SUB PLANS, SPORTS BETTING

**fuboTV** closed 2021 with 1.13 million subscribers, up 106% YOY and 185,000 net subs from the end of 3Q21. fuboTV briefly offered three-month subscription plans in lieu of the traditional month-to-month option earlier this year to reduce churn around the Super Bowl. It’s still looking at the data on how customers perceived the offer and whether it worked as intended, but don’t be surprised if you see fubo testing other alternative subscription plans throughout the year. “You’ll typically see us test different offers throughout the year and given the excitement around the Super Bowl, we thought it was a great time to test how sports fans would react to an offer that you typically don’t see,” Co-Founder/CEO *David Gandler* said on the company’s earnings call late Wednesday. With NCAA’s March Madness fast approaching, leadership was questioned on how it evaluates the balance of content on its service in the long-term. fuboTV dropped the **Turner** nets in July 2020, and the college basketball tournament coverage lives on **TNT**, **truTV**, **TBS** and **CBS**. “We didn’t have Turner last year either, and we managed pretty well. The teams are using all the data coming in and the platform is also providing the type of content today that we think will keep consumers engaged,” Gandler said. “But obviously, we have to be a little bit conservative because sometimes it really depends on the type of tournament, the teams and I guess the story line.”

#### MORE ADDRESSABLE TRACTION

**AMC Networks**, **Discovery, Inc.**, **TelevisaUnivision** and **WarnerMedia** have each signed multi-year agreements with **Canoe Ventures** for national addressable advertising. Canoe’s footprint currently consists of **Charter**, **Comcast** and **Cox** households. It’s the first big milestone for Canoe since it announced its addressable ad pilot with AMC Networks and Discovery, Inc, that began in November 2020. All four national programmers have either started or will be initiating addressable TV ad campaigns in Q1 2022.

#### WOW! CONTINUES FLORIDA EXPANSION

**WOW!** is targeting Orange County, FL, as its second greenfield expansion of the year. It’s an expansion of the operator’s first greenfield build in Seminole County, FL, with WOW! planning on investing \$40 million in Orange County over the next 2-3 years. Upon completion of the two builds, WOW! will have made its offerings available to more than 100,000 additional homes—bringing it more than halfway towards its goal of 200,000 by 2025. Full-year revenue for the HSD segment increased 11% to \$399.1 million in 2021, making it 55% of WOW!’s total revenue. It gained 12,900 HSD revenue generating units (RGU) over the year and ended 2021 with 511,700 HSD subscribers. WOW! expects to add between 14,000 and 17,000 HSD RGUs in 2022, with the majority being in the second half of the year. The cable operator looks at an anticipated capital expenditure for 2022 of approximately \$215 million.



# PROGRAMMER'S PAGE

## 'Killing Eve' Takes Final Bow

Spies, secrets, female relationships, espionage—**BBC America's** "Killing Eve" has had it all since the 2018 premiere of its first season. Audiences have been captivated by Eve (*Sandra Oh*) and Villanelle's (*Jodie Comer*) longstanding rivalry, but it's all about to come to a close. The show's fourth and final season debuts Sunday at 8pm ET on BBC America and **AMC+**. It is *Laura Neal's* first as lead writer and executive producer, and there was some pressure when it came to finding a conclusion that would be satisfying to longtime fans. "The beauty of this show is that there could have been a thousand different endings for these two characters, but we had to find one that felt like the truest for the characters, and that's the one we've gone with in the end," Neal told **CFX**. In the writer's room, discussions began around what everyone loved about the show so far. Those elements were isolated and woven into the final season, but slightly reimagined to keep the characters' storylines fresh. While COVID protocols forced a delay on the production side, it gave the writers more time to flesh out details and cut others that didn't serve the core story. "We wanted to use that extra time to really nail down into the characters and make sure that we were exploring everything and so, in some ways, the time we got was helpful," she said. However, the pandemic did force the crew to reassess international travel elements that have been integral to the show. When the crew wasn't able to travel to a destination, department heads came together to find ways to simulate those settings. As Eve and Villanelle prepare to take their final bow, Neal hopes audiences walk away feeling a sense of triumph. "That was something we talked about a lot in terms of the final season as a whole," Neal said. "We wanted people to come away feeling like, 'oh that was glorious!'" – *Goa Zhu*

### REVIEWS

"Super Pumped," series premiere, 10pm, Sunday, **Showtime**. If consistency is what makes a good TV series than viewers might like the premiere season of this endeavor. From the get-go, viewers who don't know *Travis Kalanick* understand that he's a no-holds-barred entrepreneur, in the worst sense of the term. In the opening scene Kalanick (an appropriately energetic *Joseph Gordon-Levitt*) tells an underling the start-up eventually known as **Uber** hasn't time for safety. There are more important things on the docket. When the underling, though, mentions a plan for adding a \$1.00 fee on each ride, partly defraying the cost of minimal safety training for drivers, Kalanick lights up. Oh, yes, he tells his associate, we need safety, not to mention the \$100 million that fee will generate. By most accounts, Kalanick IRL was as ruthless as portrayed here. So, perhaps a nuanced portrait of him is unwarranted. Viewers won't find it surprising that after a series of revelations about Uber management's dirty tricks and a mismanaged response to allegations of a sexualized bro culture, Kalanick was booted from his CEO position. He left with lots of money, though. Viewers who enjoy watching a flawed single-dimensional character built an enterprise that's disrupted global transportation, will enjoy "Super Pumped." We're waiting for Season 2. Word is that **Facebook's** *Mark Zuckerberg* awaits his closeup. – *Seth Arenstein*

BASIC CABLE P2+ PRIME RANKINGS* (02/14/22-02/20/22)		
MON-SUN	MC US AA%	MC US AA (000)
<b>FNC</b>	<b>0.778</b>	<b>2423</b>
<b>TNT</b>	<b>0.674</b>	<b>2101</b>
<b>HGTV</b>	<b>0.327</b>	<b>1018</b>
<b>MSNBC</b>	<b>0.320</b>	<b>997</b>
<b>HALL</b>	<b>0.309</b>	<b>963</b>
<b>USA</b>	<b>0.301</b>	<b>936</b>
<b>TLC</b>	<b>0.289</b>	<b>901</b>
<b>HIST</b>	<b>0.287</b>	<b>895</b>
<b>INSP</b>	<b>0.274</b>	<b>853</b>
<b>FOOD</b>	<b>0.223</b>	<b>696</b>
<b>DISC</b>	<b>0.219</b>	<b>683</b>
<b>HMM</b>	<b>0.219</b>	<b>683</b>
<b>ESPN</b>	<b>0.217</b>	<b>676</b>
<b>TBSC</b>	<b>0.213</b>	<b>664</b>
<b>PARA</b>	<b>0.197</b>	<b>614</b>
<b>ID</b>	<b>0.187</b>	<b>581</b>
<b>CNN</b>	<b>0.184</b>	<b>573</b>
<b>LIFE</b>	<b>0.178</b>	<b>555</b>
<b>TVLAND</b>	<b>0.176</b>	<b>548</b>
<b>SYFY</b>	<b>0.175</b>	<b>545</b>
<b>A&amp;E</b>	<b>0.153</b>	<b>476</b>
<b>WETV</b>	<b>0.138</b>	<b>431</b>
<b>AMC</b>	<b>0.138</b>	<b>429</b>
<b>FX</b>	<b>0.129</b>	<b>400</b>
<b>GSN</b>	<b>0.126</b>	<b>391</b>
<b>NAN</b>	<b>0.116</b>	<b>361</b>
<b>BET</b>	<b>0.113</b>	<b>353</b>
<b>NATGEO</b>	<b>0.108</b>	<b>338</b>
<b>CNBC</b>	<b>0.107</b>	<b>333</b>
<b>OXYGEN</b>	<b>0.105</b>	<b>328</b>
<b>APL</b>	<b>0.103</b>	<b>321</b>
<b>NICK</b>	<b>0.100</b>	<b>311</b>
<b>BRAVO</b>	<b>0.098</b>	<b>305</b>
<b>TRAVEL</b>	<b>0.093</b>	<b>289</b>

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

## Mark Your Calendars!

### Cablefax 2022 Award Submission Deadlines

The FAXIES Awards	Deadline: March 11   Final Deadline: March 18
Top Ops Nominations	Deadline: April 1
The Diversity List Nominations	Deadline: June 3   Final Deadline: June 10
Most Powerful Women Nominations	Deadline: August 12   Final Deadline: August 19