

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Upfront & Center: Programmers Party Like its 2019 Amid Economic Uncertainty

The glitz and glam of in-person upfronts have returned, but it isn't all fabulousness as some wonder what sort of impact today's economy will have on the advertising landscape. There are concerns that inflation will have consumers tightening spending on packaged goods and dining, which could all trickle down to the ad market.

The good news is that uncertainty is nothing new. "While we're all concerned obviously, the economic news keeps changing every day. We're optimistic with the conversations that we're having," **Fox** Ad Sales Chief *Marianne Gambelli* said during a call with reporters Monday morning. "Obviously, it's an ongoing situation and will change. But I think everybody's very aware of what's ahead. We've been living with this for two years, and we've been able to transact. I also believe that clients that spend through recessions have come out on the other side in much better shape."

Fox, which showcased its upcoming shows during a presentation Monday afternoon, believes it's better positioned than some other programmers. "We're younger. We rely much more on our sports properties. So, the categories that we're seeing strength in actually very play well with what our portfolio matches," Gambelli said. Those ad categories include tech, streaming, sports betting and financial.

Of course, the upfronts are all about putting your best foot forward and **NBCUniversal** Ad Sales Chief *Linda Yaccarino* made her own pitch to media buyers. "The last few years, your businesses, your

customers have all gone through massive transformations. I don't need to name them all. But my hunch is in the last couple of years, on top of everything else you've had going on, you've also had to rethink all of your advertising," she said at NBCU's upfront Monday morning at Radio City Music Hall. "Some of those companies just haven't been able to keep up with your needs. At those companies, advertising might actually seem like an afterthought, or even worst, just a new idea to turn on a new revenue stream, but not here."

Yaccarino reminded attendees that the last time they had gathered in person for NBCU's upfront, **Peacock** was "just a twinkle in our eye." The streamer now has 60 million active users. "We came in like a giant wrecking ball. We tore down those walls of legacy," she said, providing the set-up for the event's closing performance—*Miley Cyrus* singing "Wrecking Ball" followed by a rendition of *Madonna's* "Like a Prayer."

NBCUniversal's upfront had a full roster of celebs, including *Kelly Clarkson*, *Jimmy Fallon*, *Laverne Cox* and *Will Packer*. It also marked the first-ever upfront appearance for NBCU CEO *Jeff Shell*. He talked up Peacock, including how **Universal Pictures** films will go straight from theater to the streamer, instead of **HBO**, in the Pay 1 window this year. He also gave shout-outs to broadcast and cable, emphasizing that NBCU manages the portfolio as one business.

Shell was introduced by late night host Fallon, who threw a few stones at **Warner Bros. Discovery**: "I'll only be here for a minute or two. Or as that's known in our industry, 'a **CNN+**,'" he quipped. "Yes, CNN pulled off the impossible. They created a streaming service that made **Quibi** look good. But I'm not here to make fun



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of CNN+ because today's presentation is only scheduled for a couple of hours. We'd need far more time than that."

The heavier punches were thrown by "Late Night" host *Seth Meyers*, with the comedian skewering both NBCU and the whole upfront dog-and-pony-show. "I don't need to tell you the last two years have been transformative, not just for the TV business, but across all industries we've needed to be inventive, agile, forward-facing, and yet this is still how we're doing upfronts," Meyers joked. "That's not to say NBC isn't embracing the future as next year promises exciting new shows and ideas like 'Law and Order,' 'Fresh Prince of Bel Air,' 'Night Court' and 'Quantum Leap.' Oh man, I gotta start reading the script before I come out here." The reboots are no joke, with Meyers predicting that he'll be back in two years to announce the "This Is Us" reboot, "That Was Them."

Fox broke with tradition by not announcing its fall programming schedule, though it did reveal many of its 2022-23 shows, including "Monarch," a musical drama about America's first family of country music. "We've talked about our portfolio and the way buyers are buying across it, and we thought to focus today on the linear grid was not the right way to go," said Fox Entertainment CEO *Charlie Collier*. "We're so glad that it is... a complementary situation between the broadcast network and streaming and so we decided not to focus on the schedule today."

Fox execs painted AVOD **Tubi** as the perfect complement to Fox broadcast. "It extends reach and brings in a completely younger, diverse audience," Gambelli said, explaining that clients can buy one or across the portfolio. "The intent is that the two are very powerful together... But we certainly plan on monetizing Tubi to the full extent of its growth. And obviously, that market has exploded."

STINCHCOMB PREDICTS GREAT REBUNDLING

There's been a lot of talk recently about the state of the streaming ecosystem, and while **CuriosityStream** President/CEO *Clint Stinchcomb* isn't convinced anybody is under duress, he does feel like the industry is moving toward a great rebundling. "I think **Warner Bros. Discovery** will seek to reconstitute the cable bundle—news from **CNN**, sports from **TNT, TBS** and other places, scripted series with **HBO** and nonfiction from the legacy **Discovery** brands—and I think **Disney** and **Paramount** with their assets will essentially try to do the same," he said during an investor conference Monday. "**Apple** has broader bundling optionality and I think they have over 800 million total subscribers when you consider all of their products and they can incorporate games, music, audio." Stinchcomb said no one should assume that these bundles will only include video content. He believes media companies are only limited by their creativity in that sense, and books and transportation services could find their way into some of these modern packages. "I think this overall dynamic is going to create consolidation... but within that absorption of what *John Malone* used to call free radicals, those with at least a few million subscribers, which, in my view, is going to result in maybe eight large video streaming services that offer the key genres of content," Stinchcomb said. Those genres include factual, one that CuriosityStream Founder/Chair *John Hendricks* is all too familiar with from his days founding Discovery. And while he started CuriosityStream with a similar ethos to the one he had when he founded Discovery, those channels have drifted from their original purpose enough that CuriosityStream isn't always directly competing with **Discovery**



After reading what dishes the Cablefax 100 can whip up, our bucket list includes a potluck with the industry's finest.

STARTERS

Cheese & Crackers -
A+E Networks' **Rob Sharenow**

Chicken & Sausage Gumbo -
Cox's **Joiava Philpott**

Smoked Salmon -
Cable One's **Mike Bowker**

Chipotle Black Bean Chili -
Warner Bros. Discovery's **Channing Dungey**

Toast - Allen Media's **Byron Allen**

MAIN COURSE

Linguini with White Clam Sauce -
Paramount's **Bob Bakish**

Chicken & Dumplings -
Boycom's **Patti Boyers**

Arroz Imperial con Tostones -
Disney's **Rita Ferro**

Eggplant Parmigiana -
Cox's **Sujata Gosalia**

Paella - Comcast's **Marcien Jenckes**

DESSERT

Heath Bar Vanilla Custard -
FOX's **Eric Shanks**

Lemon Cookies -
Altice USA's **Kristin Malaspina**

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Channel. “He saw a big opening for factual, for the content category itself because so many networks, including many that he had started, ... moved more into the reality side of the business,” he said. “That’s kind of ratings driven. At the same time, it can impact your brand, but at least it opened up a nice open lane for CuriosityStream.” The streamer is active in Russia, and while its subscriber base hasn’t seen a significant hit from the country’s invasion of Ukraine, Stinchcomb said there have been some noticeable changes over the last few months. “I can’t say that all of our accounts receivable have come in the timeframe they were supposed to come in, but beyond that, it hasn’t had a major effect on us. The largest effect on us was just the inability to travel internationally, the inability to talk to third-party distribution partners,” he said. “That’s opening up now and people seem generally a lot more open, interested and willing to really engage in substantive conversations going forward... it’s not as easy to sell a new service over Zoom.”

COULD FCC STAY AT 2-2 SPLIT?

The future of the nomination of *Gigi Sohn* to the **FCC** is murkier than ever, and some are starting to wonder if the Commission’s fifth seat will be filled by anybody through the rest of President *Joe Biden*’s presidency. “As far as we know, there have been no reliable public statements coming from the Democratic leadership indicating when a vote on Sohn would occur,” **New Street Research** said in a weekend note. “If Sohn does not move forward soon, it may be that the Democrats do not gain a majority at the FCC during this Biden term. The biggest implication of that would be that the FCC could not move forward with reinstating the *Wheeler* era Title II rules. While most would regard that as a victory for ISPs, we are not as certain.” The analysts argued the rules put into place by then-FCC Chair *Tom Wheeler* didn’t have any material impact on the ISPs’ revenues, margins or future opportunities. Additionally, a lack of action from the FCC could mean that more states start crafting their own versions of open internet rules. That regulatory patchwork could cause more trouble for ISPs, **New Street** said.

WOW! SOARS ON REPORT OF EXCLUSIVE TALKS

WOW! stock skyrocketed Monday morning and closed more than 16 points up after unnamed sources told Bloomberg that the operator was in exclusive talks with **Morgan Stanley Infrastructure Partners**. The report comes approximately five weeks after Bloomberg was the first to claim **WOW!** is considering a sale of its assets or other possible deals and arrangements. **Morgan Stanley Infrastructure Partners** has invested in the world of cable and telecom before, announcing a deal to buy a nearly 50% stake of **Lightpath** for an estimated \$3.2 billion in July 2020. **WOW!** has not commented on the reports.

APOLLO EYES MEXICAN SOCCER DEAL

Apollo Global Management plans to offer Mexico’s top-tier soccer league **Liga MX** a roughly \$1.25 billion investment in exchange for a share of the league’s international media revenue, according to a [report](#) from *Sportico*. **Apollo** wants 20% of the profits from the league’s non-Mexican media rights over the next 50 years, as well as 20% ownership of the media company that

owns the league’s commercial rights. Currently, **Liga MX** allows individual clubs to negotiate their own commercial partnerships, meaning teams would have to agree to group together rights. The formal pitch could happen as soon as this week.

BUCK, AIKMAN ARRIVE AT ESPN CAMPUS

The new **ESPN** Monday Night Football duo *Troy Aikman* and *Joe Buck* visited the network’s campus in Bristol, Connecticut, for the first time since joining from **Fox Sports**. **Buck** said on a media conference call Monday that all parties left on “really good” terms, citing a desire to commentate MNF as well as move closer to family. His wife *Michelle Beisner-Buck* is an NFL features reporter at **ESPN**. **Aikman** and **Buck** were asked about *Tom Brady*’s deal with **Fox** upon his NFL retirement, with **Aikman** saying there may be an adjustment period, but he expects the **Buccaneers**’ QB to learn the ropes quickly.

DISCOVERY+ ADDS PRIDE MONTH SECTION

Discovery+ is adding the “Always Proud” content hub to celebrate the LGBTQIA+ community. Content highlights queer allies, the transgender community, drag queens and culture and lifestyle. Programs include “Queer Eye for the Straight Guy,” “The Nate & Jeremiah Home Project,” and “I Am Jazz,” and subscribers will have access to the premieres of “Generation Drag,” “Trixie Motel” and “The Book of Queer.”

CARRIAGE

beIN Sports en Español and **beIN Sports Xtra es Español** launched on **YouTube TV** via the Spanish Plan and Spanish Plus add-on. The Spanish Plan is available for \$24.99/month for the first six months then \$34.99/month after, and the Spanish Plus add-on is \$9.99 for the first six months then \$14.99.

PROGRAMMING

Ahead of Wednesday’s **Warner Bros. Discovery** upfront, **HGTV** and **Food Network** announced plans for 70+ new series in 2022 across linear and **discovery+**. New programs include “Buy it or Build It,” a show premiering Wednesday at 9pm on **HGTV** featuring contractors advising clients to build a home or renovate one, “Guy’s All-American Road Trip” coming June 3 at 9pm on **Food Network** and “Beachside Brawl: East Coast vs. West Coast” debuting June 19 at 10pm on **discovery+**. – **Paramount**’s “Yellowstone” began production of its fifth season after garnering 11 million average total viewers in Season 4. – **Telemundo Deportes** is showing the 2022 Preakness Stakes, with coverage beginning Saturday at 6:30pm. The network will highlight Venezuelan jockey *Sonny Leon* and his win with *Rich Strike* at the Kentucky Derby.

PEOPLE

Paramount appointed *Marco Nobili* to EVP, International GM of **Paramount+**, and *Olivier Jollet* to EVP, International GM of **Pluto TV**. Both will report to *Raffaele Anecchino*, President and CEO of International Networks, Studios and Streaming, and to *Tom Ryan*, President and CEO of Streaming. **Nobili** will lead the strategy and execution for **Paramount+**’s expansion into markets worldwide, and **Jollet** will continue **Pluto**’s international growth.