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WHAT THE INDUSTRY READS FIRST

Channel Lineup: Sohn Wants FCC To Examine DirecTV's Drop of Newsmax

FCC nominee Gigi Sohn wants the Commission to examine DirecTV's decision to drop Newsmax and, last year, One America News Network. She made that clear during her Senate Commerce nomination hearing Tuesday where she said she "spilled blood" to get OAN sister net Wealth TV and Newsmax on the air. She doesn't know the facts of the situation, but she fears there are competitive issues at play that the FCC should investigate.

"These guys are real independent programmers. They've got one channel or maybe they have two channels, and they often get knocked off of platforms because somebody can bundle 15 channels," Sohn said. "The FCC has been so busy working on broadband that sometimes these important media consolidation issues kind of get pushed by the wayside. This is an opportunity, the deplatforming of Newsmax, to look at some of the practices around bundling and most favored nation clauses."

The diversity of Sohn's allies, which include folks from both sides of the aisle and across the industry, was highlighted by Chair Maria Cantwell (D-WA) and many others during the hearing. But one of her previous supporters has seemingly turned on her, with Charles Herring, president of OAN parent company Herring Networks, tweeting during the hearing that he believes she is not fit to serve as a commissioner. "Gigi Sohn's lack of support for diverse voices in media makes her unqualified to be a FCC Commissioner," Herring said in a tweet that was retweeted by the official One America News account.

Herring first announced his support of Sohn in Nov. 2021, calling her a believer in the First Amendment. But One America News Network Founder Robert Herring, Charles' father, went on the network a few weeks later to make it clear that he and network leadership did not share the same opinion and opposed the nomination.

The issues raised during Sohn's hearing were many, with Senator Ed Markey (D-MA) saying there are so many red herrings against her candidacy, the committee may need to put an aquarium in the chamber. And while some of the hearing served as a rehashing of issues tackled in previous confirmation hearings, including Sohn's participation in the settlement agreement of a lawsuit between Locast and the major broadcasters and her thoughts on net neutrality, there was a new focus on whether or not she leaked information that broke down a potential bipartisan agreement tied to the Lifeline program.

The issue at hand was a compromise on Lifeline reform that appeared to be coming in the spring of 2016. The agreement was on a soft cap for the subsidy program as it migrated to broadband. Republicans sought the cap and they were willing to agree to one at \$2 billion, slightly lower than the \$2.25 billion originally proposed by then-FCC Chair Tom Wheeler. Wheeler authorized Sohn to release the fact that a compromise order with a cap on Lifeline might be on the agency's March meeting agenda. That meeting was delayed for a few hours before Commissioner Mignon Clyburn announced that she could no



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longer support the cap, and the compromise collapsed.

An FCC Inspector General report on the situation found that the authorization was unusual, but not improper or illegal.

"The point isn't that it was illegal, but it blew up a bipartisan deal," Senator *John Thune* (R-SD) said. "What happened with the IG report... is that a deal which was in the throes of being made between all five commissioners, Republicans and Democrats, was scuttled, it was tanked, torpedoed, by going public and trying to undermine that deal." Thune, who was Commerce Chair when the deal fell apart, sought the investigation into what led to the deal's downfall.

Additionally, Republicans raised concerns with a number of likes and retweets Sohn made from her Twitter account on tweets tied to the topic of defunding the police. The issue was left largely untouched by those on the other side of the aisle, but Senator *Jacky Rosen* (D-NV) said that concerns from the law enforcement community, including the **National Fraternal Order of Police**, do give her pause in regards to Sohn's nomination.

In order for the nomination to move forward, Sohn needs the approval of every Democrat on the committee, including Rosen, assuming she does not win over any Republican members. There is slightly more wiggle room in the full Senate thanks to the Democrats' 51-49 majority.

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GOP FTC COMMISH TO RESIGN

The FTC's sole Republican commissioner said she plans to soon resign, blaming Chair Lina Khan's "disregard for the rule of law and due process." In an opinion piece for the WSJ, Christine Wilson wrote: "My fundamental concern with her leadership of the commission pertains to her willful disregard of congressionally imposed limits on agency jurisdiction, her defiance of legal precedent, and her abuse of power to achieve desired outcomes." She complained that Khan has voted to challenge Meta's acquisition of VR developer Within when she believes the chair should recuse herself for stating before joining the agency that Meta shouldn't be able to make additional acquisitions. Wilson was appointed to the FTC in 2018 by President Trump. The FTC just released its agenda for Thursday's forum on prohibiting employers from imposing noncompete restrictions on workers. Wilson has complained that the proposed rule defies Supreme Court precedent.

DEPARTURE, OUTAGE FOR T-MOBILE

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T-Mobile President of Technology *Neville Ray*, who helped roll out the carrier's 5G network, is set to retire this fall after more than 20 years with the company. He'll be replaced by current EVP and Chief Network Officer *Ulf Ewaldsson*, who joined T-

Mobile in 2019 after a 27-year career with **Ericsson**. Shortly after announcing his planned exit, Ray had to take to <u>Twitter</u> to address an outage Monday that impacted thousands of customers from New York to California Monday evening. "Our teams are rapidly addressing a 3rd party fiber interruption issue that has intermittently impacted some voice, messaging and data services in several areas. The situation is improving and we hope to have a full resolution very soon. We apologize for any disruption caused," he tweeted just before midnight. An hour later, he said the provider was operating at near normal levels.

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CTV AD SPEND CONTINUES RISING

Over 226 million streaming viewers are now watching through a connected TV, **Tubi**'s annual report on audience insight for brands found. The study showed three out of four consumers deem AVODs as a practical alternative to cable and satellite TV, giving credence to the expectation that CTV ad placements are expected to double by 2026. CTV ad spend grew from \$14.2 billion to \$18.9 billion from 2021-22 thanks to SVOD churn and linear TV trends. Among video advertisers with multimilliondollar budgets, 79% believe streaming is more valuable than linear TV. But the migration to CTV devices comes following trends that 1/3 of streamers want fewer paid subscriptions and 1/2 are cutting back due to budgetary constraints. Nonpay TV is expected to outpace pay TV by 4.6 million viewers in 2023, with that number increasing to 19.8 million by 2024.

CHARTER PICKS QUEXT

Charter is entering a strategic teaming agreement with the technology and software company **Quext**, making it the preferred smart home offering for new and existing Spectrum Community Solutions customers. Quext will allow Charter to enhance its services by using IoT smart apartment technology with its advanced community WiFi solutions, letting residents control smart devices such as door locks and thermostats. Quext's platform addresses operational efficiencies, leading to less hardware and capital investment needed to install and maintain.

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COMMSCOPE ECLIPSES AMPLIFIER MILESTONE

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Global network connectivity solutions company **CommScope** built and shipped over 1 million radio-frequency amplifiers to cable operators in 2022. The RF amplifiers allow broadband providers to improve downstream and upstream bandwidth capacity. CommScope is currently upgrading the amplifier lines to support DOCSIS 4.0, ESD and FDX technologies.

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BIG MEDIA, BLACKRIFLE SET SIGHTS ON FAST

The production company **Big Media** and veteran affairs organization **BlackRifle** are looking to break into the FAST channel space. The two struck a jv agreement for the newly made **YouTube** channel BlackRifle TV, but Big Media is currently in negotiations with several platforms to roll out BRTV as a FAST channel. Big Media will handle the video production and distribution of BRTV, while BlackRifle will manage veterans relations and content authoring. The BRTV YouTube channel already has more than 500,000 subscribers and plans to roll out Big Media's first documentary short for the channel "Vets Take Down a Fugitive" later this month.

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AMC NETWORKS SHAKE UP AHEAD OF UPFRONT

AMC Networks is realigning its commercial revenue organization ahead of the 2023-24 upfront season and expanding the roles of Evan Adlman and Marc Krok. AMCN's advanced advertising and national sales teams will merge as the company centralizes its linear and digital operations under Adlman, whose new title is EVP, Commercial Sales and Revenue Operations. His new role will have him oversee national sales, linear and digital operations, the FAST/AVOD business team, programmatic sales and advanced advertising. Joining his team will be Todd Schwartzman and Tony Song, who will lead national sales, and Marisa Simon, who takes over the linear and addressable operations teams. AMCN's pricing and planning group will be combined with direct response sales efforts, which Krok will then oversee. His new responsibilities as EVP, Revenue Management include leading pricing and planning, direct response sales and sales and partnerships for BBC World News. Additionally, EVP, Content Room and Integrated Marketing Kim Granito is adding two members to her team: SVP, Production, Operations and Events Miguel Enrique Rodriguez and SVP, Creative and Marketing Strategy Kevin Vitale. Rodriguez will manage all aspects of production across revenue, marketing, franchise and digital studio and events, while Vitale will handle AMCN's business-facing brand positioning and creative offering.

RATINGS

Sunday's Chiefs-Eagles showdown garnered an average audience of 113.1 million across **Fox** and **Fox Deportes**, according to **Nielsen**. That's good for the second most-watched non-overtime Super Bowl game and second most-watched program in Fox Sports history. The broadcast peaked in the 8-8:15pm window with 118.9 million viewers. Kansas City and Philadelphia were the No. 1 and 2-metered markets for the game, followed by Cincinnati in third and Detroit in fourth. The network's digital audience included an average of 7 million streams, an 18% YOY improvement and 103% boost since

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the last time Fox had broadcasting duties for the big game in 2020. The halftime show featuring *Rihanna* had an average of 118.7 million viewers across TV and digital platforms. For Fox Deportes alone, the broadcast became the most-watched Super Bowl in Spanish-language history, averaging 951,000 total viewers. That's a 25% jump in its combined linear and digital audience since 2020 and it also became the most-streamed event in network history. – It was another week at the top of the primetime and total day ratings for **Fox News**. The network averaged 2.52 million viewers P2+ in prime, with **MSNBC** in second at 1.37 million and **ESPN** third with 945,000. **HGTV** followed with 821,000 and **History Channel** came fifth at 750,000. For total day, Fox News checked in at 1.54 million. MSNBC (777,000), ESPN (547,000) and **CNN** (500,000) were behind, and HGTV capped the top five at 460,000.

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BRESNAN ETHICS AWARD

David Van Valkenburg was chosen to be **The Cable Center**'s 2023 Bresnan Ethics in Business Award recipient. The award was created in honor of **Bresnan Communications** Founder/Chairman *Bill Bresnan* to recognize men and women in cable who display a commitment to ethics in business as well as social, community and philanthropic engagement. Van Valkenburg—who was inducted into the Cable Hall of Fame in 2014—began his cable journey in 1969 conducting investment analysis of the industry while at **Ameriprise**. He eventually rose to hold the role of President at **Cox Cable Communications**, **Paragon Communications** and **MultiVision Cable Television Corporation** and has served on numerous boards since 2000. He currently holds board seats with The Cable Center, **Melaleuca** and **SmartRX Systems**.

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PROGRAMMING

Pending litigation from A+E Networks isn't stopping Reelz from ordering up more episodes of "On Patrol: Live." The live docuseries will have 90 new episodes through Jan. 2024. A+E filed a lawsuit back in August accusing Reelz, Big Fish Entertainment and Half Moon Pictures of "brazen theft of AETN's intellectual property" by launching the show. A+E claims it's virtually identical to its "Live PD" series, but Reelz filed a motion to dismiss in December. No further ruling has been made. - The first-ever "NHL Big City Greens Classic," a live, animated NHL game telecast, is coming to ESPN+, Disney Channel, Disney XD and Disney+. Players and teams in the March 14 game between the Capitals and Rangers will be modeled after characters from Disney Branded Television's "Big City Greens." Verizon, a partner of NHL Edge Innovation, will assist with producing the real-time animation of the characters. The main telecast will be on ESPN and start at 7pm. - "I Am My Brother's Keeper," a doc about the Creative Exchange Program between the Obama Foundation's My Brother's Keeper Alliance and students from Ravensbourne University in the U.K., will be available on all NBC O&A stations from Feb. 15-28. The half-hour special is produced by Comcast in partnership with the Obama Foundation.