

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## Showtime: FCC Back at CES Talking Cybersecurity, AI

Walking the floor of **CES**, it is tough not to find yourself in awe of the technologies, connected devices and automation on display that could change human life. But we also live in a time where cybersecurity is a hotter topic than ever, and it's hard not to think about the potential vulnerabilities a smart refrigerator or telehealth device for the elderly could have in their software.

Last July, the White House OK'd a voluntary U.S. Cyber Trust Mark program originally proposed by the **FCC** that saw leading electronics and appliance manufacturers and retailers make voluntary commitments to meet established cybersecurity criteria. Those products that meet or exceed those standards will show off a shield logo, and the program is expected to kick into full gear in 2024.

At the annual "Conversations With the Commissioners" panel at CES, FCC Commissioner *Brendan Carr* was cautiously optimistic about the program. Even so, he cautioned that regulators need to be careful not to institute any requirements that end up becoming constraints or too complicated for industry to adopt.

"I think there's a sweet spot that we can hit where we can enable, through the Trust Mark, consumers to have confidence in what they're purchasing and therefore buy the things that they're going to need to solve the problems in their lives," he said. "But I do think, as a general matter, there's a path forward where the Cyber Trust Mark can do a lot of good by introducing

baseline cyber standards across IoT devices and otherwise, but we need to proceed in a way that strikes the right balance."

Commissioner *Anna Gomez* also celebrated it as an example of a public-private partnership that has the potential to really move the needle when it comes to meeting the needs of industry and consumers who need to be able to trust connected devices.

"I have to admit, I am skeptical of just using all connected devices without knowing that, in fact, they are going to be manufactured and updated in a secure manner," she said. "So having that Trust Mark for me will be important in saying to me okay, this meets standards that ensure security of those devices. I think it's a terrific program and I look forward to seeing it continue to develop."

The spectrum standstill at the FCC and in the U.S. was also a huge talking point as so many of the products dominating the CES show floor wouldn't be possible without the power of spectrum. Gomez called on Congress again to reinstate the agency's spectrum auction authority. It expired in March for the first time since it was granted to the FCC.

"I don't think people appreciate how long it takes to actually get a spectrum auction done. There's so much pre-work that has to be done, and we can't do any of that. We can't actually in advance start planning for that, so every week that we don't have spectrum auction authority puts us behind significantly," she said.

Carr agreed that the U.S. is at risk of falling even further behind other foreign governments that continue to make licensed and unlicensed spectrum available to users of all

## THE FAXIES

RECOGNIZING EXCELLENCE IN PR & MARKETING

The FAXIES awards recognize excellence across all areas of marketing, communications, and PR within the industry, seeking groundbreaking, engaging, interactive and creative campaigns. Help us celebrate the people who keep our industry flourishing.

NOMINATE NOW

types. He called the national spectrum strategy a miss as it didn't identify any spectrum that would be freed up for new users, and criticized those in Washington who want to see the FCC roll back the progress in spectrum it has made over the last 10 years.

"It takes so much effort and so much time to free spectrum up. Years. And the idea, whether it is 6 GHz, 24 GHz or C-band or other spectrum bands, if we're gonna go backwards and return to the starting line, it just doesn't make sense to me," he said. "It would be like, I don't know, taking 15 rounds to elect a speaker of the House and going through all that time and then deciding you know what? We're going to go back to the starting gate and run that entire process over again. But some people in D.C. are interested in that."

Gomez is optimistic that some of the technologies being developed by those exhibiting at CES could help the nation's spectrum problem. Namely, AI has the potential to free up spectrum and ensure that it is being used as efficiently as possible. She doesn't believe it is ready for primetime yet, but she's open to the idea of implementing it at some point in the future.

"I have to admit, I am not an AI expert and I think a lot of what we need to do is to really think through how it can work, what are the benefits, what are the risks. But if it means that we can more efficiently manage spectrum across the board, then that's a great thing," Gomez said.

.....

## FCC SEEKING COMMENT ON RETRANS BLACKOUT REBATES

MVPDs let out a collective sigh Wednesday after a *Comm Daily* bulletin went out saying the **FCC** had voted 3-2 along party lines for an NPRM that seeks comment on whether and how to require cable and satellite providers to issue rebates to subscribers in the event of a blackout due to failure to reach a retransmission consent agreement. There's been no official release yet from the FCC, but an agency official confirmed the news to **CFX**. Many MVPDs do provide some form of refund when there is a protracted blackout, but the industry—which has long pushed for reform of retrans rules—is likely to view this move as the FCC putting its thumb on the scale for broadcasters. FCC Chairwoman *Jessica Rosenworcel* put the NPRM on circulation in October. At the time, she also circulated an NPRM that would require notification to the FCC of when a blackout of broadcast station or station occurs for 24 hours or more due to a breakdown in retrans negotiations. That item was adopted late last month, with comments due 30 days after publication in the Federal Register. The rebate NPRM hadn't been published by our deadline, but there's plenty of interest. "Retransmission consent is a broken system that punishes customers

## The **WHO** and the **WHY**

CFX's spotlight on recent new hires & promotions



**JEREMY Helfand**  
VP/HEAD OF PRIME VIDEO ADVERTISING  
AMAZON

### 3 THINGS TO KNOW

- Prime Video is gearing up to take a big step when it implements advertisements into movies and TV shows on January 29, so it's appointing Jeremy to a newly created position that'll see him oversee Prime Video's advertising business globally.
- Jeremy has accumulated plenty of experience in the advertising game, having stints as SVP/GM at Advertising.com, President of United Online Media Group and CEO of Auditude, where he helped build a video ad technology and monetization platform for media companies and premium publishers. His most recent gig, though, saw him join Hulu in 2018 as VP/Head of Advertising Platforms before moving to an executive role at Disney. Jeremy was responsible for launching and leading the advertising platform organization that fueled growth in Hulu's ad business.
- As EVP Advertising & Data Platforms, Disney Entertainment and ESPN Technology, Jeremy spearheaded the global ad platform strategy, product, engineering, operations and ecosystem partnerships across the company's streaming, digital and linear businesses. "Through all the business growth and innovation, the team is what you remember most, and I'm so proud of what was accomplished," he wrote in a LinkedIn post announcing his departure.

with skyrocketing fees, exorbitant price increases and more blackouts. It's disappointing that the FCC, with a partisan 3-2 vote, is reportedly doubling down on this broken system that gives insatiable mega-broadcasters even more leverage over smaller cable operators seeking fair and reasonable rates. We are eager to review the specifics of the FCC's proposal, as we have serious concerns about the feasibility of compliance," **ACA Connects** President/CEO *Grant Spellmeyer* said in a statement.

.....

## BILL INTRODUCED TO KEEP ACP

Don't count the Affordable Connectivity Program out just yet. A bipartisan, bicameral group of lawmakers, including Sen *Peter Welch* (D-VT), Sen *J.D. Vance* (R-OH), Rep *Yvette Clarke* (D-NY) and Rep *Brian Fitzpatrick* introduced legislation that if passed would provide an additional \$7 billion for the broadband subsidy program. Now the question is can it get to the floor for a vote. The Affordable Connectivity Program Extension Act is

supported by over 400 organizations, including: **AARP, Charter, Comcast, NAACP, NCTA, USTelecom**, and almost every entity sent out a statement immediately urging swift passage. The FCC announced this week that it would begin to announce a wind down process for providers should the program not be refunded. It's expected to run out of money by May. More than 22 million are currently enrolled in ACP

.....

## NBC SPORTS CAPS NFL REGULAR SEASON, PREPS FOR PLAYOFFS

It's been another year of the **NFL** carving its presence on digital platforms, and this season it was **Peacock** that saw growth as viewers tuned in for Sunday Night Football and an exclusive regular-season game. Peacock achieved a milestone for its SNF streams for the 2023 season, recording a full-season average minute audience of 1.56 million viewers across Peacock, NBCSports.com and the NBC Sports app, the first time NBC Sports Digital finished above the 1.5 million viewer mark. Peacock's exclusive regular-season game Dec. 23 averaged 7.3 million viewers, but it's not done yet. It's getting ready to have the NFL's first-ever exclusively streamed playoff game with the Dolphins vs Chiefs on Saturday at 8pm. "We know and we see the continued evolution in the media landscape, and we want to be where our fans are. We know they're increasingly—especially younger fans—on different screens, so that's why it's important for us, not just for this wildcard game, but throughout the year that we're on Peacock, we're on **Paramount+**, we're on **Amazon** and we're on these different digital platforms," NFL EVP Media Distribution **Hans Schroeder** said on an **NBC Sports** media call previewing Wild Card weekend Wednesday. That doesn't mean the NFL and NBC Sports are looking to leave cable and broadcast viewers in the rearview mirror, but it continues the league's desire to be where its audience is. And currently, that's in a lot of different places. While it's not Peacock's first rodeo with large-scale events, the goal is to put on a clean broadcast so fans become confident in a digital viewing experience. "First goal is to have a great production. I have no doubt the team is ready for it," NBC Sports President **Rick Cordella** said. "Having [**Mike Tirico**] as the play-by-play man on that game speaks to the quality level that we will see on that evening. Second is the technology, so making sure that we deliver a clean experience to users across America." With that much anticipated exclusive game, the streamer is doing its part to capitalize on an influx of signups. Peacock is offering 50% off the price of its ad-supported Premium plan for 12 months, halving the normal \$5.99/month cost to \$2.99/month. The deal is available until Jan. 15.

.....

## AD TALKS CONTINUE AT CES

What will 2024 be the year of? "Consolidation and expansion," said **Disney Advertising** SVP/Addressable Sales **Jamie Power**, who sat down in the **CES 2024 C Space Studio** on Wednesday. It reflects what consumers have been moaning about with the number

of streaming platforms currently available, and Power thinks it'll be the consumers who force the hands of companies to match their desires. The impact of fragmentation on advertising is one that stretches to different areas for companies like Disney. "I think the biggest challenge now is if you're looking at fragmentation and there's all these different avenues to advertise, to figure out which is adding reach and which is adding frequency," Power said. "The fact that the underpinning of our stack does that it allows clients to maximize the reach." For **Paramount** Streaming EVP/CMO/Head of Data **Domenic DiMeglio**, his answer to fragmentation is to be one step ahead and be innovative with partners. That includes using new technology such as AI and other enhancements in the ad world, but he added Paramount is confident in where they stand from a streaming technology standpoint. And his answer for what 2024 will be the year of? "It'll be a year for a step-level increase in just streaming of live sports."

.....

## RATINGS

The Season 4 premiere of **TLC's** "90 Day: The Single Life" on Jan. 1 saw the series' highest-rated premiere across P25-54, W25-54 and W18-49 after averaging an L3 rating of .95, 1.23 and .92, respectively. The episode reeled in over 3 million viewers across linear and streaming platforms, also checking in as the top non-sports cable program of the night among P25-54, W25-54, W18-49, W18-34 and P2+.

.....

## PEOPLE

**Comcast** selected **Mike McArdle** to lead the company's South Region, which spans Georgia, Alabama, Arkansas, Louisiana, Mississippi, South Carolina and Tennessee. As SVP, South Region, he'll oversee a multi-functional team that entails operations, customer experience, business strategy and development, sales, marketing, finance, HR, government relations and community investment. McArdle has been with Comcast since 1996 and will report to President, Central Division **Christine Whitaker**. – Former **ESPN** vet **Lee Fitting** is joining **WWE** as Head of Media and Production. Fitting was at ESPN for 25 years before departing the company in August, having led production for network mainstays like Monday Night Football, "College GameDay," the College Football Playoff and other Disney properties. – **Disney Entertainment** tapped **Jon Wax** as EVP, International Original Television. It's a newly created role that'll see Wax work with regional leaders across the globe to create local content for **Disney+**. He'll also work with EVP, International Television Strategy & Operations **Kristen Finney** to oversee a team dedicated to setting a global original TV strategy, with Wax focusing on the creative aspect and Finney working on the business operations of the international slate. – **BET** co-founder **Sheila Johnson** was elected to the board of the **PBS Foundation**, the national fundraising arm for PBS. Johnson is the founder and CEO of the Salamander Collection, which operates luxury properties in the U.S. and the Caribbean. She is also a partner of **Monumental Sports & Entertainment**.



## Think about that for a minute...

### Bet on Sports?

Commentary by Steve Effros

This is not a column about sports betting, although that's certainly something we should and will be talking about. No, this one is about the financial impact of sports. To give you some sense of what I'm talking about, what do you think the following the 2023 television events have in common: The Macy's Thanksgiving Day Parade, Joe Biden's State of the Union Address and The Academy Awards?

I'm sorry to have to tell you that those were the only three non-sports programs that made it into the "Top 100" most watched television shows list for 2023. Actually, an episode of Fox's "Next Level Chef" broke into the 90s, but that's because it was the lead out of the Super Bowl. All top 10 were live NFL games. The entire rest of the list, with the aforementioned exceptions, Macy's (23) Biden (37) and The Academy Awards (63) were football games.

That may give you a better idea of why such astronomical amounts of money are being spent by folks trying to promote "live" linear television distribution. And we're not talking about a small amount of money here. According to reports in NextTV and Forbes, the NFL stands to make about \$125.5 billion over the next decade in guaranteed TV rights fees, and that's apparently the low end of the contract range depending on performance. Given this year's "top 100" I'm guessing that number is going to go up substantially!

Now I admit, I enjoy watching football games, despite the fact that I know they are the modern equivalent of gladiatorial events, and the players pay an enormously high price in their health and longevity by continuing to submit themselves to the brutality. Not going to go there. Unlikely this will change in my lifetime. But doesn't it take you a bit aback knowing that virtually all of the most-watched shows of the year are football games? It does me.

To be sure, the contest itself is fascinating to watch if you appreciate the nuances of the game. But I doubt that's the reason most folks watch. It's more likely that team tribalism is a bigger motivating factor. All you have to do is watch what's advertised on those games by the league itself (want the "official hoodie" of "your" team? How about the youngsters? Don't they look cute

in the team colors and logo?)

But even with all that going for them, it's clear that the football league and its television partners are seeking more. The cost of the broadcasts, both technically and of course the "rights" themselves, are skyrocketing. That's part of the reason some of the games are starting to be put behind "paywalls" to see if they can generate even more revenue. Keeping the games separated by market allows the sale of things like "Sunday Ticket" which is the only way to watch all the games from all the markets. Of course that will cost extra. At some point won't consumers balk?

And that, it turns out, apparently isn't enough either. Thus we now have the incessant drumbeat of sports betting even during the show! You can bet on all sorts of stuff. I don't even understand half of it, as well as the "fantasy leagues." Needless to say, I guess, it's all about money.

Now the colleges, which have long been "in the game" of making plenty of money on sports rights through their (antitrust law exempt) "conferences," are finally being forced to allow their "student players" to get paid, as well. The "farm teams" are finally being acknowledged for what they are. Again, it's all about the money. Don't believe me? How about the average price of a ticket to the Michigan vs. Washington game this past week: \$2,845! The "cheapest" ticket was \$1,302.

Is this all sustainable? Will advertising revenue combined with subscription and betting revenue cover the extraordinary payouts now being required? I doubt it. Then what?



Steve

T:202-630-2099  
steve@effros.com

(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.)

Happy Holidays

FROM **Cablefax**

CLAIM MY  
HOLIDAY OFFER