

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## No Locals: DirecTV Gives Customers Ability to Opt Out of Local Programming

DirecTV shook things up over the weekend when it announced new plan options that allow subscribers to opt out of receiving their local stations and save money on their monthly bill.

It's called the No Locals package, and DirecTV said customers who choose not to receive their local stations directly from DirecTV and instead access programs online, through subscription services or OTA can save approximately \$140 annually. It also recommended that any customers interested test out the option over the summer during non-peak programming months, and said they can go back to receiving those local stations directly from DirecTV at any time.

Current DirecTV customers must call customer service to switch their local package configuration while prospective or new customers can sign up for whatever package they'd like online. Existing customers will be able to manage their local package online soon. Any pricing differences will be prorated based on whenever customers make those changes and will appear as a discount on a customer's bill by the next cycle.

To be clear, this doesn't mean DirecTV is going to stop carrying these local stations. It is bound by retransmission consent agreements and must-carry and fully plans to continue offering them as part of its lineups. The real change is in putting more choice into the hands of consumers when it comes to accessing more niche content.

This isn't the first time DirecTV has stirred the pot in recent

months. It lost TEGNA stations in November, and it was at that time that DirecTV revealed a pitch that broadcasters offer access to their stations a la carte or allow MVPDs to negotiate directly with ABC, CBS, Fox and NBC for national network content. TEGNA and DirecTV ultimately came to a multi-year retrans consent deal encompassing the broadcaster's 64 owned stations in 51 Nielsen-designated markets that did not incorporate the operator's somewhat revolutionary proposals with TEGNA calling the changes "not productive."

Beyond TEGNA, DirecTV also experienced a week-long blackout of Cox Media stations before striking a new deal hours before Super Bowl LVIII began. During that dispute, DirecTV and U-verse customers lost 13 CMG stations including CBS stations in Dayton, Ohio and Seattle.

As for why now is the time to introduce these packages, DirecTV Chief Content Officer Rob Thun said in a statement that consumers have been voting with their wallets for years that pay TV as it exists today is too expensive and restrictive. DirecTV also pointed to an American Television Alliance survey released in September where 92% of participants said the cost of a video subscription was important in their decision to subscribe to video content.

In the same survey, 78% of respondents, including 78% of sports watchers, preferred an approach to cable subscriptions that included a choice to opt out of expensive specialty channels entirely over an approach that includes packages and expensive specialty channels within all channel bundles.

# THE FAXIES

RECOGNIZING EXCELLENCE IN PR & MARKETING

## EXTENDED DEADLINE: MARCH 22

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

## FUBO CONTINUES FIGHT AGAINST SPORTS STREAMING JV

Fubo is taking a page out of Disney+'s recent advertising campaign as the vMVPD continues its campaign against ESPN, Fox and Warner Bros. Discovery's sports streaming jv. Fubo unveiled the out-of-home #SaveMySports ad campaign Monday, repositioning famous movie quotes in an effort to draw awareness to what it believes are negative impacts the jv would have on consumers. Fubo is placing digital billboards outside of D.C.'s Capital One Arena, Nationals Park and Union Station, reading "Remember, the Titans are trying to screw you." The campaign also points to the SaveMySports landing page that Co-Founder/CEO David Gandler [revealed](#) on Fubo's 4Q23 earnings call.

## VEXUS FIBER PAYS TO SETTLE ACP INVESTIGATION

Vexus Fiber and the FCC's Enforcement Bureau entered into a consent decree Friday to resolve an investigation into whether the operator broke the program rules of the Affordable Connectivity Program. Specifically, the investigation dove into whether Vexus Fiber engaged in impermissible downselling of its broadband services to ACP-eligible households. Vexus Fiber has admitted that it violated the rules, will implement a compliance plan and pay a \$100,000 civil penalty. Lawmakers and regulators continue to fight for the future of ACP, and an event was held Monday at NYC City Hall to garner support for the program. Speakers included Rep. Yvette Clarke (D-NY), FCC Chair Jessica Rosenworcel, Commissioner Geoffrey Starks and others. Starks spoke of his travels over the last month specifically to visit with ACP participants in a number of states including Nevada, Indiana and New Jersey. "At every stop, I hear about how ACP has changed lives for the better by helping Americans start a business, access better health care, stay connected with friends, family and faith, and keep our young folks engaged in school and on top of their homework," Starks said. "Over 23 million American households stand on the precipice of losing access to a vital program. We must act not to refund ACP"

## ALTICE USA STEPS BACK FROM RDOF WINS IN LOUISIANA

Altice USA plans to surrender 18 census block groups in Louisiana for which it won RDOF funding to deploy 100/20 Mbps service, it told the FCC in a filing last week. Altice had already begun connected unserved locations in those RDOF areas, but it believes stepping back now is ultimately the best thing to

do for the communities located in those census block groups. "By relinquishing these CBGs now, however, Altice is ensuring that remaining unserved areas are eligible to receive federal funding to support symmetric gigabit speeds through programs like NTIA's Broadband Equity Access and Deployment ("BEAD") Program," VP, Federal Affairs Cristina Chou wrote in the filing. "Indeed, Louisiana is in the process of finalizing its BEAD eligibility map and removing these CBGs as federally-funded will permit them to receive even higher speeds." The FCC is currently collecting comments on a petition requesting a brief amnesty period that would allow RDOF and CAF II winners to relinquish their awards without having to bearing full penalties as dictated by the law, making those census blocks available for other state and federal grant programs.

## HOROWITZ FINDS RISE IN FREE OTT USAGE IN REPORT

Free is hard to beat, and for TV viewers it's free OTT services that are making a rise in popularity amid mounting subscription costs. Horowitz Research's State of Media, Entertainment & Tech: Subscriptions 2024 report showed that 69% of TV viewers are using no-cost OTT services, which is a sizeable increase from 42% of viewers in 2019. SVODs were right behind at 67%—even with SVOD prevalence in 2019—while MVPDs dropped significantly from 82% in 2019 to 52% in 2023. vMVPDs and antennas both stayed even at 23% and 15%, respectively. With the number of options to choose from, it then becomes a plug-and-play equation of which MVPD and streaming services to subscribe to. Approximately 39% of viewers subscribe to streaming products only, while 30% combine MVPD and streaming and 22% use MVPD only. Horowitz found that Black and Latinx consumers are more likely to subscribe/have access to SVODs at 87% and 86%, respectively, with Asian and White consumers coming in at 83% apiece. Black (80%) and Latinx (78%) viewers are also more likely to use free streaming services. And as for the content that multicultural audiences desire, 65% of Asian-language dominant viewers say that Asian-language-specific content is important to them, while 60% of Black viewers say Black-focused content is important to them and 58% of Latinx users say Spanish-language programming is important to them.

## FCC BULK BILLING DECISION LOOMS OVERHEAD

The FCC in recent weeks has voted on issues like all-in pricing and raising the minimum speed benchmark to denote a served location, but one proceeding flying under the radar is a proposal to ban bulk billing. The practice sees ISPs and multi-tenant environ-

ments negotiate an agreement where all tenants receive service at a reduced rate over a specified period. They're often billed as amenity services included within the costs to reside in the community. The FCC has yet to release the proposal to the public, but **New Street Research** believes it will have negative implications for ISPs. "The banning of such agreements, which is easy to enforce, would reduce the revenues, margins and opportunities for incumbents currently benefitting from them," New Street Research said, noting the materiality will depend on whether the FCC bans all bulk billing. "Further, the materiality would be affected by the degree to which competitors decide to offer new competition. Given a number of factors, including that bulk billing prices are generally below general market prices, it is not clear that banning bulk billing would create a favorable environment for a new entrant." The proposal is expected to be approved by the FCC in a 3-2 party line vote, but it is expected to face an uphill battle in the court system. There are a number of arguments for how bulk billing can increase adoption among low-income households and cut broadband costs overall, and the FCC has, in the past, found bulk billing to be [beneficial for consumers](#).

## FINDING A NEW ACORN

As **Acorn TV** gets ready to roll out a slate of popular shows during the spring and summer, it's undergoing a makeover complete with a new logo and tagline. Its updated logo features a new font with black and mint green as its colors aimed at fitting a more modernized look—something that **AMC Networks** sought to accomplish with the brand refresh. The logo coincides with the unveiled tagline "Brilliant." It'll don the new look for its upcoming list of premieres that includes Season 3 of "Harry Wild" on May 13, Season 4 of "My Life is Murder" in June and Season 2 of "Signora Volpe" in July.

## CORNING PUSHES ADVANCEMENTS IN EVOLV PORTFOLIO

**Corning** launched a new technology Monday designed to advance its Evolv portfolio of connectivity solutions. Multifiber Pushlok is a connector technology that allows operators to deploy more fiber in tight spaces, and it will be used to enhance three Corning Evolv solutions: Evolv Assemblies, Evolv Terminals and Evolv FlexNAP.

## PLUME OPENS NEW INDIA OFFICE

**Plume** cut the ribbon on its first office in India, opening space in Hyderabad that'll be home to over 500 employees. It's Plume's 10th office overall and will help the company's goal to expand across the globe and add more CSPs in the region and beyond. VP/Site Leader *Shrinivas Bairi* will head up the office. The Hyderabad office will provide research and development across several technical disciplines such as software engineering, data engineering, DevOps and quality assurance.

## RATINGS

About 1 million U.S. households watched **Netflix's** "Irish Wish" within the L+2D window, according to **Samba TV**. The movie, which starred *Lindsay Lohan*, had older millennial households (A35-44) over-index by 6% within the same timeframe.

## PROGRAMMING

The **Pac-12 Network** still has some gas left in the tank. The network will air the spring football games of all 12 current member schools, which includes the 10 schools that are departing the conference this summer. All games will be available on one of the Pac-12 Network linear channels. Some teams are ironing out their spring game dates and times, but as of now the first team up will be Utah on April 13 at noon. – **Prime Video** is ordering "Beast Games" to series. It's based on the popular **YouTube** show created by *Mr. Beast* and will feature 1,000 contestants vying for a \$5 million cash prize. – All 13 episodes of the second season of "Fraggle Rock: Back to the Rock" will premiere globally on March 29 on **Apple TV+**. – **Disney** and **ESPN's** Black multimedia platform **Andscape** is rolling out a new anthology franchise "&360." It'll dissect the influence of Black culture on American society, beginning with the documentary "Hip-Hop and the White House" on April 22 on **Hulu**. – Two anime series are coming to **HIDIVE** in April. **AMC Networks** acquired the romance series "Whisper Me a Love Song," which will have its North American premiere at Anime Boston on March 29. Additionally, "Jellyfish Can't Swim in the Night" will join **HIDIVE's** spring slate as an exclusive simulcast series.

## PEOPLE

*Robert Schildhouse* will become President, **BritBox** North America and GM, BritBox International effective April 1. He replaces *Reemah Sakaan*. Schildhouse was previously the company's GM, North America and Group Editorial, having led its business growth in the U.S. and Canada while overseeing BritBox's content and editorial team. His expanded role will now have him manage product/technology and marketing. The change follows **BBC Studios'** assumption of full ownership of BritBox International earlier this month after acquiring **ITV's** 50% share for a cash consideration of £255 million. *Kerry Ball* will remain as Chief Commercial & Strategy Officer, and she and Schildhouse will report to BBC Global Media & Streaming CEO *Rebecca Glashow*. – **CNN** International Commercial is combining its commercial offering for the Latin American market, and it's making *Sebastian Laver* its Senior Director, Advertising Sales, Content Sales and Licensing for the LatAm region. Laver will oversee all ad sales related to CNN International in the region in addition to his existing responsibilities involving content sales and licensing partnerships.