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WHAT THE INDUSTRY READS FIRST

New Path: Ellison, Shell Paint Vision for Paramount Global Post-Merger

With the ink dry on the merger agreement between **Paramount Global** and **Skydance**, *Jeff Shell* is back in the cable business. When the deal is complete, he'll become President of "New Paramount," and he's optimistic about the staying power of the pay TV bundle. But that's not to say he isn't realistic about the realities of linear's decline.

"I personally think that the linear business is going to be a strong business for decades to come. I think we'll be sitting here in 10-20 years talking about a significant amount of viewership on **CBS** network," he said on a call Monday with representatives from Paramount and Skydance. "But it's going to become part of the equation as opposed to the driving part of the equation."

Shell said the incoming executive team has identified \$2 billion in cost efficiencies and synergies, and he hopes to deliver more than half of those in the first year following the deal's completion. He noted the linear business is powerful, but there are also tough decisions that have to be made to ensure it remains strong.

He identified the cable networks as one area that presents a challenge, but he also highlighted **MTV**, **Comedy Central**, **Nickelodeon** and **BET** as wonderful brands that exist within Paramount's portfolio. "Our goal is to maybe bring a bit of a fresh approach to those brands and look at a way to bring them cross-platform," Shell said.

The other side of the equation will be the streaming business

that includes **Paramount+** and **Pluto TV**. Skydance CEO and New Paramount Chairman *David Ellison* believes investments in technology will be the best path forward to ensure that Paramount+ emerges as one of the winners of the streaming wars. On the call, he said the intention is to completely rebuild the Paramount+ platform from the ground up.

"We can improve our algorithmic recommendation engine to basically increase time spent on the platform, reduce churn and drive lifetime value for all of our shareholders. We can optimize ad tech and improve the buy-side for transparency and audience reach, and we also intend to unify the cloud providers across all the distribution services for significant efficiencies," he said.

New leadership also wants to make those changes happen as fast as possible post-deal completion, and that's partly because of how competitive the streaming landscape is. The dynamics have only become more complicated as programmers have begun striking their own deals to create streaming bundles at attractive price points for consumers. Shell noted the customer experience right now is far from great when it comes to watching content on streaming services, whether you're talking about finding the content you want to watch or how expensive it can become to subscribe to each of the streaming leaders.

"I don't think it takes rocket science to project that the consumer situation is not sustainable, that eventually there's going to have to be some form of bundled solution that's easy and simple for somebody," Shell said. "I personally think eventually the streaming world is going to look very similar



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to the way that the multichannel world looked in the past... If you're in that bundle, you're going to win, and if you're not in that bundle, you're in real trouble."

The transaction values New Paramount at an enterprise value of approximately \$28 billion. Existing Skydance investors will receive 317 million newly issued Class B shares in New Paramount valuing Skydance at \$4.75 billion based on \$15 per Paramount Class B share. A group led by the Ellison family and RedBird Capital Partners, where Shell landed last year, are also investing up to \$6 billion in the deal.

The combination is expected to close in the first half of 2025, but plenty of action could happen before then. The incoming executive team has given Paramount co-CEOs *George Cheeks*, *Brian Robbins* and *Chris McCarthy* freedom to begin cost-cutting action and even to examine bids for parts of the company that are no longer serving the larger vision.

"There are assets here which we think are not strategic to where we're going that if we were to get a buyer to pay a price that we thought was compelling, we would absolutely do that," Shell said. "I know current management is also talking about a couple of transactions that if they get the right price, we'll be supportive of."

And of course there is the fact that Paramount still has the opportunity to walk away from this deal. Built into the transaction agreement is a 45-day go-shop period during which the special committee of Paramount's board is allowed to actively solicit and evaluate alternative acquisition proposals. Should the board decide to go with another offer and Skydance does not meet it, Paramount will have to pay Skydance a \$400 million breakup fee.

HURRICANE BERYL HITS TEXAS

As Hurricane Beryl made landfall in Texas this morning, providers are stepping up to help those impacted by the storm. **Verizon** prepared by adding a fleet of 550+ portable network assets, including generator-powered cell sites, drones and a fixed-wing aircraft for aerial support. It also supplied 200 satellite-based portable network assets in addition to over 1,000 mobile generators to assist communities in maintaining or restoring connectivity. **T-Mobile** activated its emergency plan in anticipation of the storm's landfall. It's working with local utility companies as well as its Network Operation Centers to monitor network status. Over the weekend, teams refueled fixed generators, charged battery backups, prepared local fueling stations and staged additional portable generators for deployment if necessary. T-Mobile is also helping the Texas Department of Emergency Management State Emergency Operations Center to support first responders and assist in any needed restoration efforts. As of our publishing time, over 2.5 million people are without power as a result of Hurricane

Beryl. **Comcast** said its critical network facilities in the area have not been damaged by the storm and are operational. Nearly 330,000 of its customers have been impacted, mainly by power outages. It's opened up Xfinity WiFi hotspots in the Houston area, free of charge, to all residents. The **FCC** has enacted its Disaster Information Reporting System for communications impacted by Beryl, asking providers that serve the Texas counties of Brazoria, Chambers, Fort Bend, Galveston, Harris and Matagorda to provide updates by 10am CT tomorrow.

STARS DITCH BALLY

The **NHL's** Dallas Stars are the latest franchise to ditch the **Bally Sports** RSN umbrella. Last week, the two sides ended their rights agreement that had games on **Bally Sports South-west**, and on Monday the Stars unveiled a seven-year agreement with **A Parent Media** to stream all Stars games free beginning in the 2024-25 season. The games will be broadcast through a free DTC service called **Victory+**, which will be available for download on smart TVs, tablets and smartphones in September. Its footprint will include the existing Stars regional territory of Texas, Oklahoma, Louisiana and Arkansas. A Parent Media hired former **Fox Sports** Executive Producer and Stars VP, Broadcasting **Jason Walsh** to oversee Victory+.

MEDIACOM TO MEET RIP AND REPLACE DEADLINE

Mediacom informed the **FCC** it is surely going to meet Rip and Replace program deadlines, planning and scheduling its final shipment of covered equipment for pick-up and disposal. "MCC is certain it will be fully completed with all removal, replacement and disposal tasks before its program deadline of July 15, 2024," the operator said in a filing. But getting to the finish line hasn't been easy, and the company offered a peek into some of the challenges it faced in removing all equipment from companies that posed a security risk from its network. In the filing, Mediacom noted that it did experience equipment delivery delays that significantly impacted its original timeline for the removal, replacement and disposal of the **Huawei** equipment in its network. It also said the process for cost modification revision, modification approval, claims submission, claims approval and claims payment has been more time consuming than originally estimated. And while the approval process has shown some improvement, there's still work to be done to quicken turnaround times. "To fully submit and receive approvals for the outstanding cost modifications and submit claims for payment, MCC may require as many as 90 business days following the RR&D deadline," the operator said.

NTIA OKS INDIANA BEAD PLAN

NTIA has given the greenlight to Indiana's initial BEAD proposal, allowing the state to request access to funding and begin its implementation of the program. Indiana was allocated more than \$868 million to deploy or upgrade broadband within its borders.

T-MOBILE HOME RUN DERBY READY

With the 2024 Home Run Derby coming up, T-Mobile will have permanent 5G coverage and capacity enhancements throughout Globe Life Field in Arlington, Texas. T-Mobile's 5G coverage, which includes Ultra Capacity 5G and 200MHz of mmWave 5G, will offer peak download and upload speeds of 1.6 Gbps and 100 Mbps during a game. The permanent 5G upgrades also strengthen coverage and capacity of locations across Arlington's entertainment district. Temporary enhancements include cell on wheels and cell on light trucks in key areas adjacent to the stadium.

NOTRE DAME JOINS SPORTSTECH PARTNER CONSORTIUM

The University of Notre Dame is the first collegiate organization to become a member of the partner consortium for Comcast NBCUniversal's SportsTech, joining the likes of NBC Sports, NASCAR, Premier League, PGA Tour and others. The Fighting Irish's participation will commence in 2025 as companies selected for the program will have the chance to explore collaborations and engage with leaders from Notre Dame and its network.

NATO TAPS SYNAMEDIA FOR 75TH SUMMIT STREAM

NATO is getting ready to host its 75th anniversary summit in D.C., and it's using Synamedia's DTC streaming technology to livestream the event on its website and YouTube. NATO chose Synamedia's Quortex Play for future public events after trials to stream events such as ministerial meetings, the NATO Youth Summit and recent press conferences. Another feature Synamedia will allow for is transcoding audio from simultaneous interpretations into multiple audio streams, which allows viewers to choose their preferred language. The summit will take place Tuesday-Thursday.

BALDWIN TRIAL COVERAGE

Law&Crime and Court TV are on the case for the upcoming trial of Alec Baldwin. The actor is facing charges of involuntary manslaughter for his alleged involvement in the on-set shooting death of Halyna Hutchins, a cinematographer who was working on the set of "Rust." Law&Crime will have gavel-to-gavel coverage from the courtroom for the trial, which begins Tuesday. An hour-long special "The Case Against Alec Baldwin: Actor Faces Trial for Fatal 'Rust' Shooting" was released on the network's YouTube channel last week in preparation for the trial. Angenette Levy, who hosts the network's "Sidebar"

podcast, will be in Santa Fe, New Mexico, to provide on-the-ground coverage. For Court TV, it'll also air the trial live as anchors Vinnie Politan and Ted Rowlands, crime and justice correspondent Matt Johnson and legal correspondent Kelly Krapf will also be in Santa Fe. Johnson and Krapf will tag team courtroom coverage while Rowlands anchors the first week outside of the courthouse. Politan will provide live reports and host "Closing Arguments" on location during the final week through the verdict. Additionally, Court TV will air a new doc "The Case Against Alec Baldwin" ahead of the trial.

FIBER FRENZY

Fidium Fiber made a pair of expansion announcements over the long weekend. The provider is now available to over 700 homes and businesses in Danforth, Orient and Weston-area, Maine, and also expanded to more than 4,600 homes and businesses in Bar Harbor and Mount Desert. That brings Fidium's total footprint in the state to more than 260,000 homes and businesses. Fidium offers plans with symmetrical speeds ranging from 100 Mbps to 2 Gbps. – ImOn Communications is getting set to begin the construction phase of its project in Marshalltown, Iowa. Engineers have been at work since ImOn unveiled the expansion earlier this year. The first customers are expected to begin receiving service in early fall. – GoNetspeed wrapped up construction in Ludlow, Massachusetts, bringing fiber service to over 4,800 homes and businesses in the area. Ludlow is the second Massachusetts community that's gotten GoNetspeed's services, which range in speeds from 500 Mbps to 2 Gbps.

PROGRAMMING

A new weekly series "Here's the Deal with Kellyanne Conway" is coming to Fox Nation on Thursday. Conway, a former White House senior counselor, will dive into major topics surrounding November's presidential election. – "Wild Wild Space," a documentary based on the NYT best-seller "When the Heavens Went on Sale," will premiere July 17 at 9pm on HBO and stream on Max. – Prime Video's new crime series "Cross" will premiere Nov. 14. – Apple TV+ renewed "The Completely Made-Up Adventures of Dick Turpin" for a second season.

PEOPLE

As Nielsen looks to drive product development and enhance its convergent TV strategy, the company is making Jared Grusd the CEO of Gracenote, Nielsen's content data business unit. Sujit Das Munshi will also step into the role of COO. Grusd was most recently a co-founder for Ethiqly AI, a venture-backed educational technology company in the AI space. He also spent time as Chief Strategy Officer of Snapchat, Chime and AOL in addition to time as CLO of Spotify and CEO of HuffPost. Das Munshi has been with Nielsen for more than 24 years.