

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Cozy Connection: Get to Know Hallmark's New President

With **Comcast** and **Warner Bros. Discovery** spinning off their linear network businesses, there's a lot of uncertainty over where other networks shake out. This week, news broke that **Disney** and **Hearst** are shopping **A+E Media Global Media**. Others are taking a wait-and-see approach, even sprinkled with a bit of optimism.

"These are companies that are cable television companies that have been part of these much bigger conglomerates that have gotten sort of hidden under these new businesses they're trying to launch. As they spin these off, I think what it's going to do is provide a whole lot of focus on cable TV—maybe even bring some value back to that cable TV bundle because you have these two giant cable TV businesses," **John Matts**, **Hallmark Media's** new president, said in an interview with **CFX**. "Ultimately, we'll see where they go and how they think about the long term of each of those businesses, but in the short term, there's a lot of excitement there because...they're now focused on cable the way that we have been. And I think it can be good for all of us."

Hallmark Media refocused its business following **Wonya Lucas'** departure as CEO at the end of 2023, with Hallmark Corporate CEO **Mike Perry** overseeing the division until last month, when he tapped **Matts** to move into the president role of Hallmark Media, which includes **Hallmark Channel**, **Hallmark Mystery**, **Hallmark Family** and streamer **Hallmark+**. **Perry** spent the past two years making Hallmark Media a more co-

hesive part of the overall Hallmark brand. That was on display with last fall's **Hallmark+** launch, which paired the subscription streaming service with discounts and promos tied to Hallmark retail stores. The synergies have continued in myriad ways, including bringing an exclusive product collection to stores from Queen of Hallmark Christmas movies **Lacey Chabert**.

Over the years, Hallmark Media's leadership has taken a front-facing role for the content company. **Lucas** is an established media veteran, who spent time at **TV One**, **Weather Channel** and **Discovery**. Former **Court TV** CEO **Henry Schleiff** spent three years running the network before joining **Discovery** and ex-CEO **Bill Abbott** went on to launch **Great American Media**. **Matts** joined Hallmark Media in 2022 as CFO after two years with the same title at **Golf Channel** and was elevated to COO of Hallmark Media in 2024.

Matts sees his role as a little different than in the past. Chief Brand Officer **Darren Abbott** will continue to be in the day-to-day creative meetings and reports to **Perry**. "But we are partnered really closely on the decisions we're making around what content we're creating, where we're putting it, how we're thinking about it and all of that," he explained. And he also works closely with his counterpart on the retail side, **Hallmark Cards** President **Sara Beth Burton**, to think about how the media touches all parts of the business—or as it's referred to internally, "a One Hallmark way of thinking."

"When you think about the folks that are in our retail stores buying our cards or buying our gift wrap, those, in many cases,

Cablefax Daily

THE PREMIER SOURCE FOR
EXCLUSIVE INSIGHTS ON THE
DAY'S MOST SIGNIFICANT
DEVELOPMENTS IN MEDIA
AND BROADBAND

Reach an audience of top
executives looking for their
starting point for competitive
intel and smart commentary



**CONTACT
HARRY SINGH**
at 917-832-0064
or [hsingh@
accessintel.com](mailto:hsingh@accessintel.com)

are the same people who are sitting at home and watching our movies and absorbing our content,” Matts said. “We have a shared mission, which is really putting joy and caring connection out into the world.”

Hallmark+ launched in September with a \$7.99/month retail price that includes unlimited streaming of a full library of commercial-free content as well as free greeting cards each month and discounts and rewards in Hallmark Gold Crown stores. Some MVPDs are resellers of the streamer, but there are no hybrid deals (at least at this point) where an affiliate would make the streamer also available to their video customers.

Matts didn't rule out such an arrangement and was very clear that the cable business is still extremely important to Hallmark. “We are one of the people who still sees a lot of value in that cable bundle. We're still creating content for those viewers, and frankly, we still have a large audience still out there with cable,” he said. “However, as that shrinks, and it's shrinking for many reasons, there's cord cutting and other things going on, we also want to go meet our audiences elsewhere.”

For three years, Hallmark content was included on **Peacock**, but that ended May 1. “That was really a fantastic deal at the point we did it, pre-Hallmark+,” Matts said. Now, the thinking is that Hallmark would rather have that content sitting on its own platform.

Everything that airs on Hallmark's linear channels airs the next day on Hallmark+. It launched with a lot of original content, including Hallmark hunk competition series “Finding Mr. Christmas.” Matts noted that some of that original content has moved to linear over time, but some of it won't. “We're nine months into Hallmark+. It's very early still in the life cycle. We're testing and learning every day, so there will be more original content. We're kind of playing with what are the right formats. It's this constant sort of analysis of how we think about this business.”

With Hallmark a private company, we don't get a glimpse at what Hallmark+ sub numbers look like, but Matts said there has been double-digit percent growth since its launch. “We're pretty much in line with where we want to be,” he said.

And of course, Hallmark's 2025 Super Bowl is still to come—Countdown to Christmas. “We're not pulling back on anything that we did in the past. And as a matter of fact, we're starting to do more—like you're going to see things like Finding Mr. Christmas pop up on linear. You're going to see a show that we did last year called ‘Mistletoe Murders’ that did really well on streaming come to linear so that broader audience can start to experience some of this really special, serialized kind of Christmas content that we've created,” Matts said. “We want to be synonymous with Christmas for people as we go forward. None of that's changing.”

COURT CANCELS CLICK-TO-CANCEL

A federal appeals court vacated the **FTC's** click-to-cancel rule Tuesday, six days before it was set to take effect. “While we certainly do not endorse the use of unfair and deceptive practices in negative option marketing, the procedural deficiencies of the Commission's rulemaking process are fatal here,” concluded the opinion from the Eighth Circuit Court of Appeals that vacated the rule and granted the petitions for review. **NCTA** and the **Interactive Advertising Bureau** are among those who challenged the FTC rule, which requires companies offering memberships or subscriptions to make it just as easy to cancel them as it was to sign up. It specifically addresses negative option contracts that force a customer to take affirmative action in order to decline or discontinue a service. The FTC originally set a compliance date of May 14 for all regulated entities, but then opted to defer the compliance deadline until July 14. The federal appeals court sided with petitioners that the FTC erred in not providing a preliminary regulatory analysis of the rule. An administrative law judge found the rule would meet the \$100 million economic impact threshold, triggering the need for a preliminary analysis, with NCTA submitting an estimate that the rule would cost major cable operators alone between \$12 and \$25 million per company.

SCRIPPS, GRAY MEDIA STATION SWAPS CREATE NEW DUOPOLIES

Scripps and **Gray Media** agreed to swap broadcast stations in five small and mid-sized markets. The result will be new duopolies for each group, meaning the deal will require waivers from the **FCC** of the broadcast ownership rule that currently prohibits groups from owning multiple Big Four affiliates in a market. Of course, broadcasters seem confident FCC Chair **Brendan Carr** will soon loosen that rule as well as the 39% broadcast ownership cap now that he has a GOP majority with the arrival of Commissioner **Olivia Trusty**. In the meantime, Scripps CEO **Adam Symson** told [TVNewsCheck](#) he expects Carr will hand out a waiver for this swap deal with Gray. As for what each group gets in the swap: Gray gets Scripps' **WSYM (Fox)** in Lansing, Michigan and **KATC (ABC)** in Lafayette, Louisiana. The acquisition of WSYM will create a duopoly in Lansing, where Gray owns **WILX (NBC)**. Scripps gets Gray's **KKTV (CBS)** in Colorado Springs, Colorado, where it already owns **KOAA (NBC)**. It will also acquire **KKCO (NBC)** and low power station **KJCT-LP (ABC)** in Grand Junction, Colorado and **KMVT (CBS)** and low power station **KSVT-LD (Fox)** in Twin Falls, Idaho, where Scripps also owns low power station **KSAW-LD (ABC)**.

FOR SALE: A+E GLOBAL MEDIA

In yet another sign of the times, more networks look to be joining the cable TV yard sale. **A+E Global Media**, a 50-50 JV between **Disney** and **Hearst**, hired **Wells Fargo** to evaluate the prospects of a sale. *Variety* was the first to [report](#), though it's not certain if the company will be sold, whether partially or as a whole. The company currently has **A&E**, **History Channel**, **Lifetime**, **Lifetime Movie Network**, **FYI** and **Vice TV** in its portfolio, as well as a scripted production arm **A+E Studios**; an unscripted production division **A+E Factual Studio** and an independent film unit **A+E IndieFilms**. That's in addition to the A+E Global Media Global Content Sales sector and **A+E Global Media Digital**, which encompasses certain apps, games, AVOD and SVOD products, FAST channels and podcasts. It's only been four months since A+E [revealed a shift away](#) from the previous A+E Networks branding, but now, it appears to be adding to the melting pot of linear networks that are moving into a new home. **Comcast** is [spinning off](#) several of its cable TV networks into **Versant**, and **Warner Bros. Discovery** announced plans to follow a similar path last month. Both have been speculated as potential landing spots for A+E, but another player that could look to join the competition is **Starz** [following its split](#) from **Lionsgate**. Starz President/CEO **Jeffrey Hirsch** previously touted the idea of collaborating more with brands focused on women and underrepresented audiences, whether through commercial arrangements or another form of partnership.

ESPN REUNITES WITH BIG EAST

The **Big East** is coming back to **ESPN's** airwaves—or streams, at least. The two signed a six-year digital media rights agreement that'll see a minimum of 75 women's basketball and 200 Olympic sports events stream on **ESPN+** annually, beginning with the upcoming 2025-26 season. **ESPN+** will also host a minimum of 25 non-conference men's basketball games for Big East schools. The deal precedes the launch of **ESPN's** direct-to-consumer offering, which will include **ESPN+** upon its release in the fall. Big East Commissioner **Val Ackerman** said **ESPN+** gives the league's 22 sports more visibility while giving fans additional access. The Big East already has media rights pacts with **Fox Sports**, **NBC Sports** and **TNT Sports** that include cable, broadcast and DTC components. Those agreements will run through 2030-31. It's a full-circle moment for the Big East as well, having made its first national TV deal with **ESPN** in 1980 in a partnership that went on until 2013. Safe to say both the TV industry and college athletics have changed quite a bit in the 45 years since that original contract was signed.

HARMONIC BEATS DOCSIS 4.0 DOWNSTREAM BENCHMARK

Harmonic completed a demo at a recent **CableLabs** interoperability event that sets a new benchmark for DOCSIS 4.0 performance. The firm's cOS virtualized broadband platform delivered a 14 Gbps downstream throughput across a multi-vendor network, beating the current 10 Gbps benchmark target for 4.0 tech. Multiple opera-

tors, such as **Mediacom** and **Astound**, are currently using the tech company's cOS platform to modernize their broadband network with symmetrical multi-gig speeds and lower latency.

FOX NATION TAKES LIVE SPORTS BY THE HORNS

Fox Nation is venturing into the world of live sports for the first time, signing a deal to be the exclusive Friday night broadcaster of the **Professional Bull Riders** Camping World Team Series. "PBR Friday Night Live" premieres Aug. 8 and will run weekly through the fall. That's 10 Friday night broadcasts that will conclude with the league's championship opener on Oct. 24. Leading up to its PBR coverage, the subscription streamer will also air the second season of "Last Cowboy Standing," which features eight amateur bull riders competing for a spot on a PBR team. The weekly series premieres Friday.

CARRIAGE

Hyperlocal streamer **Zeam** landed a distribution deal with **LG**. Viewers can now access hundreds of local TV stations in addition to other original shows through LG smart TVs. Zeam holds partnerships with local broadcast companies, including **CBS**, **Gray Media** and **Morgan Murphy Media**, and has existing CTV carriage on **Apple TV**, **Amazon Fire TV** and **Roku**.

DOING GOOD

Following the flooding in central Texas over the weekend, **Sinclair** and **The Salvation Army** are launching Sinclair Cares: Texas Tragedy Relief. The national fundraising campaign will support those impacted by the floods, with 100% of funds raised going toward providing critical emergency assistance. More information, including how to donate, can be found [here](#). Sinclair's local stations in San Antonio and Austin have been reporting on developments since the flooding started early Friday morning, with two SA stations (**KABB** and **WOAI**) airing 52 hours of live coverage.

RATINGS

"**Nautilus**" delivered **AMC** and **AMC+**'s biggest audience for a new series since "The Walking Dead: The Ones Who Live" a year ago. The show scored 2.6 million premiere night viewers on linear in **Nielsen** live+3 ratings. It is also on track to be a top new series on **AMC+** in terms of viewership and acquisition on the platform.

PEOPLE

Spectrum Reach, the ad sales arm of **Charter**, promoted **Mary Pouliopoulos** to the newly created role of SVP, Customer Experience. Pouliopoulos, who was most recently Group VP, Sales Operations, Activation and Partnerships, will now oversee the end-to-end customer journeys of Spectrum Reach's clients.