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WHAT THE INDUSTRY READS FIRST

Sports Central: ESPN Is Ready for DTC, But MVPD Questions Loom

By now, you've likely seen the energetic *John Cena* commercial touting the new **ESPN** DTC streaming service as an all-in-one experience for the network's sports content. That includes 12 linear networks, VOD and 47,000 live programs available through the $29.99/month ESPN Ultimate plan, with **Disney+**, **Hulu** bundles also on offer when the DTC launches Thursday. An **NFL+** Premium bundle and a **Fox One** bundle are also coming on Sept. 3 and Oct. 2, respectively. **WWE** premium live events, such as "WrestleMania" and "Royal Rumble," will sweeten the pot when they begin airing exclusively on ESPN on Sept. 20, starting with "Wrestlepalooza," and a deal with the **NFL** to bring **NFL Network** and **RedZone** to the service is also expected to close by the end of next year to further bolster the DTC's offerings.

In short, the new ESPN is covered on the content front, but questions remain about how this is all going to work in harmony with MVPDs and vMVPDs. For example, who has access to what has caused a bit of confusion in cableworld. Speaking at a press event Tuesday, ESPN Chairman *Jimmy Pitaro* explained that Pay TV customers will be able to access all of the DTC service's content, including digital-only events, and features via authentication on the ESPN App at no additional cost, "provided that we have a partnership done with your distributor." Access to digital-only content, such as **ESPN+** programming, will also vary based on the deal between the network and each provider. Pitaro said that, while everyone who is able to authenticate "will have access to all the features and functionality" on the ESPN App, "for select distributors, once you authenticate, you will have access to direct-to-consumer only content." That DTC-only content includes WWE events and the five out-of-market NFL preseason games airing on the service Saturday.

CFX has heard the providers with agreements in place at launch are **Charter**, **DirecTV**, **Fubo**, **Hulu**, **Verizon** and other smaller operators. That leaves out **Comcast**, **Cox**, **Sling TV**, **DISH** and **YouTube TV**, although Pitaro assured negotiations with distributors are ongoing. "We have upcoming deals this calendar year that we're working on right now," he said.

Additionally, those deals could be baked into carriage renewals. "The intention is we would pick up these rights as part of the renewal," said Chief Product & Technology Officer *Adam Smith*. "We are in a renewal cycle with a number of providers. As part of that, we would secure this cross-authentication, including access to ESPN+ content and full features in the app."

Pitaro also briefly addressed concerns that the new streamer could pull customers away from traditional Pay TV, saying that ultimately the goal is to "serve the entire ESPN audience even better," whether they're cable or DTC subs. "The traditional MVPD ecosystem…has been very important to our business historically, and it's going to continue to be very important to our business as we move forward. We are running parallel paths here."

Pitaro added that "there are no distributors that are surprised" by ESPN's entry into DTC. "These are multi-year conversations that we've been having with them, and they're very supportive. We're providing value to their customers by giving them access to additional content and all of these features and functionality."

While the DTC experience seems tailor-made for cordless sports fans, some may wonder why Pay TV subs who already have ESPN through a provider would go through the trouble of authenticating into the updated ESPN App. One reason is the breadth of interactive features on offer through the app, including the ability to navigate to fantasy, betting and shopping integrations while watching live games on CTV devices. Customers can also check out a curated list of key plays as well as access real-time stats. There's also a multiview mode that allows fans to watch up to four games at a time and a Catch Up to Live feature, where viewers can check out highlights from a game already in progress up to the point when they tuned in.

The app will also be the home of ESPN For You, a personalized daily version of the news program powered by AI. It serves up highlights and news tailored to each user's favorite teams, leagues and sports, with commentary generated by AI and derived from the voices of "SportsCenter" anchors. ESPN is also launching a **TikTok**-style vertical video feed, also personalized to each user.

Not all of these features will be available at launch, but Pitaro expects new features to roll out regularly over the coming months. ESPN is also open to other ways to add value for customers. The network is "engaged" and having "healthy conversations" with the **MLB**, for example, although there's nothing new to report just yet, despite all the rumors. ESPN is also thinking about RSNs. "We are interested in bundling with the RSNs [and] potentially ingesting and being the starting point for local, in-market content. In fact, it's super interesting to us," Pitaro said. "We want to be part of the solution. We know that there are challenges with existing RSNs. We raised our hand and said, 'We're to help.'"

Asked whether he saw a future where Fox One and/or other third-party content could be ingested into the ESPN app's multiview feature or through another integration, Pitaro said that ESPN is "absolutely open to that. We've had some high-level conversations with various potential partners, but nothing to announce."

But even if the ESPN App ends up being the best thing since sliced bread, the network still faces the challenge of educating consumers about the product, including those who will now have access to it through an MVPD.

"We recognize the complexity of this. We recognize that we need to simplify it for all of our fans," said *Tina Thornton*, EVP, Creative Studio and Marketing. "It's teaching not just what we're doing but how you get to it."

Beyond John Cena marketing shenanigans, ESPN is really looking to each MVPD and vMVPD to help get the messaging across to their customers. "We need distributors to step up and help us with this education," Pitaro said, stressing that Pay TV remains critical to how ESPN measures the app's performance.

"Ultimately, we are going to judge ourselves based on the totality of people subscribing to ESPN. That's across the traditional ecosystem and direct-to-consumer and various bundles," Pitaro said. "And really, we're going to be paying a lot of attention to engagement within the ESPN app, because whether you subscribe through an MVPD or digital MVPD, or make a direct-to-consumer purchase, we want you to experience ESPN through the ESPN app."

NEWSMAX'S EARNINGS DEBUT

With the first quarter as a public company under its belt, **Newsmax** issued its 2Q25 results. They did come a little late, however, though that might have had to do with the $67 million settlement it made with **Dominion Voting Systems** that was announced Monday. Nonetheless, Newsmax's total quarterly revenue came in at $46.4 million, an 18.4% increase YOY. Total broadcasting revenues grew by 28.5% to $38 million, while affiliate revenues were up to $7.3 million thanks to new deals and rate increases that went into effect. However, according to an **SEC** filing, Newsmax is set to pay $6.89 million to MVPDs in 2025 as part of distribution agreements—the last of which is currently set to expire in December. Advertising revenue saw a 26.2% spike to $29.9 million after Newsmax garnered heightened **Nielsen** ratings. Subscription revenues were $7 million, primarily from growth in **Newsmax+** subscribers. We are building for sustainable, long-term growth while expanding our reach across multiple distribution channels and platforms," CEO *Chris Ruddy* said. "With our diversified revenue streams showing growth across affiliate fees, advertising and subscription services, and supported by a strong balance sheet, we are well-positioned to capitalize on ongoing trends in streaming, international markets and multi-platform distribution." On the other hand, Newsmax had a settlement-driven net loss of $75.2 million in 2Q25, and quarterly adjusted EBITDA was also a loss at $3.8 million, mainly because of higher cost of revenues and general expenses associated with becoming a public company. The network isn't making changes to its full-year 2025 revenue guidance of $180-190 million.

WEST VIRGINIA SENDS IN FINAL BEAD PROPOSAL

West Virginia is the latest state to submit its final proposal for BEAD, and to **SpaceX**'s dismay, it's another fiber-heavy game plan.

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We'll see how long it takes the **Starlink** owner to issue an objection. The state is set to distribute $625 million in BEAD funding, which is a little over half of the $1.21 billion W.V. was initially allocated. Nine companies were picked to cover 73,701 target locations. Making up the majority of projects (94.25%, to be exact) are fiber operators, with **Citynet** getting the most funds with $229.23 million. **Frontier** is slated to get $209.29 million, while **Comcast** and **Micrologic** will receive $61.29 million and $52.88 million, respectively. SpaceX was the lone non-fiber company and got $6.38 million—or 1.02% of W.V.'s allocated BEAD budget. Public comment on the final proposal will be open through Tuesday at 11:59pm ET.

MOBILE NOTES

Accidents happen, and **Spectrum Mobile** is offering a new option for customers to keep their devices in top shape. After launching the Repair & Replacement package in April 2024, Spectrum Mobile is now letting users sign up for a Repair & Replacement Premium tier for $10/month per device (compared to the $5/month the standard plan runs at). In addition to protection against accidental damage, mechanical or electrical failure and loss/theft, Premium unlocks access to unlimited front-screen or back glass repairs for $29 each, as well as unlimited battery replacements for the same price after the manufacturer's warranty expires. – **Google** unveiled the latest line of Pixel devices Wednesday, and **Comcast** is letting **Xfinity Mobile** and **Comcast Business Mobile** customers with a Premium Unlimited or Unlimited Premium Flex plan preorder the new phones through Aug. 27. The devices come with Google's Gemini AI implemented in addition to various improvements with processing, charging and camera quality. Customers can get the Google Pixel 10 or Pixel 10 Pro for free with an eligible trade-in, or they can get up to $1,000 off the Pixel 10 Pro XL through select trade-ins. Customers who don't swap a device can still get $400 off any Pixel 10 phone.

STREAMING GROWS LEAD IN NIELSEN'S JULY GAUGE REPORT

Streaming continued to grow its share of TV viewing in July, according to **Nielsen**'s latest The Gauge report. Audiences spent 47.3% of overall TV watch-time for the month on streaming platforms, a 1.3% gain from June when it was at 46%. (It should be noted that Nielsen includes YouTube in the streaming category.) **Netflix**, in particular, saw a 5% monthly viewing increase, allowing it to reach 8.8% share, driven by its steady flow of new releases, including the final season of "Squid Game," which was July's most watched title with 5.4 billion viewing minutes. Overall, Netflix delivered eight of the top 10 streaming titles last month. **Peacock**'s "Love Island USA" was the second most-streamed title with 5.3 billion viewing minutes, helping the steamer gain 3% vs June. Cable represented 22.2% of TV watch-time, exhibiting declines in both news and sports viewing, although **ESPN**'s coverage of the **MLB** Home Run Derby was the top cable telecast with 5.3 million viewers. Broadcast came in at 18.4% share, helped by a 28% increase in news viewing, with "ABC World News Tonight" airing 19 of July's top 20 broadcasts.

YAHOO! SPORTS JOINS FAST GAME

A new sports network is entering the fray, and it comes from a familiar name. **Yahoo! Sports** is teaming up with C15 Studio to roll out **Yahoo Sports Network**, a FAST channel featuring over 60 hours of original programming per week covering the **NFL**, **NBA**, **MLB**, combat and more. Live programming will include studio shows such as "Yahoo Sports Daily," "Inside Coverage" and "The Ariel Helwani Show." Recorded episodes of other programs will also be available. YSN launched with distribution on **LG Channels** and **Sling Freestream**, but will launch on **Samsung TV Plus**, **Amazon Fire TV**, **Fubo**, **Plex**, **Prime Video** and **The Roku Channel** over the next few weeks.

FIBER FRENZY

Mediacom finished up its project to bring its broadband services to nearly 1,000 homes and addresses in North Rathbun Lake, Iowa. The build was made in tandem with the Empower Iowa Rural Broadband Grant Program and gives folks in the south-central Iowan community the ability to get download speeds of up to 2 Gbps, in addition to **Mediacom Mobile**. Mediacom will also offer its low-cost Xtream Connect plan that features 100 Mbps/20 Mbps speeds for $14.99/month.

RATINGS

It was another powerful week in primetime for **Fox News**. The cable news network led all of TV in prime during the week of Aug. 11-17, checking in at 2.34 million viewers P2+. That beat **CBS** (2 million), **NBC** (1.9 million) and **ABC** (1.9 million), as well as cable competitors like **ESPN** with 837,000 and **MSNBC** (or soon to be **MS NOW**) with 797,000. In total day, Fox News led with 1.49 million. MSNBC and ESPN followed with 497,000 and 448,000, respectively. – **NBC Sports** delivered the most-watched **Premier League** opening weekend in the U.S. ever, according to **Nielsen** and **Adobe Analytics**. Coverage averaged a Total Audience Delivery of 850,000 viewers across six matches live on NBC/**Peacock**, **USA** and NBC Sports Digital platforms from Aug. 15 to 17, up 4% from the prior record set in 2024. The broadcast of the Manchester United-Arsenal match delivered 2.3 million viewers, including **Telemundo**'s Spanish-language coverage, making it the second most-watched PL match ever in the U.S. – The Yankees' 2025 playoff push is resulting in an expected viewership bump for **YES Network**. Per **Nielsen**, the RSN's total viewership for Yankees games so far this season is 291,628, a 5% improvement from this point last year and up 12% compared to crosstown rival Mets telecasts on SNY (259,392). Forty-nine percent of YES' Yankees telecasts have averaged north of 300,000 total viewers. Viewership on the **Gotham Sports** app is also up 84% YOY.

Think about that for a minute...

What's In a Name?

Commentary by Steve Effros

OK, so I didn't coin that phrase, Shakespeare did, in Romeo and Juliet. Juliet points out that a "rose, by any other name, would smell as sweet." In other words, the "name" is not what's important, it's who or what's behind that name that counts. Montague or Capulet doesn't matter. It's the person, in that case Romeo, and who he actually is, regardless of his name.

In our business, name changes seem to be a constant. The latest being MSNBC becoming MS NOW. The marriage of Microsoft and NBC is morphing to an acronym for "My Source News Opinion World." Yes, it's a stretch to maintain the old "MSN" shorthand, but you have to admit the "creatives" figured out a pretty good rebranding that sort of works!

Of course, name changes and rebranding are routinely necessary as we acknowledge the reality that telecommunications technology and business move at light speed these days and it's not easy to keep up. I shifted the "Community Antenna Television Association" (CATA) to the "Cable Telecommunications Association" in the 1980s because it was very obvious we were going to be far more than purveyors of "community antennas."

The National Cable Television Association (NCTA) became the National Cable and Telecommunications Association several years later, and then kept the acronym but now describes itself as the "Internet and Television Association." Just recently the "American Cable Association" (ACA) converted to "America's Communications Association." Did all that matter? Not really. In each case the same folks continued to do the same thing for their members, representing their interests and explaining their business. It was just an effort to accurately represent what the latest business plan and technology capabilities are.

In the political world, the "name game" often veers off into a pure image campaign. "One Big Beautiful Bill" comes to mind, or the "ACA." When were either new taxes and debt beautiful or when did healthcare become affordable? This gets even more confusing when alternate words are used to try to either explain or obfuscate what's really happening. We wind up hearing about "tariffs" and "franchise fees" instead of taxes we will now have to pay. And yes, we do it too, a "broadcast fee" or a "sports fee" to point out that our monthly rates are going up because of specific new costs of doing business.

In each of these examples the bottom line is that consumers, the public, are paying more. The money, ultimately, is coming out of our pockets, but neither the politicians nor the business owners want to simply say "hey, the costs are going up to do what we think you want (or not), but we don't want to call it a 'tax' or a 'price increase' so we'll pick some new name and hopefully redirect your attention."

I don't really expect anything to change. The politicians will continue to find creative ways to characterize tax breaks for their friends and tax increases for the rest of us. The businesses will continue to point out the individual higher cost centers of their core business to let customers know where the money is going. And consumers, if they can, will "opt in and opt out" of purchases to mitigate the effect of those increased costs.

One example: recent studies by Samsung suggested that 65% of the folks who sign up for streaming services to watch NFL games drop those subscriptions after the season ends. There's a 33% audience drop and a 59% drop in usage. The message: folks know what "smells sweet" to them no matter what you call it, and they know what they don't like as well. So probably the smarter move is to just be honest and explain what's happening in the first place.

Steve

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(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.)