

WHAT THE INDUSTRY READS FIRST

## DID YOU KNOW?

“Zootopia 2” amassed 32 million viewers within the first week of being added to Disney+. That made it the most-watched film on the streamer during a premiere week and boosted the Zootopia franchise beyond 1 billion hours viewed. It also came on the heels of a notable theatrical run: Zootopia 2 was the highest-grossing animated Motion Picture Association release of all time with \$1.9 billion, good for the top domestic release of 2025 and the eighth-highest-grossing film ever.

## TED TURNER: THE GOAT OF CABLE

If you were in the cable industry for any amount of time, chances are you have a *Ted Turner* story. The man who died today at 87 left behind more than memories— type his name into **The Syndeo Institute**’s search engine, and you’ll get 179 hits, many of them direct shout-outs in interviews for its Hauser Oral History Project. Some of those are mentions of the man, and some are references to the numerous businesses he built that have endured through acquisitions that continue even today.

“Ted built businesses that changed the world. Decades later, they remain vibrant and central to who **Warner Bros. Discovery** is today,” WBD CEO *David Zaslav* said at the start of the company’s earnings call Wednesday. “Ted inspired a generation and inspired so many young hopefuls like me to believe in the dream and join the cable business. With Ted, everything was possible, and along the way he gave us all courage, he gave us a great life and meaning.”

Turner is credited with helping create the cable industry, beginning with the radical act of transmitting his Atlanta UHF station to cable systems around the country via satellite through what was known as the **TBS SuperStation**.

“Ted Turner helped cable television find its soul. At a time when broadcasting still revolved around fixed schedules and limited choices, he saw the opportunity to deliver bold, differentiated content that viewers could not get anywhere else,” *Bob Miron*, re-

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tired Chairman of **Advance/Newhouse Communications**, told **CFX**. Miron was elected to **NCTA's** board in 1983 and served on its executive committee for over 25 years. "With **CNN**, he fundamentally changed how the world receives news, moving us from waiting for the evening broadcast or the morning newspaper to witnessing history in real time. His vision transformed cable from a distribution platform into a destination, and forever changed the media industry."

Turner was an entrepreneur who often saw things others missed. So much so that one of the questions plaguing *John Hendricks* when he was getting **Discovery Channel** off the ground in 1985 was if a documentary channel was such a smart move, why hadn't Ted Turner done it first?

Turner's reach extended far beyond those in the corner office—something seen in the numerous memories shared on social media from a wide range of people.

"Sometimes the perceived tiniest voice in the room can have the best idea. And Ted acknowledged and recognized that," media veteran *Wonya Lucas* told **CFX** Wednesday.

Lucas's own family history with Turner runs deep—her father, *Bill Lucas*, worked with the Braves when they moved to Atlanta, helping build the team's relationship with the Black community after Turner bought the team. The two became close, with Turner promoting him to Director, Player Personnel, making him the first Black general manager in the **MLB**. It was Bill's role from 1976 until his sudden death in 1979 from a brain aneurysm.

"Ted spoke at his funeral, and Ted said to my mother—I remember he came to our house—and he said, I will always take care of you," recalled Lucas, who serves today on the boards of **Comcast**, the Braves and Inspire Brands.

That promise was kept. He paid for Lucas to go to college. He eventually persuaded her mother, *Ruby Lucas*, to join **Turner Broadcasting**. She eventually served on the board and helped develop initiatives such as Turner Volunteer Day. And she questioned Turner on why the programmer didn't have any content for children—a question that helped spark the creation of **Cartoon Network**.

"Everyone who worked for him had that feeling that they could do anything, and anything was possible. That's one of his legacies," said Lucas, who spent time working at Turner Broadcasting before she went on to lead **Weather Channel** and **Hallmark Media**.

It's impossible to talk about Turner's legacy without spending considerable time on the creation of CNN. *Jon Steinlauf* was a brand new assistant buyer at **Young & Rubicam** when Turner was in the conference room opposite his desk, presenting CNN right before its launch. "He was loud and the door was open. I walked in at the end, and I heard him say when *Walter Cronkite* signs off on **CBS** tonight he's gonna say 'that's the way it is,' but what he's really saying is that's the way it was and we are going to change that."

He was right on that, even if there were plenty of naysayers when it launched in 1980. Former NCTA and **CTAM** exec *Char Beales* recalled that most of Turner's team were opposed to a 24-hour news network. "They stalled by persuading Ted they

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needed a survey of consumer interest,” she said. “Of course, the results said viewers were happy just getting the 6pm and 11pm news on TV. Ted said he didn’t believe it and anyway it was his money. Off he went and the rest is history.”

Turner’s legacy of being “[cable when cable wasn’t cool](#)” has survived for decades, but not everyone understands where it came from. It’s a reference to a billboard and 45 RPM records Turner passed out during the cable industry’s National Show in the early 1980s to urge cable operators not to go with the short-lived **Satellite News Channel** over rival CNN. He talks about it in his Syndeo Oral History [here](#), recorded with Cablefax Founder *Paul Maxwell*.

From that interview, in Turner’s own words: “I really do love this business and I love the people in it. Now that it’s coming to an end for me, I think everybody believes it, but I wanted to say it just one more time because my best friends I made in this business.”

## IN THE ROOM AT THE T. HOWARD DINNER

Quite a large crowd of TMT industry pros filled Cipriani Wall Street in NYC on Tuesday night for the annual **T. Howard Foundation** Awards Dinner. The event was *Judi Lopez’s* first since being appointed President/CEO last August. In her opening address, Lopez said that the night was about “opening doors and unlocking possibilities” for the students the foundation supports and guides toward careers in the industry. “That is our mission, and it’s a mission in motion,” Lopez added, revealing that the event raised \$1.5 million. Lopez, who described herself as a proud Mexican American on stage, promised a little bit of a twist to this year’s event when **CFX** [spoke to her](#) in April. The fact that the dinner was held on Cinco de Mayo meant margaritas and tequila sunrises were flowing at the cocktail hour, accompanied by mariachi music, but the night was about much more than networking and partying with colleagues. (It was a pretty chatty crowd but not one as poorly behaved as at last year’s **Kaitz** Event. Lopez only had to ask attendees to quiet down once.) The dinner honored T. Howard’s current and past intern classes as well as the industry leaders working to pave the way for the next generation. It was also an opportunity to celebrate *Jo Pamphile*, who retired as T. Howard’s President/CEO in 2025 after nearly 20 years of service. Pamphile received the Legacy Award and in her acceptance speech recalled why she took the leadership role all those years ago: “It’s the mission that was clear to me, and it remains that way right now and always, because the mission is the backbone of the foundation.” **ESPN** EVP, Programming & Acquisitions *Rosalyn Durant*, who is also T. Howard’s board chair, summarized the foundation’s work best during her remarks: “We do not just talk about possibility. We’re not here for talk. The foundation walks the walk.” Durant began her career via the foundation’s internship program in 1997, so she knows what she’s talking about. Also receiving awards were **BET** Co-Founder and Salamander Collection Founder/CEO *Sheila Johnson* (Executive Trailblazer Award), **Tubi** CEO *Anjali Sud* (Next-Gen Vanguard Award) and **TNT Sports** host *Ernie Johnson Jr.* (Impact Icon Award). Johnson closed the night with a rousing speech about his late son *Michael* and finding value in people. “There’s value in everybody. Be the one who finds it, be the one who celebrates it. And T. Howard, just keep on being T. Howard because you’re value finders,” he said to enthusiastic applause.

## DISNEY’S LATEST TAKES ON LINEAR, NFL RENEWAL

Wednesday was *Josh D’Amaro’s* first time as the captain of **Disney’s** quarterly earnings call, and while it primarily focused on his immediate and long-term priorities, we got a sense of how the House of Mouse views the linear TV landscape in a post-*Bob Iger* era. It’s a frequent question Disney has gotten over the years, but with **Versant’s** spin from **NBCUniversal**, **Warner Bros. Discovery’s** once-upon-a-time scheme to split and persistent rumors about **ESPN’s** future, Disney Sr. EVP/CFO *Hugh Johnston* wanted to leave little room for interpretation. “These networks are better thought of as brands with studios that produce content like ‘The Bear’ or ‘Shōgun,’ and we monetize that content across multiple distribution platforms,” he said on Disney’s 2Q26 earnings call. “Separating those monetization platforms into discrete businesses is highly complex, and in our view, unlikely to create incremental value for shareholders—especially given where linear networks are valued in today’s marketplace.” Those linear brands are currently undergoing a monetization transition. But they still lag far behind streaming in terms of revenue. In 2Q, Disney Entertainment posted \$11.72 billion in revenue, a 10% increase YOY. According to Johnston, streaming more than doubled the revenue linear brought in, “So the linear earnings base is becoming smaller and smaller every quarter within our P&L.” However, sports are a separate discussion. ESPN is “much earlier in its monetization transition” after launching a DTC option last year, and though Disney still has to navigate economic turbulence, it still views the sports giant as a key contributor to its distribution portfolio. At the top of mind at ESPN is its **NFL** portfolio that

encapsulates Monday Night Football and now **NFL Network** and **NFL RedZone**. It's no secret that the league is interested in striking early media rights renewals, but whether it'll be successful remains uncertain. One thing that is certain is that Disney hasn't had a conversation with the NFL. Yet. "We haven't yet engaged with the league on early renewal conversations, but we're not dogmatic about the process and we're always willing to have a conversation with the NFL in an effort to find new opportunities for growth," Johnston said. "We expect to be in the business with the league for years to come, and we'll of course evaluate this deal as we would any deal with discipline and a focus on driving value for Disney shareholders."

## WHAT D'AMARO HAS IN MIND FOR DISNEY

New **Disney** CEO *Josh D'Amaro* isn't wasting time trying to reposition the company for substantial growth. His immediate priorities can be summarized in two words—"disciplined execution"—specifically when it comes to investments in creative storytelling, streaming, technology and live sports. In the longer run, D'Amaro said Disney will embrace technology more aggressively as it looks to make **Disney+** a digital centerpiece for fan engagement, rather than only being an entertainment play. "It's less about a product. It's more about how it's a strategic posture," D'Amaro noted, envisioning a platform that becomes the primary driver between Disney and its fans across entertainment, sports and experiences. "Reducing churn [for] Disney+ might be the single-most significant opportunity that we have, so it's probably not surprising I'm pushing the entire organization to prioritize against that goal." One recent update has already helped Disney+ retain users: vertical video. Although it's early, D'Amaro said the vertical video feature is already driving more engagement—a similar trend seen when **ESPN** launched "Verts." Plus, with continued investments in AI, Disney hopes to see the benefits of improved personalization, recommendations, production and ad targeting.

## EIGHTH CIRCUIT REVERSES FCC'S DIGITAL DISCRIMINATION RULES

It took a year and a half to ponder, but the **U.S. Eighth Circuit Court of Appeals** ruled to vacate the **FCC's** digital discrimination rules in full. The decision came down Wednesday and removed guidelines enacted under then-Chairwoman *Jessica Rosenworcel* and the *Biden* administration that sought to prevent unequal broadband access based on race, income or ethnicity. The challenge centered on one of the two theories of liability, disparate impact, which refers to when an entity maintains a neutral policy or practice for a non-discriminatory reason, yet still disproportionately affects a protected group. Additionally, the Eighth Circuit found that the rules were applied too broadly and that the FCC overstepped its statutory bounds. "Today's appellate court decision is another common-sense win for nondiscrimination," FCC Chairman *Brendan Carr* said in a statement. "As I said at the time, the FCC's decision to adopt those illegal rules only made it harder for providers to bridge the digital divide and took the FCC's focus off of our core mission. Now, the FCC is focused on advancing our Build America Agenda and ensuring that regulated entities do not discriminate, including through our efforts to end invidious forms of DEI discrimination." **ACA Connects** came out in support of the Eighth Circuit's decision, while **Public Knowledge** condemned the ruling, saying the court "got the statute wrong." "After today, the FCC can act only when it proves a smoking-gun case of conscious bias, which almost never exists in writing. The agency must now start over, with a tool that catches almost nothing," PK Legal Director *John Bergmayer* said.

## WBD TALKS STREAMING WINS, LINEAR OUTLOOK

During Wednesday's 1Q26 earnings call, **Warner Bros. Discovery** CEO *David Zaslav* briefly addressed its impending merger with **Paramount Skydance**, which is expected to close in 3Q26. He declined to take questions, a common theme across both WBD and PSKY calls this week, although PSKY CEO *David Ellison* did answer one brave analyst's [question](#) about the deal. WBD instead highlighted streaming wins, which includes exceeding guidance of over 140 million total subs for **HBO Max** by the end of 1Q, aided by recent launches in the U.K., Ireland, Germany and Italy. WBD now expects HBO Max to finish the year with more than 150 million subs globally. "More importantly, we are seeing healthy acceleration in subscriber-related revenue growth, which we expect will pick up real pace in Q2 and through the rest of the year," Zaslav said. Streaming rev grew 9% to \$2.9 billion. Meanwhile, "disruption in the linear television market has created well-known challenges," said the exec. Global Linear Networks rev was down 8% YOY, although Zaslav noted the company saw 50% more Winter Olympics viewership this year than the 2022 edition. Until recently, WBD planned to spin off its cable nets into a new company called **Discovery Global**. That plan is off now that PSKY is taking the reins. Asked how WBD views the pay TV ecosystem beyond live sports, Zaslav said, "Your guess is as good as ours in terms of what happens to the overall [pay TV] universe."



## THINK ABOUT THAT FOR A MINUTE...

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### POLICY, POLITICS AND PROFIT

It's hard writing about what's going on in the world of telecommunications these days. You can't possibly understand all the ins and outs without forcing yourself to look at things from multiple different angles, and even then, the picture is not terribly clear.

To understand how unfocused it has become is best exemplified by what FCC Chairman Carr did last week, triggering an early review of the broadcast licenses held by the ABC Network. Such a requirement of an early review is extraordinarily rare. Disney's (ABC's parent company) license renewals, based on the normal eight-year license time frame, would have come up from 2028 through 2031. Now they all have to be filed by the end of this month! The last time the Commission triggered an early license enforcement action was over 50 years ago.

The speculation on why this is happening inevitably centers around President Trump's very public demand that ABC late-night host Jimmy Kimmel should be fired (again) because of a not terribly funny joke about First Lady Melania he made as part of a skit several days before the shooting incident at the White House Correspondents' Dinner. The joke focused on the difference in their ages. But that didn't matter. The President linked the two events and attacked Disney for allowing Kimmel to be on the air.

The chairman of the FCC can argue all he wants that his action to suddenly order an extraordinary set of renewal filings by Disney just a few days after the president's demand was just a coincidence. Sure. I don't need to opine on whether it was coincidental or not; the political optics are overwhelming no matter what. Will the Disney licenses be revoked, allegedly because of "DEI violations?" I doubt it. But was the move political? It sure has that appearance. Will it reinforce a policy of attacking those who are not favored by the administration? Will it cost Disney a lot of time and money? We all know the answers to those questions. These are actions designed to affect the future politics, policy and profits of a regulated First Amendment speaker. That's not good.

And that's the point. Telecommunications policy, politics

and profit have all become so intertwined that it's very difficult to appreciate why some actions are taking place. That's not unprecedented, but it's rarely been this extreme.

When I started at the FCC in the "Cable Task Force," Dean Burch had recently been named Chairman. He had headed up the Republican National Committee. He had been Barry Goldwater's campaign manager. To say we had different political perspectives would be an understatement. But to this day, I will say he was one of the best FCC Chairs I ever had to deal with either in or outside the Commission. Sure, politics played a part in decisionmaking, but he was an excellent manager, and he made clear what his policy objectives were and why. Interestingly, he successfully pushed for more educational television programming for children. He opposed the excess power of joint ownership of newspapers and television stations in the same market. He ended the freeze on the development of cable television as a potential competitor to local television stations.

Yes, you could argue that encouraging TV competition was based on a political view that the networks were too "one-sided" at the time. But the policy solution was more speech, not less. Spreading profit opportunities, not limiting them. Compare that with today; the Tegna/Nexstar merger (which has been stopped by the Courts for the time being) resulted from the Commission waiving a rule prohibiting concentration of ownership (the limit was 39% national coverage, the waiver allows 80%). This results in more favored editorial concentration, not less. More profit negotiating leverage which will force higher prices for cable and satellite customers, not less. How does that comport with the "public interest?"

And also, to be sure, others have exercised their political and policy power as well. President Obama televised a policy speech during his administration pushing for net neutrality regarding cable television and broadband. The existing policy opposed common carrier status for internet service providers, so he put public, policy-promoting pressure on his chairman at the time. The net neutrality policy struggle has gone on for years. But it's a policy debate, not a favor or coercive threat. That's the difference.