

Cablefax Daily™

Tuesday — June 23, 2015

What the Industry Reads First

Volume 26 / No. 119

Gimme a J-S-A: Broadcasters' Fight to Change FCC Rule Gaining Steam

There's a lot of hullabaloo this month over broadcasters' joint sales agreements, which the **FCC** voted last year to make attributable under local TV ownership rules when a broadcaster sells more than 15% of ad time for another broadcaster. Last week, the **House Appropriations Committee** passed an appropriations bill that included grandfathering TV station sharing agreements in place before March 31, 2014 (under the current rules, broadcasters with JSAs have until 2016 to unwind or sell stations in markets where duopolies are not allowed). This week, **Sen Commerce** holds an executive session that will look at a bi-partisan bill to exempt application of the JSA attribution rule in the case of existing agreements. The bill was introduced by Sen *Roy Blunt* (R-MO) and co-sponsored by Sens *Barbara Mikulski* (D-MD), *Chuck Schumer* (D-NY) and *Tim Scott* (R-SC). Broadcasters have argued that the sharing agreements allow stations, particularly in smaller markets, to bolster local news and public affairs programming. While the issue is being examined on the Hill, **NAB** is challenging the FCC's ban on joint sales agreements before the DC Circuit. Last week, the FCC asked the appeals court to move the challenge to the 3rd Circuit, saying the case involves review of an order entered after remand from the Third Circuit. "Moreover, the Third Circuit has the most extensive and recent experience with the specific issues in controversy here as a result of its decisions in [the previous] litigation," the FCC said. If the case isn't transferred to the 3rd Circuit, the FCC argued it should be dismissed since they seek review of the substance of a Further Notice of Proposed Rulemaking—not final rules.

Title II Timeline: **NCTA, US Telecom** and the 8 other petitioners who want the **FCC's** Title II order thrown out have requested the DC Circuit set a schedule that would allow consolidated petitions to be fully briefed by Oct. The petitioners are proposing consolidated briefings but note "a number of separate—and conflicting—challenges to the order" and thus are suggesting that **US Telecom, NCTA, ACA, WISPA (Wireless Internet Service Providers Association), AT&T** and **CenturyLink** file 1 joint brief. **CTIA** would file a separate brief, as would **Full Service Network, TruConnect Mobile, Sage Telecom** and **Telescope Comm. Alamo Broadband** and *Daniel Beringer* would file a joint brief together. All of these briefs would be due 30 days after the court issues its briefing order. The court, of course, has final say on what the schedule looks like. If oral arguments take place in Dec, a decision could come as soon as March or April, attorneys have predicted.

Altice's Pocketbook: European telecom company **Altice's** next acquisition following **Suddenlink** may not be in the US.

Cablefax TV Innovation Summit

October 1, 2015 | The Yale Club, NYC

Cablefax's intensive one-day summit will examine how rapid changes in the TV ecosystem are dramatically shifting the landscape for content distributors, programmers, technology innovators and other industry players. The industry is at a historic crossroads—and fortunes could be made and lost based on the decisions executives make this year as they plan budgets for 2016.

Register
for Early
Bird Rate and
Save \$150!

For any media executive, there's only one question: **Will you blaze a trail forward or get left behind?**

View Complete Agenda and Register at: www.cablefaxtvsummit.com

CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefax.com ● 301.354.2101 ● Editorial Director: Amy Maclean, 301.354.1760, amaclean@accessintel.com ● Associate Publisher: Michael Grebb, 323.380.6263, mgrebb@accessintel.com ● Editor: Joyce Wang, 301.354.1828, jwang@accessintel.com ● Sr Community Editor: Kaylee Hultgren, 212.621.4200, khultgren@accessintel.com ● Advisor: Seth Arenstein ● Dir. of Business Dev.: Rich Hauptner, 203.899.8460, rhauptner@accessintel.com ● Jr. Acct. Exec: Olivia Murray, 301.354.2010, omurray@accessintel.com ● Dir. of Market Dev: Laurie Hofmann, 301.354.1796, lhofmann@accessintel.com ● Production: Joann Fato, jfato@accessintel.com ● Diane Schwartz, SVP Media Comms Group, dschwartz@accessintel.com ● Group Subs: Laurie Hofmann, 301.354.1796, lhofmann@accessintel.com ● Sub Questions, Client Services: 301.354.2101, clientservices@accessintel.com ● Annual subscription price: \$1,649/year ● Access Intelligence, LLC, 4 Choke Cherry Road, 2nd Floor, Rockville, MD 20850

Altice confirmed that it has made an unsolicited offer for French mobile operator **Bouygues Telecom**. However, the deal, which is reportedly in the \$11bn range, is expected to meet stiff scrutiny from French regulators. Here in the States... Altice and Suddenlink filed an application with the **FCC** asking for approval of the merger on June 12. Saying the transaction will be “seamless and transparent” to consumers, the companies said the deal is in the public interest because it will provide access to Altice’s operational expertise, scale and resources—allowing Suddenlink to become a more robust competitor.

TWC Gets Open Internet Complaint: As promised, Commercial Network Services wrote to the **FCC** Mon to initiate an informal complaint against **Time Warner Cable**. The hosting company claims TWC is violating the No Paid Prioritization and No Throttling sections of the Commission’s new Open Internet order “by opting to exchange Internet traffic over higher latency (and often more congested) transit routes instead of directly to the edge provider over lower latency peering routes freely available to them through their presence on public Internet exchanges, unless a payment is made to TWC by the edge provider.” TWC has said CNS does not meet the requirements for settlement-free peering. “TWC’s interconnection practices are not only ‘just and reasonable’ as required by the FCC, but consistent with the practices of all major ISPs and well-established industry standards,” the MSO said.

YouTube Kids Under Scrutiny: Sen **Bill Nelson** (D-FL) took to the **Senate** floor Mon to criticize **Google** for not doing enough to police the content of its **YouTube Kids** app. He cited ads on the app for red wine and **Budweiser**. Noting press accounts and his own viewing experiences, Nelsen said the app has been found to contain video with explicit language and mature subject matter such as child abuse and pedophilia. “Have we lost our common sense?” he asked. “Parents should be able to trust these online venues for children, especially when they’re marketed as being safe... Google certainly has the technical expertise to make sure unsuitable videos for kids are screened or filtered out, especially when Google markets the app as being suitable for children.”

Rural Groups Urge Video Reform: **NTCA**, the rural broadband association; **ITTA**, which represents mid-size communications companies; and **COMPTEL**, the competitive communications association, joined the fight for video reform Mon. In a letter to **Senate Commerce**, they asked for a hearing on the need to update video regulations. Existing policies such as the retrans regime “gives broadcast stations a stranglehold over access to programming and prevents providers from negotiating market-based rates for programming,” the letter said. The groups also slammed “must have” and forced tiering rules, saying those practices of content providers drive up the costs of video services and “make it impossible for video providers to offer programming line-ups that are attractively priced and tailored to the consumer’s needs or wants.”

Still No Dispatch for DISH: It’s been more than a week since **Dispatch Broadcast** stations **WTHR** (NBC, Indianapolis) and **WBNS** (CBS, Central OH) went dark on **DISH**, and they’re still off the line-up. In addition to directing impacted viewers to alternative MVPDs, Dispatch is providing detailed information on accessing programming with a free-over-the-air antenna, even recommending specific models that are “good choices.”

Weather Partners with IBM: **The Weather Company** and **IBM** launched an emergency management service featuring real-time weather data and analytics to help communities predict and plan for natural disasters. Integrating weather data into IBM’s Intelligent Operations Center, which collects historical and sensor data and applies analytics and data visualization, is expected to allow emergency response teams to better facilitate rapid response to the worst hit areas first.

Making of the Mob Ratings: **AMC**’s “The Making of the Mob: New York” delivered 1.7mIn total viewers in live+3 ratings for its June 15 debut. It notched 767K 25-54s in L+3. When including the two premiere night encores, the 1st ep of this 8-part docu-series drew a total of 2.9 million viewers, 1.2 million adults 25-54 and 1.0 million adults 18-49 in live+3 ratings.

Starz Play Lands on Amazon: **Starz**’s TVE service **Starz Play** launched on **Amazon** Fire TV and Fire TV Stick. The service is already available on platforms including Xbox One, Xbox 360, Chromecast, iOS and Android devices. In addition, **Starz Play** subs can access a live stream of the premium channel on any PC or Mac.

NeuLion Scores Tennis Channel Deal: **NeuLion** scored a new multi-year renewal with **Tennis Channel**, following their collaboration on the 2015 French Open. The NeuLion Digital Platform, which provides encoding, content security and monitoring and content monetization, supports both **Tennis Channel Everywhere** and **Tennis Channel Plus**.

Programming: **CNN** will present “Glen Campbell... I’ll Be Me” with limited commercial interruption on Sun at 9pm ET,

BUSINESS & FINANCE

with an encore at 10:48pm. The film is about Campbell's decision to go public with his diagnosis of Alzheimer's disease in 2011. Preceding the film's broadcast, Campbell's wife, *Kim Campbell*, and CNN sr medical correspondent *Elizabeth Cohen* will answer question on Facebook Fri at noon.

-- **CMT** will premiere "*Morgan Spurlock Presents Freedom! The Movie*," a 2-hour look at how free America is today, July 11, 9pm. This is the 2nd in a series of original docs produced by CMT. The 1st, "*Urban Cowboy: The Rise and Fall of Gilley's*," premiered on June 13 and garnered nearly 3.5mln viewers. -- Do those **Pinterest** ideas really work? New **FYI** series "*We're Moving In*" puts Pinterest design ideas to the test, July 14, 10pm ET. -- As part of **MTV's** ongoing "Look Different" anti-bias campaign, the net will air "*White People*," a doc exploring race, whiteness and how young whites perceive their racial identity. The documentary will debut July 22 on MTV, MTV.com, the MTV app and other platforms.

People: *Edward Sabin* is joining **A+E Nets'** Intl Division as managing director of the Americas and head of commercial operations, Intl. He previously served as group COO for **Discovery** and **TLC Nets** as well as **Science** and **Velocity**. -- **DirectTV** pres/CEO *Mike White* was elected to **Kimberly-Clark's** board, effective Sept 1. -- **The Studio** (formerly Discovery Studios) named *Cindy Kain* as vp, current production.

Cablefax Daily Stockwatch

Company	06/22 Close	1-Day Ch	Company	06/22 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	92.86	0.08	COMMSCOPE:	26.20	(0.09)
DISH:	70.38	(0.14)	CONCURRENT:	6.24	0.14
ENTRAVISION:	8.39	0.14	CONVERGYS:	25.60	0.16
GRAY TELEVISION:	15.76	0.17	CSG SYSTEMS:	31.58	(0.04)
MEDIA GENERAL:	17.25	0.19	ECHOSTAR:	50.42	(0.22)
NEXSTAR:	57.09	0.14	GOOGLE:	538.19	1.50
SINCLAIR:	28.80	(0.11)	HARMONIC:	7.23	0.06
MSOS					
CABLEVISION:	24.51	0.15	INTEL:	32.26	0.19
CHARTER:	170.31	0.64	INTERACTIVE CORP:	77.78	1.38
COMCAST:	60.97	0.46	JDSU:	12.67	(0.08)
COMCAST SPCL:	60.65	0.21	LEVEL 3:	55.27	0.44
GCI:	17.05	0.31	MICROSOFT:	46.23	0.13
GRAHAM HOLDING:	1069.87	6.87	NETFLIX:	674.90	17.80
LIBERTY BROADBAND:	52.07	0.07	NIELSEN:	45.90	0.36
LIBERTY GLOBAL:	57.13	0.37	RENTRAK:	71.88	(0.07)
SHAW COMM:	22.11	0.03	SEACHANGE:	7.56	0.05
SHENTEL:	33.49	1.26	SONY:	30.50	0.83
SHENTEL:	33.49	1.26	SPRINT NEXTEL:	4.69	0.01
TIME WARNER CABLE:	178.00	0.70	TIVO:	10.69	0.01
PROGRAMMING					
21ST CENTURY FOX:	33.27	0.36	UNIVERSAL ELEC:	50.76	(1.07)
AMC NETWORKS:	82.02	1.33	VONAGE:	4.87	0.01
CBS:	58.34	0.28	YAHOO:	40.73	0.22
CROWN:	4.50	0.08	TELCOS		
DISCOVERY:	33.94	0.03	AT&T:	35.04	0.05
DISNEY:	113.53	0.91	CENTURYLINK:	32.65	0.19
GRUPO TELEVISA:	39.25	0.09	TDS:	29.64	0.28
HSN:	70.26	0.40	VERIZON:	47.53	0.07
LIONSGATE:	37.83	0.15	MARKET INDICES		
MSG:	85.54	0.36	DOW:	18119.78	103.83
SCRIPPS INT:	67.16	(0.09)	NASDAQ:	5153.97	36.97
STARZ:	43.43	(0.09)	S&P 500:	2122.85	12.86
TIME WARNER:	88.02	0.02			
VIACOM:	68.55	0.59			
WWE:	16.25	(0.07)			
TECHNOLOGY					
ADVANTAGE:	2.34	0.02			
AMDOCS:	56.49	0.26			
AMPHENOL:	57.93	0.24			
AOL:	49.99	0.03			
APPLE:	127.61	1.01			
ARRIS GROUP:	32.62	0.38			
AVID TECH:	14.94	(0.18)			
BLNDER TONGUE:	0.81	0.01			
BROADCOM:	53.94	0.21			
CISCO:	28.94	(0.09)			

CableJobs

The Trusted Talent Resource

Select the **BOGO** product package at check-out through June 30 and receive two job postings for the price of one!

Pre-purchase job credits and use them for up to a year.

Visit www.cablefax.com/jobs to post your open jobs today!

Find the most reliable and ideal candidates on Cablefax's Job Board Today!

**BUY ONE
GET ONE
FREE**

by June 30

*Does not apply to any previous job postings.

CFX TECH by Joyce Wang

Channel Master's Master Plan

Having recently debuted **Channel Master TV**, a software upgrade that integrates an OTT streaming offering with the platform's program guide, the long-time antenna maker is onto something bigger. While other services and platforms also offer similar services, none of them combine broadcaster DVR into the same package. Currently, the platform features streaming channels such as **WeatherNation TV**, **Foodie TV**, and the **Outdoor Cooking Channel**. The company is looking to add more streaming options. The long-term goal is to go after major networks, evp *Joe Bingochea* told us. Channel Master is also targeting independent production companies and studios to add niche programming to its lineup, he said. In addition, the company is exploring potential opportunities with standalone direct-to-consumer streaming services such as **HBO Go** and **Showtime**. The trend is more and more producers want to take their content directly to consumers, Bingochea said. Because the Channel Master TV platform is cloud-based, it allows companies to turn on the service within 24 hours. Instead of building apps for different platforms, service providers deploy a single user interface and program guide that combines both OTT and traditional channels, said the exec. Meanwhile, Channel Master is working with **DISH** to incorporate Sling TV to its platform. It's uncertain when the integration will be commercially available, but the companies have already demonstrated the service, Bingochea said: In the OTT era, content is king, meaning "the power is in the channel lineup" and making Sling TV a potentially disruptive service. "Not everyone can put it together," he said. Sling TV recently added **Turner Classic Movies** to its \$5 per month Hollywood Extra package. In addition, **Maker Studios' Polaris+** channel was added to the main \$20 a month core package, providing gaming, comic, pop culture and live event programming. The service

reportedly has 250K subs, an increase from the 100K sign-ups that Sling TV counted in March.

New Competitor: With mobile traffic and the need for customized wireless solutions on the rise, a new wireless business model has emerged. Enter **Webpass**, the small wireless ISP provider that provides building-specific point-to-point wireless technology. The company, serving multi-unit residential buildings and businesses with at least 10 units, recently launched its service in Boston, in addition to existing markets including San Francisco, San Diego, Miami and Chicago. Instead of providing connectivity through fiber or cable networks, point-to-point wireless technology connects 2 locations through line of sight (LOS) using unlicensed spectrum. It's only financially feasible in areas with multi-unit buildings. That's why Webpass is primarily targeting metropolitan areas.

Smart Home Slowdown Predicted: Despite the expansion of smart home services, consumer demand for connected home devices has slowed dramatically in the 1st half and continues rapid drop off, according to research firm **Argus Insights'** latest report. That's because "early adopters have gotten what they need, and now products aren't compelling typical consumers to create a connected home," the report said. It saw "robust" demand growth during 2014 for all connected home segments. As of May this year, connected home demand is 15% less than the same period a year ago. Service providers continue to upgrade their existing services and add new ones to the smart home service lineup. **Comcast** is eyeing a new "Works with Xfinity Home" certification program later this year while backing various smart home products from vendors. **AT&T** is also beefing up its Digital Life Platform with new integrations.

Got tech news? Reach out to Cablefax Tech editor *Joyce Wang* at jwang@accessintel.com

**We're looking for this year's
Top Woman in Technology!
Nominate her now.**

Award jointly presented by:



Cablefax

The 2015 *Women in Technology Award* honors personal growth and significant contributions to the cable telecom industry by one woman, and will be presented at SCTE Cable-Tec Expo 2015, on October 14 in New Orleans.

Deadline is July 10. For the online nomination application, go to www.wict.org and look under *Career Development*.