

# Cablefax Daily™

Monday — August 10, 2015

What the Industry Reads First

Volume 26 / No. 152

## Cablevision 2Q: Cord-Cutter Packages Help Upsell Traditional Services

Cablevision was the 1st MSO to offer standalone streaming service HBO Now to its subs. It also launched a series of cord cutter offerings earlier this year combining data and digital antenna. Those cord cutter packages are “definitely making the phone ring. But the bulk of people are still buying three products. And the cord cutter packages are really going to new [customer] acquisitions... to customers that we wouldn't normally get,” COO *Kristin Dolan* said during the company's earnings conference call Fri. The new offerings aren't hurting traditional packages. Rather, they are attracting new customers and helping the company upsell the bulk of the new customers to a traditional 3-product bundle, she said. Despite the expansion of OTT services, “I don't think the sky is falling quite yet,” pres/CEO *Jim Dolan* said. He predicted that it might take 5 or more years for 10% of the pay-TV market to migrate to OTT. “There is not enough programming weight yet on the Internet and OTT services to really entice a mainstream video customer... Eventually there will be enough programming for OTT to be competitive with the traditional video bundle. I'm not saying I think that is going to happen over a very short period of time. Consumers have become very comfortable with the bundle cable is offering,” he said. Jim Dolan also addressed competition from **Verizon**. Cablevision's 1st direct competition with the telco was in the landline phone business, he said. While Cablevision's 3.1mln customer base is down from 3.3mln at its peak in 2008, he cited “minimal” impact of FiOS despite the telco's overbuild and aggressive promotions. “To the extent that we have lost customers to FiOS, we believe that they are usually promotional shoppers in search of the lowest price services,” he said. Meanwhile, it was a solid 2Q for Cablevision as the company reported that consolidated net revenue increased 1.6% YOY to \$1.65bln. Video sub loss decelerated to 16K, down from 28K in the year-ago quarter. The MSO added 14K broadband subs. ARPU grew 7.2% YOY to \$187. For the 1st time in more than 2 years Cablevision actually added customer relations (5K). “Our channel checks indicated that CVC was aggressive with their promotions during the quarter and from the results it seems like it yielded results on the subscriber side. This is a shift in strategy from CVC which had stopped chasing promotion-hopping and price-chasing subscribers. We think that the strong operational performance was due to the launch of the cord-cutter package which includes a free digital antenna and

## Cablefax Daily is **THE** Place to Advertise

- Launching a new product?** Let the industry know!
- Premiering a new show?** Let the industry know!
- Celebrating an anniversary?** Let the industry know!

Our editorial voice reaches the top executives in corporate management, business development, programming, content acquisition, technology and policy.

Deliver your message with impact and influence the industry's elite. **Advertise in Cablefax Daily today!**

Rates & More Information: Rich Hauptner at [rhauptner@accessintel.com](mailto:rhauptner@accessintel.com) or 203-899-8460  
Olivia Murray at [omurray@accessintel.com](mailto:omurray@accessintel.com) or 301-354-2010

# Cablefax's TRAILER AWARDS

TV PROMOS + REELS THAT SIZZLE

**Call for Entries!**

Entry Deadline: **August 14**

Final Deadline: **August 21**

Enter at [www.cablefaxtrailerawards.com](http://www.cablefaxtrailerawards.com)

Cablefax's Trailer Awards recognize the most effective and buzz-worthy trailers promoting shows and series running around the world on cable, broadcast, mobile, the web and beyond.

This is your chance to gain recognition for promos and sizzle reels that entice viewers to watch and engage with their favorite shows (or soon-to-be-favorites). This program is open to all cable networks and MSOs. Additionally, PR, marketing and publicity firms and other show partners are eligible to compete on behalf of a cable client.

## Winners and honorable mentions will be awarded in the following categories:

- Top Trailer
- Top Network Sizzle Reel
- Best Editing
- Best Directing
- Best Sound/Music Mixing
- Best Graphics
- Most Intriguing/Mysterious
- Most Creative/Surprising
- Most Viral/Shareable Online

## Outstanding Trailer Promoting a:

- New Show/Series
- Returning Show/Series
- Movie/Mini-Series
- Documentary
- Integrated/Cross-Platform
- Comedy
- Drama
- Suspense
- Reality/Docu-Series
- Sports
- News/Public Affairs

Submit by  
August 21

**Questions:** Contact Mary-Lou French at [mfrench@accessintel.com](mailto:mfrench@accessintel.com) or 301-354-1851.

For more information, visit [www.cablefaxtrailerawards.com](http://www.cablefaxtrailerawards.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 ● Cablefax/Screenster 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

a broadband connection costing between \$35/month and \$45/month,” **Evercore ISI** analysts wrote in a research note.

**TV Deflate-Gate:** With so many scripted series vying for attention, are we in a programming “bubble?” Yes, according to **FX Networks** and **FX Productions** CEO *John Landgraf*, who on Fri told critics at **TCA** that a growing bubble is “beginning to slowly deflate” as nets struggle to compete. “This is simply too much television,” he said. “My sense is that 2015 or 2016 will represent peak TV in America and that we’ll begin to see declines coming the year after that and beyond.” He predicted a “new frontier” defined more by programming brands than individual shows. “Programmers without a defining brand or identity and the scale to support that brand with great and plentiful programming and marketing are going to have a huge struggle as time goes on,” he said, acknowledging “some validity” to the contention that people watch shows and not networks but arguing that “brands will become increasingly important as mediating filters for an overwhelmed viewing public.” Landgraf also painted a dire picture for smaller nets with no big media ties. “I don’t think that independent channels are going to fare very well in the future,” he said. “You’re about to see a situation where there’s a little bit of a culling of the herd, and there’s going to be a little bit of consolidation.” Landgraf compared the rush to make so many shows a “desperate scrum” that can’t continue indefinitely, especially because “the advertising model is pretty broken right now” as audiences fragment and ratings-per-show decline. “Managing our way through this transition is hard,” he said, confessing that “I would have preferred not to have sold any of our content to **Netflix**” but felt an obligation to use SVOD revenue to help monetize shows rather than tell creators “we’re just going to hold onto it.” Landgraf called Wall Street’s hammering of media stocks this week “way over the top” considering that **Disney** chief *Bob Iger*’s remarks during an earnings call prompting the sell-off weren’t particularly shocking based on how the TV ecosystem has evolved in recent years. The future won’t be completely OTT, Landgraf said, but “how that portfolio is structured is going to have to be different.”

**#JonVoyage:** After a 16-year run, *Jon Stewart* hosted his last “The Daily Show” Thurs night on **Comedy Central**. Stewart announced his departure last winter with *Trevor Noah* set to be the new host. While the program started with what appeared to be Stewart discussing the Republican presidential debate on Fox News, it was really a set-up for past Daily Show correspondents and contributors, including *Steve Carell* and *Lewis Black*, to pay their tributes. Fans also took to social media using the hashtag #JonVoyage to say farewell to the comedian.

**Net Neutrality: The Multicultural Media, Telecom and Internet Council** (MMTC) filed an amicus curiae brief Thurs asking the DC Circuit Court of Appeals to vacate the **FCC**’s Open Internet Order. The nonprofit challenged the agency’s “disregard for the adverse consequences that Title II reclassification will have on accelerating broadband opportunities, especially in wireless, for unserved and underserved communities.” The group claimed the order, which reclassifies broadband Internet as a Title II service, will negatively impact investment and innovation in broadband, preventing the creation of new services such as ad-supported packages. The order’s impact on wireless investments could widen the digital divide for communities that heavily rely on these services, MMTC said.

**Debate Rating: Fox News**’ 2-hour GOP Debate Thurs night scored a record 24mIn viewers, making it the most watched primary debate ever, according to **Nielsen** data. The program averaged a 13.7 HH rating and scored about 8mIn 25054. On social media, 9.3mIn people in the US saw one or more of 3.3mIn Tweets about the debate on Thurs, according to Nielsen. The most-Tweeted minute of the night was at 9:39pm EST when 29K tweets were sent following the *Chris Christie* and *Rand Paul* confrontation over **NSA** domestic spying. The top mentioned personality of the night was “*Trump*,” who was mentioned in 607K tweets around the TV event

**Set-top Energy Efficiency Study:** Energy-efficient set tops helped save consumers \$500mIn electricity costs since cable launched a voluntary energy efficiency initiative 2 years ago, **NCTA** said in its 2nd annual report on set-top energy use survey conducted by **D&R International**. The cost savings were mainly due to a 33% decrease in the weighted average of energy consumption of DVRs, the most energy-intensive type of set-top box. Overall, 95% of set-top box purchases in 2014 met the Energy Star Version 3.0 standards—a 12% increase from 2013, the first year of the voluntary agreement—and use approx 14% less energy than set-top boxes previously issued by the service providers, the survey said.

**Cablefax Week in Review**

Company	Ticker	8/07 Close	1-Week % Chg	YTD %Chg
<b>BROADCASTERS/DBS/MMDS</b>				
DISH:	DISH	66.92	3.58%	(8.19%)
ENTRAVISION:	EVC	7.98	4.04%	23.15%
GRAY TELEVISION:	GTN	14.60	(13.56%)	30.36%
MEDIA GENERAL:	MEG	13.75	(13.36%)	(17.81%)
NEXSTAR:	NXST	54.06	(5.46%)	4.38%
SINCLAIR:	SBGI	27.63	(4.79%)	0.99%
TEGNA:	TGNA	26.58	(8.75%)	0.00%

Company	Ticker	8/07 Close	1-Week % Chg	YTD %Chg
<b>MSOS</b>				
CABLE ONE:	CABO	415.42	0.05%	0.00%
CABLEVISION:	CVC	25.82	(8.5%)	25.10%
CHARTER:	CHTR	183.85	(1.08%)	10.34%
COMCAST:	CMCSA	58.82	(5.75%)	1.40%
COMCAST SPCL:	CMCSK	58.90	(5.52%)	2.31%
GCI:	GNCMA	18.76	1.96%	36.44%
LIBERTY BROADBAND:	LBRDA	53.59	0.02%	6.99%
LIBERTY GLOBAL:	LBTYA	52.15	(0.59%)	3.86%
SHAW COMM:	SJR	20.65	(0.1%)	(23.49%)
SHENTEL:	SHEN	35.52	3.32%	13.66%
SHENTEL:	SHEN	35.52	3.32%	13.66%
TIME WARNER CABLE:	TWC	188.91	(0.58%)	24.23%

Company	Ticker	8/07 Close	1-Week % Chg	YTD %Chg
<b>PROGRAMMING</b>				
21ST CENTURY FOX:	FOXA	30.69	(8.82%)	(20.1%)
AMC NETWORKS:	AMCX	76.04	(9.71%)	19.24%
CBS:	CBS	50.34	(5.85%)	(9.04%)
CROWN:	CRWN	4.57	2.24%	29.10%
DISCOVERY:	DISCA	29.44	(10.84%)	(14.54%)
DISNEY:	DIS	109.35	(8.88%)	16.10%
GRUPO TELEVISIVA:	TV	33.15	(4.91%)	(2.67%)
HSN:	HSNI	64.45	(12.32%)	(15.2%)
LIONSGATE:	LGF	37.61	(4.01%)	17.46%
MSG:	MSG	78.65	(5.7%)	4.50%
SCRIPPS INT:	SNL	58.76	(6.1%)	(21.93%)
STARZ:	STRZA	37.34	(7.69%)	25.72%
TIME WARNER:	TWX	80.13	(8.98%)	(6.19%)
WWE:	WWE	21.97	12.15%	78.04%

Company	Ticker	8/07 Close	1-Week % Chg	YTD %Chg
<b>TECHNOLOGY</b>				
ADVANTAGE:	AEY	2.24	0.00%	(8.2%)
AMDOCS:	DOX	57.85	(1.36%)	23.98%
AMPHENOL:	APH	55.56	(1.52%)	3.25%
APPLE:	AAPL	115.52	(4.89%)	4.66%
ARRIS GROUP:	ARRS	27.66	(10.57%)	(8.38%)
AVID TECH:	AVID	11.44	(6.69%)	(19.49%)
BROADCOM:	BRCM	50.32	(0.57%)	16.13%
CISCO:	CSCO	28.15	(0.98%)	1.19%
COMMSCOPE:	CTV	26.03	(0.31%)	1.52%
CONCURRENT:	CCUR	5.27	(1.5%)	(25.67%)
CONVERGYS:	CVG	23.41	(6.77%)	14.92%
CSG SYSTEMS:	CSGS	31.85	2.41%	27.04%
ECHOSTAR:	SATS	46.44	0.04%	(11.54%)
GOOGLE:	GOOG	635.30	1.55%	20.69%
HARMONIC:	HLIT	5.87	(2.33%)	(16.26%)
INTEL:	INTC	28.88	(0.24%)	(20.42%)
INTERACTIVE CORP:	IACI	74.50	(3.57%)	22.55%
LEVEL 3:	LVTX	48.72	(3.52%)	(1.34%)

Company	Ticker	8/07 Close	1-Week % Chg	YTD %Chg
MICROSOFT:	MSFT	46.74	(0.11%)	0.62%
NETFLIX:	NFLX	123.52	8.06%	(63.84%)
NIELSEN:	NLSN	46.45	(4.15%)	3.85%
RENTRAK:	RENT	61.38	(10.41%)	(15.71%)
SEACHANGE:	SEAC	6.44	(6.53%)	0.94%
SONY:	SNE	26.83	(5.36%)	31.07%
SPRINT NEXTEL:	S	3.37	(2.03%)	(18.8%)
TIVO:	TIVO	9.70	(2.51%)	(18.07%)
UNIVERSAL ELEC:	UEIC	48.39	(6.66%)	(25.59%)
VONAGE:	VG	6.24	(2.35%)	63.78%
YAHOO:	YHOO	36.67	0.00%	(27.4%)

Company	Ticker	8/07 Close	1-Week % Chg	YTD %Chg
<b>TELCOS</b>				
AT&T:	T	34.21	(2.29%)	1.85%
CENTURYLINK:	CTL	27.65	(3.32%)	(30.14%)
FRONTIER COMMUNICATIONS:	FTR	5.17		9.53% (19.22%)
TDS:	TDS	29.30	(0.37%)	16.04%
VERIZON:	VZ	46.36	(0.92%)	(0.9%)

Index	Value	% Chg	% Chg
<b>MARKET INDICES</b>			
DOW:	DJI	17373.38	(1.79%) (2.52%)
NASDAQ:	IXIC	5043.54	(1.65%) 6.49%
S&P 500:	GSPC	2077.57	(1.25%) 0.91%

**WINNERS & LOSERS**

**THIS WEEK'S STOCK PRICE WINNERS**

COMPANY	CLOSE	1-WK CH
1. WWE:	21.97	12.15%
2. FRONTIER COMMUNICATIONS:	5.17	9.53%
3. NETFLIX:	123.52	8.06%
4. ENTRAVISION:	7.98	4.04%
5. DISH:	66.92	3.58%

**THIS WEEK'S STOCK PRICE LOSERS**

COMPANY	CLOSE	1-WK CH
1. VIACOM:	45.93	(19.63%)
2. GRAY TELEVISION:	14.60	(13.56%)
3. MEDIA GENERAL:	13.75	(13.36%)
4. HSN:	64.45	(12.32%)
5. DISCOVERY:	29.44	(10.84%)



**Breakfast Recognizing the Cablefax 2015 Most Influential Minorities in Cable**

Cablefax and NAMIC are proud to salute this year's accomplished industry influencers. Join us at the 29th Annual NAMIC conference for this uplifting kickoff event!

**Tuesday, September 29 | 7:30 – 8:45 am**  
**New York Marriott Marquis | 1535 Broadway, New York, NY 10036**

Purchase tickets at [www.namic.com](http://www.namic.com) by September 18

PRESENTED IN PARTNERSHIP WITH  
**Cablefax**

PRESENTING SPONSOR  
 Time Warner Cable

CO-SPONSORED BY  
 TVOne  
TVONE.TV

