

Cablefax Daily™

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What the Industry Reads First

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Retrans Watch: DirecTV Facing Deadline as FCC Orders Circulate

At our deadline, **DirecTV** was in danger of losing CBS 8 (**KFMB**) in San Diego as the **Midwest Television** station and DBS provider's contract was set to expire at 8pm ET Thurs. **KFMB** has launched a #KeepCBS8 campaign on social media, and it's not afraid to throw around the recently completed merger. "Unfortunately, since the merger of **AT&T** and **DirecTV** a few weeks ago, **DirecTV** negotiators have taken the position that with clout of a much larger combined company, broadcast stations will be forced to offer their programming to **DirecTV** at a significant discount vs programming fees **AT&T** has historically paid... **CBS 8** will not offer our content at a discount to any provider, regardless of size," the broadcaster said. **DirecTV** said it plans to keep **KFMB** in its local line-up, but, of course, it must have owner **Midwest Television's** permission. "Midwest is threatening to block **DirecTV** customers' homes unless they pay more than double just to keep the same **KFMB** shows they've always had. We intend to resolve this matter soon and have asked for our customers' patience since it will help to keep their bills lower," a spokesperson said. **KFMB** launched a near identical campaign against **DISH** last month, and the 2 reached a deal. The deadline comes just before kick-off for Thurs night's San Diego Chargers-Dallas Cowboys game. While it's only a preseason game, it perhaps takes on added significance for locals given growing speculation that the Chargers will move to L.A. This latest retrans spat comes as **FCC** chmn **Tom Wheeler** is circulating an NPRM to review the "totality of the circumstances test" for what constitutes good faith negotiations over retrans of broadcast signals. He's also putting forth an order that would do away with exclusivity rules, which prevent MVPDs from providing subs with out-of-market broadcast stations when a retrans dispute results in local channel blackout. While the **FCC's** exclusivity rules may be off the books, there's nothing to prevent broadcast affiliate contracts from exclusivity clauses. Indeed, **Wheeler** himself blogged that the move would take the **FCC's** "thumb off the scales" and allow the scope of such exclusivity to be decided by the parties. "It is our view that no Big Four broadcast affiliate is going to 'go around' its brethren to provide content to an MVPD that has lost a station in a retrans fight," noted **Wells Fargo Securities'** analysts. That's why some calling for retrans reform have asked for more. In filings at the **FCC**, **ACA** has urged the **FCC** to combine eliminating exclusivity rules with prohibiting networks from interfering with stations' rights to grant out-of-market retrans consent.

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Discovery Restructuring: A reorganization at **Discovery Comm's** US nets has *Rich Ross* becoming group pres of **Discovery Channel, Animal Planet** and **Science Channel**. The Discovery Channel chief (for 6 short months) has made a quick impact on the net, evidenced by 2 quarters of solid ratings that included the highest-rated Shark Week ever among 25-54s. He also was the driving force behind the creation of the documentary division, which landed worldwide rights to film "Racing Extinction." As part of the reshuffling, Animal Planet gm *Rick Holzman*, will now report to Ross. Holzman previously reported to *Marjorie Kaplan*, who last week was appointed to the new role of pres of content for **Discovery Networks International**. *Rita Mullin* will continue to lead Science Channel as its gm, reporting to Ross. Meanwhile, **Discovery Life Channel** will be integrated into the **TLC** team, reporting to evp/gm *Nancy Daniels*. TLC's evp of development and production *Howard Lee* will assume responsibility as gm of Discovery Life Channel, continuing to report to Daniels. Moving on to **ID, American Heroes Channel** and **Destination America**, group pres *Henry Schleiff* will continue to lead the nets. Balancing out the management of the nets under Schleiff's leadership will be *Kevin Bennett*, who continues to be gm of ID and evp of programming for the net. *Jane Latman*, currently gm of Discovery Life, will become gm of AHC in addition to her role as svp of development for ID. *Marc Etkind* continues as gm of Destination America. As part of the realignment, the company also named *Bob Scanlon* as general counsel of **Velocity** and Automotive Content, continuing to report to Kaplan in her new global role. Finally, the company will coordinate management of its global family brands and kids content strategy under *Carolina Lightcap*, head of content for **Discovery Latin America and US Hispanic Group**. **Discovery Family Channel** gm *Tom Cosgrove* will now report to Lightcap. "This strategic realignment positions Discovery well to drive our content engine across platforms here in the U.S. and worldwide, and creates the strongest pairings of creative talent to develop, program and lead these new brand groups now and into the future," said pres/CEO *David Zaslav* in a statement.

HBO's Child Play: Move over, "True Detective" and "Game of Thrones" and welcome new neighbor "Sesame Street." **HBO** announced a partnership with **Sesame Workshop** that will make the next 5 seasons of the series available on HBO, its multiplex channels, VOD and SVOD service. The deal solves Sesame's financial problems, while giving HBO a serious hook in the children's programming arena. The new eps will begin airing on HBO as early as this fall. Nine months after they debut on the premium net, they'll appear on **PBS** stations. "Sesame will be able to produce almost twice as much new content as previous seasons, and for the first time ever, make the show available free of charge to PBS and its member stations after a 9-month window," the companies said. Sesame Workshop also announced it will produce a Sesame Street Muppets spinoff series, as well as a new original educational series for children. HBO also licensed 150 library eps of Sesame Street, as well as past eps of "Pinky Dinky Doo" and "The Electric Company."

2Q Pay-TV Sub Report: Top pay-TV providers saw the largest video sub loss in 2Q amid growing fears of cord cutting, according to **SNL Kagan**. Cable, satellite and telco providers collectively shed more than 600K video subs during the period, falling to 100.4mln combined residential and commercial subs at mid-year, the research firm estimated. The slide, which followed a weak 1Q, could lead to a much larger decline for full-year 2015 than the industry produced between 2010 and 2014, the company said. Cable's basic sub losses, at 350K, came in at its lowest level since 2008, when the segment lost 211K basic video subs in the seasonally weak quarter. The telcos increasingly appear to be trading sub gains for improved financials, SNL said, arguing **AT&T U-verse** has aligned its strategy with **DirectTV's** focus on profitability. As a result of the belt tightening, the combined multichannel video subs served by **Verizon FiOS** and U-verse were flat at 11.7mln at the end of the quarter, behind net adds of just 4K. The satellite segment lost an estimated 304K subs, as DirectTV and **DISH** both reported record sub declines. The DBS providers retreated to just under 34mln subs.

Cisco Earnings: **Cisco**, which agreed to sell its set-top and CPE business to French vendor **Technicolor** for \$600mln, saw its service provider video revenues slide 7% YOY in fiscal 4Q to \$994mln. Cisco expects the sale to close at the end of 2Q of fiscal 2016. Total revenue was \$12.8 billion, up 4% YOY. Product revenue and service revenue each increased 4% YOY. In terms of total revenue by geographic segment, Americas was up 7%, while both EMEA and APJC were flat.

Yaveo on Roku: **DirectTV's** Spanish-language OTT streaming service **Yaveo** is now available on the **Roku** platform. Yaveo, which costs \$7.99/month, is offering new subs their 1st week free through Aug 31. Subs can livestream Yaveo channels, including **beIN Sports en Espanol** and **Cine Sony Television**, via Roku.

Lear at NAMIC: TV industry icon *Norman Lear* is set to be the special guest speaker at the L. Patrick Mellon Mentorship

BUSINESS & FINANCE

Program Luncheon as part of the 29th Annual **NAMIC Conference** (Sept 29-30) in NYC. Lear produced groundbreaking series such as “All In the Family,” and “Good Times.” “Mr. Lear is among our industry’s foremost visionaries and a trailblazing champion of television diversity. It is an honor to have the opportunity to celebrate his pioneering genius and career achievements in creating landmark programming while addressing complex and sensitive social issues,” said NAMIC pres/CEO *Eglon Simons*.

Programming: Spike picked up “Harvest,” its 1st dramatic scripted series in 9 years. The 10-ep series centers on a father forced to engage in black-market tissue and body parts trade. The series will debut in 2016. -- In light of recent events surrounding “19 Kids and Counting” and in an effort to promote education and raise awareness of child sexual abuse, **TLC** is working with 2 abuse prevention groups **RAINN** and **Darkness to Light** on “Breaking The Silence,” a new doc addressing the issue. Debuting on Aug 30 commercial-free, the 1-hour program aims to shine a light on child sexual abuse as part of a multiplatform collaboration between TLC and the 2 nonprofits. TLC.com/BeTheVoice will feature access to important resources. -- **NBC Universo** will begin airing “Alphas” Wed, marking the sci-fi series’ US debut in Spanish. The drama originally aired on sister net **Syfy**.

Cablefax Daily Stockwatch

Company	08/13 Close	1-Day Ch	Company	08/13 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DISH:	65.97	(0.03)	CONCURRENT:	5.19	(0.18)
ENTRAVISION:	7.86	0.11	CONVERGYS:	22.86	(0.16)
GRAY TELEVISION:	14.69	(0.1)	CSG SYSTEMS:	31.55	(0.16)
MEDIA GENERAL:	13.05	(0.11)	ECHOSTAR:	46.00	(0.47)
NEXSTAR:	53.28	(0.28)	GOOGLE:	656.45	(3.11)
SINCLAIR:	28.31	(0.12)	HARMONIC:	5.85	(0.05)
TEGNA:	25.60	(0.49)	INTEL:	28.87	(0.59)
MSOS					
CABLE ONE:	424.95	(0.66)	INTERACTIVE CORP:	73.95	(0.55)
CABLEVISION:	25.48	(0.14)	LEVEL 3:	48.18	0.06
CHARTER:	180.64	(0.42)	MICROSOFT:	46.73	(0.01)
COMCAST:	59.64	0.23	NETFLIX:	123.73	3.22
COMCAST SPCL:	60.00	0.22	NIELSEN:	48.11	0.28
GCI:	17.46	0.29	RENTRAK:	47.99	(0.96)
LIBERTY BROADBAND:	54.64	0.56	SEACHANGE:	6.15	(0.2)
LIBERTY GLOBAL:	51.58	0.50	SONY:	26.97	0.25
SHAW COMM:	20.45	(0.09)	SPRINT NEXTEL:	3.88	UNCH
SHENTEL:	41.18	0.17	TIVO:	9.41	(0.07)
SHENTEL:	41.18	0.17	UNIVERSAL ELEC:	48.13	0.35
TIME WARNER CABLE:	186.65	0.14	VONAGE:	6.20	UNCH
PROGRAMMING					
21ST CENTURY FOX:	30.12	0.04	YAHOO:	35.93	1.44
AMC NETWORKS:	74.99	0.92	TELCOS		
CBS:	50.05	(0.12)	AT&T:	33.81	(0.21)
CROWN:	4.84	(0.19)	CENTURYLINK:	27.97	(0.56)
DISCOVERY:	28.48	(0.45)	FRONTIER COMMUNICATIONS:	5.35	(0.07)
DISNEY:	107.52	0.53	TDS:	29.54	(0.1)
GRUPO TELEVISA:	32.39	(0.13)	VERIZON:	47.66	(0.19)
HSN:	62.63	(0.35)	MARKET INDICES		
LIONSGATE:	38.99	1.15	DOW:	17408.25	0.03
MSG:	76.78	0.56	NASDAQ:	5033.56	(10.83)
SCRIPPS INT:	57.96	(0.96)	S&P 500:	2083.39	(2.66)
STARZ:	36.87	(0.18)			
TIME WARNER:	79.03	(0.88)			
VIACOM:	46.55	0.15			
WWE:	21.01	0.20			
TECHNOLOGY					
ADVANTAGE:	2.37	(0.03)			
AMDOCS:	59.65	0.18			
AMPHENOL:	55.45	(0.3)			
APPLE:	115.15	(0.09)			
ARRIS GROUP:	27.63	0.16			
AVID TECH:	9.08	(0.32)			
BLNDER TONGUE:	0.84	0.00			
BROADCOM:	50.86	(0.4)			
CISCO:	28.70	0.80			
COMMSCOPE:	25.95	(0.05)			

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PROGRAMMER'S PAGE

Form and Flattery


For IFC's new docu-parody "Documentary Now!" (premieres Aug 20, 10pm), imitation is the sincerest form of flattery. The cast of "SNL" veterans *Bill Hader*, *Fred Armisen* and *Seth Myers* parody individual documentaries in the series, one per episode. But the goal is not just to be funny. Equally as important is communicating "authenticity," Hader told the **Television Critics Association** in L.A. last month. "We went out of our way in most cases to find... the most literal steps to each documentary," added exec producer *Rhys Thomas*. For instance, when the group parodies *Errol Morris's* "The Thin Blue Line," they used the actual set of lenses the doc was originally shot on. How much does the imitation of the mockumentary genre play in? Not much. "We tried to very much stay within documentary moves," Myers said. Take their rock 'n roll episode. It wasn't about mimicking the precedent set in "This is Spinal Tap." "You would never watch 'Spinal Tap' and say, 'Hey, let's do it like 'Spinal Tap,'" Hader explained. "You would watch the documentary and say, 'What is the storytelling, the cutting style, the way they frame their shots?" In some cases, the creators went directly to the source. For the episode "Sandy Passage," based on the *Maysles brothers'* doc "Grey Gardens," director *Alex Buono* spoke to the original crew about how it was shot, film stocks, lenses and techniques. They also spoke to the cinematographer and producers of "The Thin Blue Line." Myers believes the documentary genre itself is currently experiencing an uptick in popularity. "We do think this is a time where documentaries are kind of having a moment because they exist on so many of the streaming sites... even places mainstream places, like **ESPN**, have become so documentary friendly in the last few years," he said. New and different audiences are consuming documentaries now, "so we're hoping they'll be drawn to it for that reason." – *Kaylee Hultgren*


Reviews: "The Kangaroo King," Sunday, 10pm, **Nat Geo Wild**. Evp/gm *Geoff Daniels'* push to show the animal kingdom's struggle to survive is illustrated in this fascinating film about the red kangaroo. Survival is more than animal vs animal, here it's animal vs nature, specifically the season-less, unpredictability of the Australian outback. 'Rusty,' whose life is chronicled from birth as a peanut-sized baby, miraculously filmed inside his mother's pouch, to a full-grown male, endures 110-degree stretches with little or no water. Instinct and his adaptable physiology allow him to survive and eventually mate. Then it starts all over again. -- "Show Me a Hero," premiere, Sun, 8pm, **HBO**. Will viewers devote hours to watching a story about public housing? That's the gamble HBO takes on *David Simon's* ("The Wire," "Treme") latest. If viewers watch, they'll see an interesting, layered piece, plus a tremendous performance from *Oscar Isaac* as a young mayor in over his head. Try to find *Winona Ryder* and *Catherine Keener*; it's worth the effort. -- "Manhunt: Kill or Capture," Wednesday, 10pm, **AHC**. Ah, timing. AHC commissioned this terrific ep about the Mexican drug lord known as 'El Chapo' well before he escaped... again... last month from a highly secure prison. Based on this informative hour, with great talking heads, he can be tripped up with the right bait. – *Seth Arenstein*

Basic Cable Rankings (8/03/15-8/09/15) Mon-Sun Prime			
1	FOXN	1.9	4411
2	DSNY	0.7	1713
2	TNT	0.7	1580
4	USA	0.6	1531
4	HGTV	0.6	1478
4	HIST	0.6	1349
7	TBSC	0.5	1322
7	DISC	0.5	1223
7	ADSM	0.5	1114
7	DSE	0.5	98
11	FX	0.4	1042
11	FOOD	0.4	996
11	AMC	0.4	956
11	LIFE	0.4	941
11	A&E	0.4	869
11	SYFY	0.4	840
11	ID	0.4	776
18	FAM	0.3	803
18	ESPN	0.3	795
18	TLC	0.3	767
18	SPK	0.3	714
18	NAN	0.3	669
18	MSNB	0.3	668
18	HALL	0.3	616
18	BET	0.3	606
18	APL	0.3	600
18	VH1	0.3	595
18	WETV	0.3	567
18	DSJR	0.3	561
18	HMM	0.3	455
18	FOXD	0.3	167
18	DFAM	0.3	56
33	TVLD	0.2	578
33	CMDY	0.2	573
33	NGC	0.2	560
33	BRAV	0.2	534
33	CNN	0.2	531
33	OWN	0.2	488
33	MTV	0.2	481
33	GSN	0.2	434
33	LMN	0.2	431
33	INSP	0.2	425
33	FXX	0.2	420
33	TRU	0.2	419

*Nielsen data, supplied by ABC/Disney, is based on coverage area of individual networks


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