

Cablefax Daily™

Wednesday — November 30, 2016

What the Industry Reads First

Volume 27 / No. 230

Curtain Lifted: Many are Holding Applause on AT&T's DirecTV Now

The reviews are in a day before **DirecTV Now** launches, and no one's socks appear to be blown off at this point. "We see no real threat in DirecTV Now" is the headline of a **Wells Fargo Securities** research note. "DirecTV Now: Not Ready for Prime Time," proclaims a **Fox Business** review, which points to the lack of **CBS**, **NFL** football and DVR functionality. Reviewer *Steve Tobak's* bottom line is that it looks to be a pretty good service, but will be better later. "Probably much later," he writes. **Telsey Advisory Group's Tom Eagan** suggested the launch could potentially have a greater impact on **DISH's** Sling TV. "We do believe its price and features will create a more competitive OTT market for other services such as: Sling TV and the soon-to-be-announced Google Unplugged and live Hulu offerings," Eagan wrote. Similarly, Wells Fargo sees it as competition for the Slings and **Sony Playstation Vues** of the world. Not everyone is dismissing the new OTT service. In a **Moffett Nathanson** note, the analysts criticized the market's oversimplification of the service as a "cable killer" before it launched, which then morphed into "AT&T blinked" after Mon evening's reveal that \$35 for 100 channels is a limited time offer that will jump to \$60. "We can't help feeling that the market's sigh of relief may be premature," said the blog post. "No, we don't expect DirecTV Now to be such a runaway hit that it wrecks the market as we know it. But it would be a mistake to dismiss it as a non-event at its new pricing. It is still dangerous... both to the ecosystem and, most of all, to AT&T itself." The problem, the analysts wrote, is that the basic \$35/month, 60 channel package appears to have just about everything, from **ESPN**, to the general entertainment nets, to the 3 main news nets, to **Disney, Nick, Nick Jr** and **Cartoon**. "By stacking their base package with all the best networks—likely a requirement for getting the programming contracts at all—they still have the same problem that was highlighted initially. Put simply, they aren't going to make any money," Moffett Nathanson's analysts said. Telsey's Eagan suggested the service would likely be profitable after promo pricing with the 80+ channel package going for \$50, though he notes it's unclear with that \$35/month 100-channel promotional pricing will expire. In the meantime, it's given everyone something to ponder and plenty of notes for **Hulu** and **Google** as they gear up to present their own OTT offerings. We should get a full rundown of how various MVPD CEOs see DirecTV Now during next week's **UBS** investor conference.

OVERACHIEVERS
UNDER 30 PRESENTED BY
Cablefax

Celebrate the
industry's
rising talent!

Wednesday, December 14 | 4:00 - 6:00PM
The Standard, High Line | NYC

Register Link: www.cablefax.com/events

Questions: Alex, avirden@accessintel.com
Sponsorship: Rich, rhauptner@accessintel.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 ● Publisher: Michael Grebb, 323.380.6263, mgrebb@accessintel.com ● Sr. Editor: Joyce Wang, 301.354.1828, jwang@accessintel.com ● Advisor: Seth Arenstein ● Dir. of Business Dev.: Rich Hauptner, 203.899.8460, rhauptner@accessintel.com ● Acct. Exec: Olivia Murray, 301.354.2010, omurray@accessintel.com ● Dir of Market Dev: Laurie Hofmann, 301.354.1796, lhofmann@accessintel.com ● Production: Joann M. 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: \$1,699.97/year ● Access Intelligence, LLC, 9211 Corporate Blvd., 4th Floor, Rockville, MD 20850

Overtime Suit: Two former **Time Warner Cable** employees have sued the operator and new owner **Charter** over overtime pay. The two, who worked as hourly paid, inbound sales reps at call centers in OH, are seeking class status. They claim employees were required to boot up computers and have several applications running before clocking in each day, estimating that they spent 15-20 minutes each day before their shifts doing such tasks. Charter did not immediately offer comment. Plaintiffs are being represented by **Lazzaro Law Firm**, which was involved in an overtime class action suit for **RadioShack**. A \$41 mln settlement was reached for a pair of overtime class action suits against RadioShack in Aug, *Law360* reports. The firm also represented city of Cleveland employees who received a \$2.2mln settlement in a class action suit in 2014 in which the city was accused of improperly rounding the starting and stopping of employees' shifts.

ACA on Nexstar-Media General: **ACA** opposed a waiver request by **Nexstar** and **Media General** that bars the parties from consummating their proposed merger until after the broadcast spectrum incentive auction. In an ex parte filing with the **FCC**, **ACA** said the waiver request involves "significant policy judgments relating to an ongoing first-of-its-kind auction that was authorized by Congress..." Given the importance of the prohibition, any action on the waiver request must be considered by the full Commission rather than decided on delegated authority, **ACA** said. And if the matter were to be decided on the bureau level, **ACA** argued that it can't be decided by the **Media Bureau**, "which has no delegated authority to waive spectrum auction rules." The broadcasters want a waiver prohibiting, until the conclusion of the Incentive Auction, any major ownership changes in stations (subject to Incentive Auction applications that were not filed by the deadline for participation in the reverse auction, which was Jan 12, 2016). **ACA** said that although Media General is a participant in the reverse auction, the broadcasters failed to file their merger-related application to transfer control of Media General's stations to Nexstar until early Feb, 2016. Barring grant of the waiver, the companies will have to wait until the conclusion of the Incentive Auction (likely to be early in 2017) to consummate their merger, according to **ACA**.

Network Chiefs Nix TCA: The network chiefs for **Fox**, **ABC**, **CBS** and **NBC** will not host executive sessions for the upcoming Winter TCA tour, but plan to resume the routine practice with the Summer Tour. Organizers cited a "jam-packed" January schedule that includes **CES**, **Sundance**, the presidential inauguration and **Golden Globes**. The networks will still have assigned days to present upcoming programming. **The CW** and cable nets will still hold executive sessions. Netflix has previously announced that it will not participate in the Winter Tour.

MTV Programming Appointment: With **MTV's** head of original programming *Michael Klein* leaving (**CFX**, 11/29), the net upped *Nina Diaz* to head of unscripted for **MTV** and **VH1**. Most recently, Diaz was evp and head of reality programming at **VH1**. She will continue to report to *Chris McCarthy*, who recently was named pres of **MTV**, **VH1** and **Logo**. Diaz joined **VH1** in 2014 as svp of East Coast Development. McCarthy replaced former head *Sean Atkins* in Oct.

Starz Spotified: **Starz** became the 1st premium pay-TV net to integrate **Spotify** into its app. The programmer upgraded its **Starz** app that immerses the Spotify music service into its video offering for **Starz** original series and other **Starz** premium content. The integration will "complement and fortify the **STARZ** app's appeal for distributors and consumers alike," said **Starz** COO *Jeffrey Hirsch* in a release.

Showtime on Samsung: **Showtime** continues to expand its standalone streaming service to more platforms. **Samsung** will now offer the Showtime streaming product (\$10.99 a month) and the net's authenticated app Showtime Anytime on some 2015 and all 2016 Samsung smart TV models. New subs will be offered a 7-day free trial. In addition, the Showtime Anytime app will be available on the same Samsung models for those who subscribe to Showtime through participating TV providers.

3.1 Certification: CPE vendor **Hitron Technologies** received its DOCSIS 3.1 certification from **CableLabs** for its CODA-45 modem. Supported by the Intel Puma 7 chipset, CODA-45 is Hitron's first certified device of its new CODA multi-gigabit CPE product line-up. The model is expected to enable up to 5 Gbps downstream speeds.

NBCU's EU Deal: **NBCU International Formats**, the international sales unit for all formats created within **NBCU**, inked an Eastern EU-wide deal with **Central Media Enterprises** for **NBC** game show, "Hollywood Game Night." Taking on the title of "Celebrity Game Night," the realty competition show will span **CME's** networks across Bul-

BUSINESS & FINANCE

garia, Romania, Czech Republic and Slovakia.

Programming: Bravo is set to premiere its new original, scripted series "Imposters" on Feb 7. The series joins the net's other scripted programs, including "Girlfriends' Guide to Divorce," scheduled to air in 2017, and "Odd Mom Out," currently in pre-production.


-- **Starz** booked documentary film "NUDE," featuring modern perceptions of modeling, nude photography and body image. -- **Ovation** will debut the 10th season of its drama series "The Artful Detective" on Jan 9. The 1-hour series features Detective *William Murdoch* as he uses innovative forensic techniques to solve some of the most gruesome murders.

People: Spike tapped *Chaz Gray* to be its exec producer of current, joining its original series team. In the newly created role, Gray will report to *Chachi Senior*, svp of original series, overseeing the production of several current network series such as "Bar Rescue," "Back to the Bar" and "Ink Master."

On the Circuit: Toast the holidays and the coming New Year with the **NAMIC Mid-Atlantic** and **WICT DC/Baltimore** chapters. The two are linking up for an evening of networking, dancing and for their first Connections Auction, in which attendees can win a "mentoring moment" with an industry exec. All proceeds benefit **Girls, Inc** and **Broad Futures of DC**. Register [here](#).



Cablefax Daily Stockwatch

Company	11/29 Close	1-Day Ch	Company	11/29 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DISH:	57.69	1.54	INTEL:	35.29	(0.22)
ENTRAVISION:	6.68	0.03	INTERACTIVE CORP:	68.39	0.65
GRAY TELEVISION:	10.05	0.35	LEVEL 3:	56.17	(0.6)
MEDIA GENERAL:	18.34	0.08	MICROSOFT:	61.09	0.48
NEXSTAR:	59.30	0.50	NETFLIX:	117.51	0.58
SINCLAIR:	32.35	0.73	NIELSEN:	43.41	(0.01)
TEGNA:	22.37	0.09	SEACHANGE:	2.67	0.05
MSOS					
CABLE ONE:	599.03	10.83	SONY:	29.49	(0.08)
CHARTER:	280.49	9.67	SPRINT NEXTEL:	8.00	0.14
COMCAST:	70.13	1.82	SYNACOR:	3.05	0.10
GCI:	16.93	(0.1)	UNIVERSAL ELEC:	67.40	1.20
LIBERTY BROADBAND:	70.05	1.43	VONAGE:	6.76	0.17
LIBERTY GLOBAL:	32.09	(0.16)	YAHOO:	41.60	0.15
SHAW COMM:	19.75	0.18	TELCOS		
SHENTEL:	28.65	UNCH	AT&T:	39.47	(0.07)
PROGRAMMING					
21ST CENTURY FOX:	28.47	0.16	CENTURYLINK:	24.20	(0.44)
AMC NETWORKS:	56.15	1.86	FRONTIER :	3.67	(0.07)
CBS:	61.00	0.51	TDS:	27.20	(0.05)
DISCOVERY:	27.65	0.43	VERIZON:	50.97	(0.15)
DISNEY:	99.67	0.70	MARKET INDICES		
GRUPO TELEVISA:	20.93	0.30	DOW:	19121.60	23.70
HSN:	39.40	(1.4)	NASDAQ:	5379.92	11.11
LIONSGATE:	23.33	0.27	S&P 500:	2204.66	2.94
MSG NETWORKS:	20.00	0.30			
SCRIPPS INT:	70.06	1.04			
STARZ:	33.94	0.26			
TIME WARNER:	92.92	0.02			
VIACOM:	41.20	0.20			
WWE:	18.91	0.21			
TECHNOLOGY					
ADVANTAGE:	1.73	(0.02)			
AMDOCS:	58.97	(1.51)			
AMPHENOL:	68.43	(0.06)			
APPLE:	111.45	(0.13)			
ARRIS GROUP:	29.30	0.16			
AVID TECH:	4.42	0.13			
BLNDER TONGUE:	0.51	(0.01)			
CISCO:	29.83	(0.09)			
COMMSCOPE:	36.23	0.40			
CONCURRENT:	5.66	0.19			
CONVERGYS:	26.37	0.32			
CSG SYSTEMS:	44.50	0.15			
ECHOSTAR:	50.25	(0.05)			
GOOGLE:	770.84	2.60			
HARMONIC:	4.70	0.05			



16th Holiday
ROCK & ROLL
Bash
SAVE THE DATE
DECEMBER 14, 2016

PRESENTED BY

**A BENEFIT FOR
THE LUSTGARTEN FOUNDATION**

Thanks to private funding, 100% of every dollar donated to The Lustgarten Foundation goes directly to pancreatic cancer research. Learn more at lustgarten.org

For more information, please call 914-579-1000 or email holidaybash@buckleyhallevts.com

