

Cablefax Daily™

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What the Industry Reads First

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Why CBA: Kennedy Wants Answers from Pai on C-band Sale

It was anything but a quiet Thursday morning in the Dirksen Senate Office Building, thanks to a C-band plan showdown taking place between Senate Financial Services and General Government subcommittee chairman **John Kennedy** (R-LA) and FCC chairman **Ajit Pai**. Kennedy opened the hearing by admitting that he's biased towards pursuing an allocation plan that would have the FCC oversee a public auction. **Charter**, **ACA Connects** and the **Competitive Carriers Association** have offered up just such a plan, which would reallocate at least 370MHz of spectrum and shift the majority of satellite-enabled television broadcasts over to fiber. Pai laid out his four keys to the best C-band plan: a large amount of spectrum is made available, it is made available quickly, there is revenue going to the government and, lastly, it protects incumbent users. The primary argument against an FCC public auction is simple and deals with one of Pai's principles: speed. **The C-Band Alliance** alleges that it will take the Commission seven years to complete the reallocation of the spectrum, threatening the widespread deployment of 5G. But Kennedy doesn't understand why the FCC staff can't finish the job as quickly as the C-Band Alliance says it can. "If C-band can do it, then we can do it," Kennedy said. "And if they can't do it, fire somebody and let's go on **ZipRecruiter** and find somebody who can do it." Kennedy also has questions as to how the C-Band Alliance can do it faster, asking Pai if the Commission is aware of whether the C-Band Alliance is already in talks with other entities to sell the spectrum should the private sale route be pursued. "They may have already figured out to whom they're selling it. That would be faster because they've already made a deal," **Citizens Against Government Waste** president **Tom Schatz** said. There are also questions as to if the FCC even has the option to allow the private sale of spectrum based on provisions in the Communications Act. That has sparked a fear of lawsuits that could extend the issues surrounding a private sale far beyond 7 years. "If we take the private deal and there's litigation, then the argument that we in the private sector can do it faster is no more," Kennedy said. "Anybody who knows the litigation environment, who knows a law book from a **J Crew** catalog, knows that there's going to be a lawsuit. Several. And they're not going to be completed in 6 months." One of those lawsuits could be coming from another on the hearing's witness list. "We never get involved in lawsuits, but this is pretty damn tempting because this is a lot of money left on the table for taxpayers," **Taxpayers Protection Alliance** president **David Williams** said. "This

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35201

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is the people's spectrum and it needs to be treated as such." Sen *Jerry Moran* (R-KS), one of only two others on the subcmte to ask questions during the hearing, expressed his concern about how each plan would protect incumbent users of the C-band, but Pai said he believes its possible to reallocate the spectrum without any disruptions. Not only that, it's necessary to continue moving technology forward. "I truly believe that American consumers can have the best of both worlds. They can have the electric utilities using the spectrum in a way that allows them to deliver power more efficiently and they can have the benefit of unlicensed innovation." That unlicensed innovation means advancements in telehealth, agriculture and education, Pai argued. "Let's protect the incumbents, but also keep our eyes on the future." Pai made it clear that he has not made a decision yet, but is standing by his earlier promise that a decision would come this fall. But Kennedy wasn't fully satisfied with Thursday's hearing. He said he's thinking about holding a second hearing that would invite the FCC's staff responsible for public auctions to testify before the subcmte on their experiences and opinions on the estimated timeline for the potential C-band auction.

Sinclair Gets AT&T Done: It was clear a retrans deal was in the works between **Sinclair** and **AT&T**, with the two making it official Thursday. Yes, AT&T agreed to carry upcoming Cubs RSN **Marquee Sports Network** and the 21 Fox RSNs that Sinclair recently acquired were added to the new contract. **YES Network**, which Sinclair is a JV partner in, is also part of the deal as are Sinclair broadcast stations and **Tennis Channel**. Sinclair made noise at the end of September that DirecTV, U-verse and AT&T TV Now subs could lose 136 broadcast stations, but a series of extensions kept any blackouts at bay. Sinclair has negotiated deals for its newly acquired RSN stable now with **Charter** and AT&T. DISH is no longer carrying the RSNs and is suggesting it may never offer them. AT&T, no stranger to retrans-related blackouts, will be testifying next week before Senate Commerce on STELAR. While the bill is primarily about importing distant broadcast signals in some markets, it also establishes rules requiring good faith negotiations for retrans—so expect the company to weigh in on both issues.

Netflix Not Scared of Disney+, Apple TV+ Debuts: Netflix made one thing clear on its 3Q19 earnings call Wednesday: the cheaper price points of its competitors will not stop it from raising its prices, especially if it needs to make more content. Chief product officer *Gregory Peters* said the streamer's long-term perspective on pricing is to "take the revenue that we have that our subscribers give us every month, judiciously and smartly invest it into increasing variety and diversity of content...That will enable us to, from time to time, ask for more revenues so that we can continue that virtuous cycle going." CEO/chmn *Reed Hastings* said that because **Netflix** has been competing with **Hulu**, **YouTube**, **Amazon Prime** and linear TV for 12 years, the addition of two new players isn't that much



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of a game changer. “It is interesting that we see both Apple and **Disney** launching basically in the same week after 12 years of not being in the market,” Hastings said. “But again, all of us are competing with linear TV... so just like in the letter, we put about the multiple cable networks over the last 30 years not really competing with each other but competing with broadcast. I think it’s the same kind of dynamic here.”

Comcast Talks X1, Flex: For **Comcast’s** X1 and Xfinity Flex, the future is in content aggregation and voice. “X1 wasn’t conceived initially as an app platform. It wasn’t conceived as a place initially where you were going to do a lot of streaming, but it had to evolve into that,” **Matt Zelesko**, CTO of Comcast X1, said during a panel at **NAB NY** on Thursday. According to Zelesko, much of the current tech X1 uses was developed through the Olympics. “We had so many new technologies that we launched as part of the Olympics that have now become a core part of our offering. Internet streaming was a great example of that. We launched the first 4K through that, even in the last Olympics we did personalized playlists,” he said. “A lot of those things are finding their way into the core product, but the Olympics was the place where we launched it and that was the catalyst.” Both X1 and Flex, the company’s streaming box for high-speed internet customers, are described as the “aggregator of aggregators,” meaning the emphasis is on discovery. “We want as much of the discovery to happen inside of Flex as possible. I don’t want to have a customer need to pogostick between a bunch of apps, launch this app, see if I want to watch anything, get out,” said Zelesko. “I just want to provide the best discovery experience there so they can get to the content they want as fast as possible, and I think that’s a real, unique differentiator for us.” Voice has been pivotal in simplifying discovery, and a key part of that has been the UI experience on both X1 and Flex. Thanks to AI and machine learning, using the voice remote customers can access pages that didn’t previously exist on the platforms, such as showing movies about NYC or kids movies the customer hadn’t already watched. There are more than 30mIn Xfinity voice remotes in use, with more than 1bn commands issued every month. “Amazingly enough people still millions of times a month ask for pizza on X1. We’re trying to figure out what to do with this, but it’s one of our top voice commands,” Zelesko joked. What’s next for Comcast X1? Unlocking the possibilities after the Comcast **NBCU** acquisition of **Sky**. “I think of NBC as the content creator and Comcast as the content distributor, and Sky is both of those things,” Zelesko said. “We’ve always been excited about this combination of media and technology, and Sky takes that same combination and makes it a global proposition for us.”

C2HR Notebook: Data analytics aren’t just about programming and ad spending. HR professionals are increasingly relying on data—a fact on full display at **C2HR’s** conference in Philly Thursday. “HR has been seen as order takers and in an almost reactionary mode. With the advent of technology and the data that’s happening, there’s a chance to bring value to the organization like we never have before,” said **Keith DeAngelis**, vp, residential learning & talent development for **Comcast**. As for those who worry about the increasing reliance on data, **WarnerMedia’s Perri Ma** joked that “data is innocent,” explaining that businesses own the quality of their data and bear responsibility for keeping tabs on it. Another key trend from the annual HR gathering was the importance of learning & development. **Julie Neimat**, evp, employee experience & HR operations for **Discovery**, said her company was surprised by employee feedback on the amount of learning wanted in the workplace. “It was really outrageous, in a good way,” she said. -- This was the first year the conference was held under the C2HR brand (it was formerly CTHRA) and its sixth in Philly. The group is changing things up for 2020, moving the conference to Brooklyn and adjusting the dates to Aug 3-4.

NAB Notebook: **NBCU’s** streaming service **Peacock** is on the way, and **Eric Black**, the NBC Sports Digital exec who recently took on the additional responsibilities of supporting streaming capabilities for the upcoming service, is excited for what’s coming. “‘The Office’ coming back to Peacock in 2021, we clearly have the 2020 Olympics coming up in Tokyo,” Black said at **NAB NY** on Thursday. “What I care about is if you’re watching the content and engaging with NBCU and **NBC Sports**. I think Peacock is a natural extension to that,” he said. -- **fuboTV** recently launched the free fubo Sports Network, but vp, advertising **Chris Flatley** said the company remains committed to its MVPD model. “We believe we can program strong enough content that people want to watch, but we fully understand that the way people consume content is rapidly changing,” he said. “We want to get our content in front of as many eyeballs as possible. As product-focused and engineering-based company, we want to continue building products that will serve the way people consume media today. We’re firmly committed to the future of paid TV with our MPVD business, but there’s other avenues that we want to take part in and participate in,” he continued.

People: **Comcast** named **Michael Parker** svp, Keystone Region. He most recently served as svp of the company’s Western New England Region, which includes operations in Connecticut, Massachusetts, New Hampshire, Vermont and New York.

PROGRAMMER'S PAGE

'Catch 21' Makes a Comeback

Game Show Network brought back "Catch 21" on Oct 14, shuffling it around with a new format. The series originally ran from 2008-2011, and former host *Alfonso Ribeiro* has returned. *Witney Carson*, his former "Dancing With the Stars" partner (and champion), joined as the card dealer. In the half-hour series, Ribeiro quizzes contestants with general knowledge questions, dealing out large cards as they try to build the closest hand to 21 for the chance to win \$25K. "We air the original in day-time and it does well, so we know the audience likes it," *Jay James*, svp of programming and development, told **Cablefax**. "We felt like it was time for an update and a release of new episodes for fans who already like it." Every correct answer gives participants control of the deck and the option to freeze their hand to avoid going bust. The new format is similar to the original, except points are no longer handed out for accurate trivia answers, they're just to get control of the cards. "The only challenge filming is just the unpredictability of the cards. You never know which way the game is going to go, and especially in the end game you never know if people are going to play it safe and get out early, or if they're going to take a risk and stay on their toes," said James. In a fun twist, Ribeiro and Carson open the show with a routine reminiscent of their Dancing With the Stars days. "I think that one of the things I love about the show is the ability to pair Alfonso with Witney," said James. Each episode has a different routine. "They come up with a unique dance move, and every single episode has a new one they don't share with producers," said James. "We never know what they're going to do. And they do different styles. They really have chemistry." Catch 21 airs weekdays at 6pm. — *Mollie Cahillane*

Reviews: "Watchmen" series premiere, 9pm, Sunday, **HBO**. An article in the *NY Times* this week asked, "Who will watch Watchmen?" Early in the article, series creator *Damon Lindelof* is waiting for a showing of the premiere ep during NY Comic Con. "Conservatively speaking, 1,000 of [the 2,000 audience members] are going to hate it," he says. The reception was warmer than that, Times reporter *Jeremy Egnor* writes, but Lindelof's point is valid. At a moment when the country is divided along racial and class lines, it's difficult to argue that viewers want a violent series centered on white supremacy. On the other hand, a series looking directly at racism might be exactly what's needed. That said, "Watchmen," an adaptation of the classic 1986 comic series from *Alan Moore* and *Dave Gibbons*, has its moments. It's also a good vehicle for *Regina King*, who deserves a shot at headlining. The rest of the cast is equally strong, particularly *Don Johnson*, the wonderful *Tim Blake Nelson*, *Louis Gossett Jr.* and *Jeremy Irons* as the bad guy, *Adrian Veidt*. — "Sorry For Your Loss," 3pm ET, **Facebook Watch**. A hit in its debut season, this series continues its sensitive portrayal of *Leigh (Elizabeth Olsen)*, a young woman whose husband died suddenly. This week Leigh goes on her first date since her husband's passing. — *Seth Arenstein*

Basic Cable P2+ Prime Rankings* (10/07/19-10/13/19)		
Mon-Sun	MC US	MC US AA
	AA%	(000)
ESPN	1.155	3,550
FNC	0.885	2,720
FS1	0.767	2,358
TBSC	0.763	2,346
MSNBC	0.652	2,002
TLC	0.396	1,217
HGTV	0.318	978
HALL	0.315	968
CNN	0.309	950
A&E	0.291	896
USA	0.278	855
DISC	0.272	834
FOOD	0.261	801
ID	0.255	784
HIST	0.230	708
ADSM	0.208	638
AMC	0.196	602
FRFM	0.192	589
NICK	0.189	579
TNT	0.188	577
INSP	0.183	563
FX	0.164	505
BRAVO	0.164	505
TVLAND	0.161	494
DSNY	0.159	490
HMM	0.157	483
NFL	0.153	472
VH1	0.148	455
NAN	0.145	445
MTV	0.136	418
GSN	0.129	396
LIFE	0.128	392
NKJR	0.125	384
TRAVEL	0.122	376
WETV	0.122	375
SYFY	0.118	364
CRN	0.118	363
DSJR	0.118	363
APL	0.114	350
COM	0.109	336
NATGEO	0.107	328

*P2+ L+SD rankers are based on national Nielsen numbers, not coverage.

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