

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

First Steps: Reactions to RSN

Streaming Apps, Plans for Improvement

This summer has brought a lot of sunshine and the introduction of a number of RSN-focused streaming services. It's still early days, but users are spending plenty of their poolside time online commenting on their experiences.

After months of waiting, sports fans were finally able to try **Bally Sports+**, **Sinclair's** streaming service for the **Bally Sports** RSNs, when it soft launched on June 23. It is currently offering access to MLB teams in five markets: the Kansas City Royals, Detroit Tigers, Miami Marlins, Milwaukee Brewers and the Tampa Bay Rays.

Users in some markets believe services like Bally Sports+ are a move in the right direction for sports streaming. One Reddit commenter on the r/cordcutters subreddit said they were lucky enough to live in a market that has a team on the app to watch year-round: the Detroit Pistons, Tigers and Red Wings. The one-year plan puts his monthly cost for all that content to approximately \$16/month. Unfortunately, technical difficulties have marred the viewing experience and many users have commented that the video quality falls short compared to cable or other streaming options. "My main gripe is the clear drop in streaming quality watching games through the Bally sports app vs. watching an out-of-market game through MLBtv," a Reddit commenter said. "Hopefully Bally invests in higher quality streams through their platform in the near future."

It's not just Bally Sports+ that has made its grand entrance

over the last month. **NESN 360**, a \$29.99/month DTC streaming app that launched in partnership with the **MLB**, Boston Red Sox and Boston Bruins, arrived on the scene on June 1. It's a smaller experience than Bally Sports+, but allows consumers in the Red Sox/Bruins DMA to access the channel.

Just as pay TV customers who receive Bally Sports channels can authenticate through their providers to view content through the Bally Sports app for no additional charge, those who receive NESN through their video provider can also authenticate to access the NESN 360 app for no charge.

NESN already has a roadmap of improvements and expansions coming down the line, including the introduction of 4K HDR and Cloud DVR as well as launches on **Amazon Fire TV** and **Google TV**. It's also looking to expand its programming lineup and a listing is up to [hire](#) a multimedia journalist for a weekday, Boston Globe-branded show that would premiere on the app with subsequent airings on the NESN linear network.

The folks at Sinclair and Bally Sports+ are still gathering data and translating it into actionable insights, but they hope to have more to share soon. We do know that the Bally Sports app, which is currently available on Android and iOS mobile devices, is expected to come to **Roku** around the time of the MLB's All Star Break in mid-July.

Cable operators are watching closely and keeping in close contact with their RSN and league partners to understand how or if the new offerings are changing how viewers engage with local sports. Strategies differ when it comes to how to ensure



THE FAXIES

RECOGNIZING EXCELLENCE IN PR & MARKETING

RECOGNIZE YOUR 2022 WINNING CAMPAIGNS, PEOPLE AND TEAMS!

Personalized awards: Choose a blown glass trophy or a beautiful plaque for your wall of success. (Available to all 1st, 2nd & 3rd place winners).

Visit www.TheFAXIES.com

they can keep the programming in their lineup without having to raise prices for all customers. One idea being floated is to offer variations of larger bundles, some of which would include local sports and some without. At the same time, some like **DISH** are making the choice to drop RSNs altogether in an attempt to moderate the ever-rising increase in the cost of programming.

At the very least, everyone is taking a hard look at their long-term RSN plans. Industry executives told **Cablefax** they're keeping an eye on how many customers are willing to pay the prices laid out by these RSN streaming services to watch their favorite teams, particularly as the marketplace becomes more splintered. One said that RSN distribution must continue to be a collaboration between the owners of those networks and cable operators if the model wants to survive. That's in large part because of the growing cost of live sports programming. Time will tell whether that's true enough or if those apps are able to utilize other growing revenue streams like sports betting to supplement the subscription revenues they receive from the streaming services.

None of the operators we spoke with were fully convinced that there are enough local fans to meet the subscriber projections being laid out by folks like Sinclair, and one believed fans need to be better informed on why a \$10 RSN offering won't happen. At best, they viewed the apps as a way to make games more accessible outside of the traditional cable bundle. But that's also frustrating for operators that are paying high prices to carry it.

For now, Sinclair is hoping to impress the MLB enough to convince the league and individual teams to grant it the digital rights it needs to bulk up its offering. It is still working to secure the digital rights to nine additional baseball teams carried on Bally Sports channels: the Atlanta Braves, Cleveland Guardians, San Diego Padres, Arizona Diamondbacks, Cincinnati Reds, Texas Rangers, Minnesota Twins, St. Louis Cardinals and the Los Angeles Angels.

During the company's 1Q22 earnings call in May, Sinclair CEO *Chris Ripley* said given where the company was with its launch plans, there wasn't a major timing rush to get those deals done. The full launch of the Bally Sports+ service is planned for this fall and will include coverage of 12 **NHL** teams and 16 **NBA** teams. If all goes to plan, those MLB digital rights deals will be wrapped up as well.

USDA WANTS PAUSE ON BUY AMERICA PROVISION

USDA's Rural Development team has requested a 6-month waiver on its implementation of the Build America, Buy America Act, pushing back its deadline to October 2023. In its waiver request, it laid out a number of negative impacts of immediate implementation as well as the immense amount of tasks that still need to be completed for the agency to effectively implement the Buy America provisions. Under the provisions laid out

The **WHO** and the **WHY**

CFX's spotlight on recent new hires & promotions



KAREN

Greenfield

SVP OF CONTENT, DIVERSITY & INCLUSION
NATIONAL GEOGRAPHIC CONTENT

3 THINGS TO KNOW

- Karen was appointed to the newly created role of SVP of Content, Diversity & Inclusion at National Geographic Content. She'll help its creative teams to develop and produce inclusive storytelling for multicultural and multigenerational audiences and work with marketing and communications leaders to develop more fans.
- She's spent nearly 20 years at Nat Geo in various positions and boasts over 25 years of production experience. Karen also leads the Nat Geo Media Scholarship program for students who attend HBCUs. The initiative began last year and it awarded four students a \$10,000 scholarship, the chance to participate in an immersion program at the company HQ and a mentorship with an employee.
- A graduate of the University of Maryland at College Park, she holds a degree in broadcast journalism with a minor in African American studies. She points to Verna Myers' quote "Diversity is being invited to the party, but inclusion is being asked to dance," as a pillar of her passion for diversity and inclusion.

in the Build America, Buy America Act, agencies must ensure that none of the funds made available for infrastructure projects under federal financial assistance programs may be used unless all of the iron, steel and manufactured products used in the project are produced in the U.S. Waivers are available where those guidelines are inconsistent with the public interest, where those products can't be produced in sufficient quantities or are of poor quality and where they would increase the cost of the project by more than 25%. The Rural Development mission area within USDA still has to build out basic guidance and tools for its partners. Without an adjusted implementation timeline, it fears an increase in customer frustration and a slowdown in program activities. "An adjusted timeline would allow the [Rural Development] agencies to continue making critical investments in rural areas and transition customers to the new requirements, particularly as [Rural Development] program application cycles for FY2022 are already underway. Changing mid-cycle would cause confusion and garner distrust that undermines Administration goals," USDA said in its waiver request. "Without an adjustment period there will be significant harm to RD program delivery, relationships with rural constituents, and deployment of critical infrastructure and service in

rural areas.” The agency laid out the work it has already done to implement the Buy American preference, including the production of a report that identifies and evaluates all of USDA’s Federal Financial Assistance programs with potential eligible uses of funds that include infrastructure. It also created a new website to provide information on the Buy America waiver and has responded to questions from program participants while crafting its own formal guidance and outreach plans.

FCC OKS EMERGENCY PROVISIONS FOR WIRELESS

The **FCC** released an order Wednesday aimed at protecting consumers and businesses from wireless outages in the event of and in the aftermath of natural disasters. Adopted on June 27, the Report and Order/Further Notice of Proposed Rulemaking makes the Wireless Network Resiliency Cooperative Framework, a voluntary effort to promote service continuity through coordination and information sharing during and after disastrous events, mandatory for all mobile network operators. It also expands the times and places where carriers will be able to roam on other networks in the event of an emergency and introduces new provisions requiring providers to test their roaming capabilities on report on the performance and their implementation to the Commission after emergency situations. The Commission is also looking into how these new reporting requirements can be standardized to ensure the Commission has actionable information while minimizing burdens on providers.

ROOKE NAMED COMCAST AD PRESIDENT

After *Marci Jenckes* left his role as President of **Comcast Advertising** to head the new jv between **Charter** and Comcast, *James Rooke* was selected to fill his previous position. Rooke will oversee the company’s operations, which include brands such as **Effectv** and **FreeWheel**. Rooke—who was most recently GM of Effectv—will report to Jenckes. When Rooke joined Effectv in 2020, he helped begin the transformation to multi-screen audience delivery and brought more widespread use of data to TV advertising strategies. Before then, oversaw FreeWheel’s global publisher business unit and worked at Time Warner Cable as VP, Strategy and Execution as well.

NIELSEN SAYS MARKETERS AREN’T MAXIMIZING ROI

In its first ROI Report, **Nielsen** found almost half of marketers aren’t spending enough in a channel to get maximum ROI. The report is broken into three issues for advertisers, agencies and media sellers, and revealed 36% of media channels deliver above-average returns for both revenue and brand metrics. Nielsen states “Media spend needs to be between 1% and 9% of revenue to stay competitive,” and that overspending isn’t as big of an issue as underspending—which is “rampant.” The average brand reinvests 3.8% of revenue into media, but brands that meet the right investment levels can improve ROI by a median of 50%. Over half of worldwide display and digital video campaigns have underspent, and 43% of social campaigns are underinvested as well. New media exposure such as podcast ads, influencer marketing and branded content can deliver over 70% brand recall after advertisement exposure. Podcast ads are currently having more impact as ads of 30 seconds and

shorter drive a six-point increase in consumer intent to look up info about the sponsor. When it comes to audience measurement, only 63% of desktop and mobile ads are on-target for age and gender, meaning more than 1/3 of ad spend is off-target.

FNC TOPS RATINGS AGAIN

Fox News found itself on top of the A25-54 demo across total day among basic cable networks for the third consecutive week and topped primetime and total day for P2+. The network checked in with 2.09 million P2+ in prime, followed by **MSNBC**’s 1.36 million and **HGTV**’s 866,000. **INSP** breached the top five at No. 4 in prime with 784,000 viewers, with **Discovery** behind at 746,000. In total day, Fox News reached an average of 1.37 million, followed by MSNBC (838,000), CNN (565,000), HGTV (507,000) and **Hallmark Channel** (468,000).

SPECTRUM ADDS SECURITY

Spectrum launched an AI-enabled cybersecurity solution for its Advanced WiFi customers called Security Shield. The solution automatically detects and blocks malicious websites, phishing scams and internet-originated attacks. Customers will be able to view devices connected to their home network and the detected threats through the My Spectrum app.

CARRIAGE

GAC Media’s first FAST channel **Great American Adventures** is now available on **Xumo** in the U.S. The channel includes over 500 hours of content and can be found on Xumo channel 447.

PROGRAMMING

CNBC is moving “Mad Money with *Jim Cramer*” to a new studio at the New York Stock Exchange starting July 18. The new set will feature architectural elements of the NYSE and will be next to the bell podium. – **TUDN** premieres new weekly women’s soccer program “Línea de 4 Especial” Wednesday at 8pm. It’ll also be available on **ViX**. – “Unprecedented,” a three-part doc following President *Donald Trump* during the final six weeks of the 2020 campaign and the outcome of the election, premieres July 10 on **discovery+**. – **Ovation TV** agreed to a deal with **A+E Networks International** for the linear rights for one season of “Red Election.” The spy-thriller will premiere on August 6 at 7pm on Ovation TV.

PEOPLE

Sabrina Caluori was promoted to EVP and Head of Marketing and Brand Strategy for **Nickelodeon**. She’ll also manage creative marketing and supporting content for Nick content made for **Paramount+**. – **OpenVault** named *Stuart Eaton* VP of Sales, Latin America. He’ll oversee helping existing customers and prospects in Central and South America and the Caribbean, the deployment of new products and the activities of Lotier International, Power & Tel and TVC. – **Crown Media** upped *Jodi Harvey* to VP, Advertising Sales, and *Lauren Shaw* to Director, Ad Sales Brand Marketing. – *Kristen Finney* is the new EVP, Content Curation of **Disney**’s International Content and Operations group. In the newly formed role, Finney will manage the international content strategy across and provide support for Disney’s streaming services. Finney was recently EVP, Content Distribution Strategy and Development at Disney Media and Entertainment Distribution.

Think about that for a minute...

The Supremes' Irony

Commentary by Steve Effros

In early 2017 I wrote a column suggesting that we were about to see a major change in the thinking of the Supreme Court when it came to the issue of administrative agency discretion. Judge Gorsuch had been nominated for the Supreme Court, and one of the most notable things I commented on was his long-time consistent dislike for the “Chevron Doctrine.”

That’s the Supreme Court doctrine (or maybe I should say “was”) that told courts to give “deference” to an administrative agencies’ interpretation of its own statute. The result of that policy has been that federal agencies have long expanded their reach (granted, sometimes too much) based on a broad reading of the statute that Congress passed creating them or giving them regulatory authority. In the case of the FCC, a good example would be the case the Supreme Court decided that allowed the Commission to claim jurisdiction over cable because it was “ancillary to broadcasting.” The FCC’s 1934 Communications Act enabling statute said nothing about television broadcasting, let alone cable television!

But back then, and throughout the decades, it’s been recognized that, especially regarding “high tech,” Congress couldn’t possibly keep up with technical developments and “expert agencies” were the only way to keep track, and regulatory control over, new industries. It’s impossible, especially in today’s reality of a deadlocked Congress, to have new laws written all the time to respond to each new technological advance and make it clear that the agency has jurisdiction over the players.

But now, as I suspected they ultimately would in a “Thomas Court,” or more accurately a “McConnell Court,” they have essentially started the process of saying agencies, even those trying to stay current with exploding technologies, cannot exercise jurisdiction over those technologies without the specific granting of that power from Congress. Indeed, there is some suggestion that some of the Justices would go even further and say Congress cannot “delegate” authority at all!

The Court in recent cases has not gotten rid of “Chevron,” they’ve

walked around it, by saying if there is a major issue the agency’s interpretation should be examined by the Court, and if the Court decides differently, the Court interpretation wins. In other words, the Court has grabbed a lot of power for it to be the “decider” on the extent of administrative law and the agencies, while theoretically still giving “deference,” because of their expertise (and the reality of the inability of Congress to keep up with technology). However it’s the Court’s policy decisions which prevail.

This whole trend is, to me, incredibly dangerous for the position and status of America in the world. The “Make America Great Again” Court has set us up to be a follower instead of a leader in future technology around the world. There is simply no way Congress can keep writing highly complex, multi-thousand page laws that spell out all of the regulations and authority necessary for a regulatory agency to operate in this day and age. The idea that the “Founding Fathers” language is so specific and immutable that Constitutional law is forever chained to it will inevitably result in Europe, then India and China (because of their market size and impact) being the de facto creators of the technology rules.

What are the rules for privacy? For data collection and dissemination? For governmental access to that data? All of these questions are coming up and the EU, as I’ve noted, is already writing the rules as is China. Meanwhile, the Supremes have just said they will be the “decider” of those rules if and when an agency gets through all the hoops to create them and if Congress had

specifically empowered them to do so. In a Supreme irony, it’s a recipe for us to become technologically far less than “great.”



Steve

T:202-630-2099
steve@effros.com

(Steve Effros was President of CATA for 23 years and is now an advisor and consultant to the cable industry. His views do not necessarily reflect the views of Cablefax.)

NAMIC'S NEW
STRATEGIC MANAGEMENT SERIES

Who should attend:

NAMIC's Strategic Management Series is uniquely tailored for leaders in the media, entertainment, and technology industries. This series gives participants the practical tools needed to assess the industries' changing landscape, build a company growth plan, pitch strategy solutions, and incorporate NAMIC's and UVA Darden's best practices for diversity, equity, and inclusion.

- Professionals working with C-Suite leaders and their teams to design strategic business frameworks that align business units and expand company impact in the marketplace.
- Key decision-makers who want to enhance their strategic planning skills.
- Leaders responsible for driving growth in their companies.
- A minimum of 7 years of work experience in developing and executing strategy.
- Current job title of Director, Senior Director, or Vice President.
- Open to active NAMIC members and people from all racial and ethnic backgrounds.

NAMIC

Learn more and register at:
<https://namic.com/dev>