

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## Money Saver: Netflix Ad-Supported Tier Coming Next Month

**Netflix's** lower-priced ad-supported plan is making its debut sooner than expected, arriving November 3 at 9am PT. At launch, the tier will be available in 12 countries: the U.S., the U.K., Australia, Brazil, Canada, France, Germany, Italy, Japan, Korea, Mexico and Spain.

There's still a level of skepticism some analysts and investors feel about how much this ad-supported offering is going to move the needle when it comes to subscriber numbers in areas like North America. **Pivotal** reiterated its "Sell" rating for Netflix Tuesday, warning those on the Street not to get too optimistic about the service's upcoming ad-supported tier. The firm called the introduction of the tier a defensive move at best that could massively impact the company's business model without bringing the company back to its previous cycles of subscriber growth.

"In key market US/Canada in particular we doubt that an ad supported tier is going to allow NFLX to return to annual subscriber growth as NFLX appears near fully penetrated (we estimate ~80% of US data households already subscribe to NFLX when including piracy) vs. increasing levels of competition," Pivotal said in the note. "More importantly we believe there is a significant ARPU risk of existing households churning down to what we believe will end up being a less attractive ad supported service while making NFLX dramatically more reliant on variable advertising spend (into an increasingly likely '23

recession) and putting its ARPU at risk should advertising turn out to be lower than expected."

Consumers that choose the Basic with Ads tier in the U.S. will pay \$6.99/month, a \$3 discount from the streamer's Basic ad-free \$9.99/month tier. That price also comes in at \$1 less than **Disney+**'s ad-supported tier, scheduled to launch in the U.S. on Dec. 8. Netflix's ads will be 15 or 30 seconds in length at launch, and subscribers can expect an average of four to five minutes of ads per hour.

"The switch from linear is happening at an ever increasing speed, with streaming now surpassing broadcast and cable in the U.S.," COO/Chief Product Officer **Greg Peters** said in an announcement post on the company's website. "While it's still very early days, we're pleased with the interest from both consumers and the advertising community—and couldn't be more excited about what's ahead." After gaining some initial learnings and improving the ad experience, Netflix plans to launch in the tier in additional countries.

Consumers should be aware that this plan isn't a carbon copy of the existing ad-free Basic plan when it comes to content. Peters said in the announcement that a limited number of movies and TV shows won't be available due to licensing restrictions, an obstacle the team is actively working to resolve. It also previously revealed that Basic with Ads subscribers won't be able to download titles and their video quality will be restricted to 720p/HD.

Coinciding with the launch announcement was the reveal of



## Congratulations to all the Honorees!

Enjoy the digital issue, read expanded Q&As with our Diversity honorees and order personalized awards at [www.CablefaxDiversity.com](http://www.CablefaxDiversity.com)

the early advertising partners that will offer data to advertisers on the reach of their Netflix ad campaigns. **DoubleVerify** is promising fraud protection for advertisers from hijacked devices and bots as well as viewability verification to establish an ad's impact. **Integral Ad Science** will also be one of Netflix's initial ad partners, promising the identification of trends and viewability and invalid traffic reporting for the streamer's inventory. Technical integration of the solutions from DoubleVerify and Integrated Ad Science will take place through the rest of the year, and brands are expected to be able to receive insights in 1Q23.

#### FOX CORP., ALTICE USA WARN OF DEAL DEADLINE

This Friday could be a fireworks show for carriage and retrans with **Fox Corp.** and **Altice USA** becoming the latest to announce an upcoming distribution deal deadline. Their deal expires Friday night at midnight, and if a renewal isn't reached, a blackout would impact local O&O stations, **FS1, FS2, Fox News, Fox Business Network** and the **Big Ten Network**. Altice USA told **CFX** that discussions remain active and it has launched a consumer-facing [web page](#) with information on the impacts of a potential blackout. "**Optimum** is committed to keeping our customers connected to the TV content they love, and we are currently in active negotiations with Fox Networks to continue carrying its suite of channels at a reasonable rate that reflects the best interest of our customers," the provider said in a statement. "Unfortunately, Fox Networks is demanding unprecedented and excessive fee increases that would raise TV bills." Unsurprisingly, Fox has fought back against Altice USA's claims, arguing that it refuses to pay a fair rate for its content. "Fox remains committed to reaching a fair agreement with Altice for Optimum's continued distribution of our networks. Despite our best efforts for months, we regret that Altice continues to demand special treatment and reject marketplace terms, compelling us to alert our loyal viewers of a potential blackout of all Fox channels by Optimum," Fox said in a statement.

#### KAITZ CROWD SALUTES RAY, RAISES \$1.1M

A well-executed **Kaitz Dinner** came to a fitting end Wednesday night, with the crowd of around 500 on its feet to give a standing ovation to outgoing Executive Director **Michelle Ray**, who has played an integral role in the diversity-focused organization for more than 15 years. We're pretty sure that was **INSP's Mark Kang** shouting, "We love you, Michelle" over the thunderous applause, putting the words to a sentiment felt by many in the audience. The event was nearly over when **NCTA** President/CEO **Michael Powell** brought Ray back on stage to thank her for her work, declaring "It's not too much to say that over the last couple decades, she has served as our moral beacon, our guide and made sure this industry kept intrinsic to its identity the longstanding commitment to diversity." Attendance was obviously lower than the

1,000 or so the dinner would net in pre-COVID times, but it still raised more than \$1.1 million that will be distributed as grants to **NAMIC**, the **Emma Bowen Foundation**, **The WICT Network** and the **T. Howard Foundation**. Ray thanked the industry while encouraging it to continue its DEI mission. "We often hear that until the powers that be open their hearts and their minds to real change, we may never really make full progress," she said. "But we are the powers that be. And we are the changemakers. Our work goes beyond merely absorbing differences. Our work is finding commonality despite those differences." Presenting sponsor **Charter** turned out in huge numbers (its name was even branded on the cocktail napkins), and we spotted top brass from **Mediacom, Cox** and many other companies. Several nice special touches spread throughout the night. **Najee Omar**, the great nephew of **Emma Bowen**, performed a spoken word piece written for the event and there was a lovely musical performance by brother-sister duo **Elisha and Marco Soronio**, sponsored by German media/tech company **FOXUMM/Rlaxx** and arranged at the last minute by the well-connected **Ellen Schned**. Rlaxx is a fast channel platform available in 50 countries with plans to enter the U.S. next year. Schned, who also works with upcoming AAPI channel **ChimeTV**, "discovered" the duo when Elisha, a contestant in the recent Miss Filipina competition in L.A., performed "Never Enough," bringing the crowd to their feet with a resounding standing ovation, identical to Kaitz, and won Best Talent in the competition. Also celebrated during the dinner were the Kaitz ChangeMaker honorees. **Vice Media Group** Chief People Officer **Daisy Auger-Dominguez** left with the Individual Leadership award while nonprofit **Human-I-T** walked away with the Social Impact honor.

#### POWELL'S KAITZ SPEECH

It's become a tradition for **NCTA** President/CEO **Michael Powell** to deliver a chill-inducing speech during the **Kaitz Dinner** that fires up the crowd and makes everyone want to be just a little bit better. His remarks Wednesday didn't disappoint. Before he took the stage, a video montage played of young Black girls watching a reveal of **Disney's** upcoming live action "Little Mermaid" movie starring Black actress **Halle Bailey**. Attendees saw the excitement and gasps when the girls saw that Ariel is "brown like me." "Stories really do matter. You know it when you watch the reaction of those little Black girls seeing themselves in Ariel's face—they erupt with pride, joy and hope," Powell said. "They see possibility, which floods them with confidence that the world includes them, and that they too can realize their dreams. Their lives may be transformed simply because Disney had the courage and commitment to color their heroine with brown pencil rather than white." The internet and television association chief said that leaders today must construct visions that are inclusive and doesn't strike anyone from the script. "And that includes, by the way, white Americans because if we di-

versify our staff, our society, there will be an understandable sense of loss as their outsized role in the national story shrinks. Helping these communities find meaning in the national narrative will be essential to holding our country together, as it inevitably takes on a different shade,” he said. “Our stories should help people find their humanity and everyone must be able to locate themselves in the large mosaic of the multicultural society.”

### NEXT YEAR'S KAITZ

We don't mean to put added pressure on the next **Kaitz Foundation** Executive Director (a search is currently underway), but we're wondering if 2023 is a milestone year for the annual fund-raising dinner, which is scheduled for Sept. 20. Many will recall that 2013 was the 30th anniversary of the dinner and it was quite the bash, with an unforgettable performance by *Jennifer Hudson* and an afterparty featuring *Chaka Khan*, *Chante Moore* and *Keke Wyatt* (we have never seen so many industry execs on the dance floor at one time). That would seem to make 2024 the 40th anniversary—if you don't count two years of skipped dinners thanks to COVID. It seems to us that one lesson from the pandemic is to celebrate today, so we vote for not getting too strict with the math and throwing a blowout celebration next fall!

### DISH INVESTIGATING BOOST DIVESTMENT

SPAC **CONX Corp.**, backed by **DISH** Chair *Charlie Ergen*, is in preliminary talks with DISH about a potential combination tied to the **Boost Mobile** business. It is holding a special meeting of stockholders in lieu of its 2022 annual meeting to discuss the opportunity on Oct. 31. In the meantime, CONX will appoint a special committee of independent and disinterested directors to evaluate, negotiate or approve deal terms. Should the deal go through, **New Street Research** believes a successful deal and separation of Boost would be a massive opportunity for DISH as it continues to build out its mobile network. “If the transaction is completed, it would give Boost capital to accelerate growth, in a structure where the investment doesn't deprive DISH of capital for funding the network deployment. Boost will become the anchor tenant on DISH's network as it gets built out,” New Street Research said in a Wednesday note. “With little more than growth in MVNO payments from Boost, DISH's fully deployed network will nearly break even; any additional wholesale or enterprise revenues would be gravy.”

### BIGGER SCREEN, BETTER AD RECALL

Brand awareness is a large factor when someone purchases a product, but as TV shifts from linear to digital mobile offerings, are ads packing the same punch? A study conducted by **Comcast Advertising** found ads viewed in a TV environment (linear or streaming) led to 2.2x higher unaided recall and 1.3x more purchase intent than when watched on a mobile device. The study had 188 participants watch two in-feed ads from **Facebook** and **YouTube** on a mobile phone, two ads in a TV setting and then one of each, with the chosen brands ranging in popularity. Participants watched 71% of ads while in a TV environment compared to 30% on mobile devices, with 36% never even looking at the mobile ad. The study also found content long-form TV was rated better than feed-based digital and short-form video

in terms of engagement, entertainment, relevance, quality and pleasure. When it comes to seeing a brand for the first time, ads on TV had 3.4x better recall than on digital mobile. When seeing a brand for a second time, 44% of participants were able to recall the company unaided if they watched on a TV, with the number dropping to 20% for digital mobile.

### MOVING FAST TO MEXICO

As **Roku** continues to expand its products across the globe, the ad-supported **Roku Channel** launched in Mexico on Thursday. It was previously only available in the U.S., Canada and the U.K., and now viewers in Mexico can watch live channels such as **Canela TV**, **Novelisima** and **Telefórmula**. Roku streaming devices are available in Mexico for as little as \$45.

### BUZZING LIKE A BEE

**Tubi** integrated the technology of **FreeWheel**'s demand-side platform **Beeswax** into its proprietary ad technology, allowing clients to have full access to programmatically obtain incremental inventory and extend audience reach. It also means customers can see Tubi's first-party data targeting and measurement solutions and real-time addressability. So far, the integration has helped Tubi see a 307% increase in month-over-month from Beeswax's buyers.

### CARRIAGE

**QVC+** and **HSN+**'s combined service launched on **Cox** Contour and Contour Stream Player, becoming the first live-shopping app on either platform. The service comes with QVC and HSN's five total linear networks and lets customers can make purchases within the app. The joint platform recently became available on **Samsung** Smart TVs and can also be found on **Comcast** X1 and Xfinity Flex devices.

### PROGRAMMING

**Disney** greenlit the sitcom “Pretty Freekin Scary,” the first program to be given the go-ahead following a first-look development deal between Disney and **CakeStart Entertainment**. The series was picked up for 20 episodes and will debut on **Disney Channel** and **Disney+** in summer 2023.

### PEOPLE

**Hallmark Media** President/CEO *Wonya Lucas* was selected to the **NCTA** Board of Directors as an Appointed At-Large Director. She'll serve a two-year term. Lucas also serves on the Board of Jurors for the Peabody Awards, the Board of Trustees for the Sundance Institute and the Board of Directors for **The Cable Center**. Before Hallmark, Lucas was President/CEO of **Public Broadcasting Atlanta** and managed the city's **NPR** and **PBS** stations. – *John Matts* is joining the **Hallmark Media** team as its CFO. He joins from **NBCU** where he served as CFO for the **Golf Channel**, and has served in senior financial roles at **Paramount**. – *Melissa Drennan* will be promoted to SVP of Benefit Operations at **NTCA–The Rural Broadband Association**. She fills in for the retiring *Les Greer*, who'll step away from the association after 12 years on Nov. 30. – **Allen Media Group** appointed *Oliver De La Hoz* to CFO. Prior to AMG, De La Hoz was CFO of **ITV Studios U.S.**



# PROGRAMMER'S PAGE

## PBS Brings Atticus Pünd to Life


When I hit middle school age, I ditched my Nancy Drew mysteries for *Agatha Christie* novels and never looked back. I've probably read every book featuring *Hercule Poirot* and over the years have scrutinized the various actors who have portrayed the great Belgian detective on the screen (*David Suchet* is the best, in my opinion; *John Malkovich* the most puzzling; and *Kenneth Branagh* a surprising delight). When *Anthony Horowitz's* novel "Magpie Murders" was released a few years ago, I fell in love instantly. It's a book within a book, featuring a fictional mystery series starring detective Atticus Pünd. I immediately wondered who might portray Pünd on television and was delighted when I learned **Britbox/PBS** was actually bringing it to the small screen. *Tim McMullan* masterfully plays the detective in the six-part "Masterpiece" series, which debuts Sunday, 9pm. While Pünd feels like a loving tribute to Poirot to me, Horowitz told reporters during the **TCA** tour that he really wanted him to be his own man. "I did my very best to make Atticus Pünd different from other detectives, so of course there are people who come to mind—Sherlock Holmes is one; Hercule Poirot, the detective as the outsider. But I think what makes him interesting is that he has a real background," said Horowitz. "He's a victim of the Second World War. He's been in a labor camp. He is Greek, Jewish, a mixed blood outsider, and in Tim's hands I think he is the sort of detective who stands alone and the sort of detective you haven't actually really seen." McMullan perhaps best described what makes Pünd unique: "There's a fantastic difference that Atticus has to any other detective that we've seen, which is that he has an understanding of his own place within a fictional genre, which he has the ability to express out loud... He understands that he's within a device, and yet he exists as a human being." It's just about as clever as my favorite Christie plots, and I'm looking forward to devouring it. — *Amy Maclean*

### REVIEWS

"Gaslit," streaming on **Starz**. Many viewers interested in history and politics know the Watergate story well, thanks to books and the film "All the President's Men" (1976). Yet there's a wealth of less-known material. For instance, the Watergate burglars and those presidential aides and lawyers around president Richard Nixon who oversaw the burglary. And there's Martha Mitchell (*Julia Roberts*), attorney general's John Mitchell's (*Sean Penn*) outspoken wife, whose story is tragic. In a strong cast, Roberts shines, as does Penn's body suit and incredible makeup/hair. Yet *Shea Whigham* (as a loony G. Gordon Liddy) and Betty Gilpin as Mo Dean are outstanding. — "Michael Flynn's Holy War," 10pm ET, Tuesday, **PBS**, streaming on **YouTube**. Similar to the previous program, viewers who enjoy history and politics likely know much about *Lt. Gen. Michael Flynn*, (US Army, retired), a counterterrorism specialist and former president *Donald Trump's* national security advisor. After just 22 days on the job at 1600 Pennsylvania Ave., Flynn was forced to resign after it became clear that he lied to the FBI about his relationship with Russia. As viewers may recall, Trump pardoned Flynn. The new material in this short doc probes Flynn's philosophy. Flynn's religion has influenced his life. Moreover, his faith and intelligence background may have influenced Jan. 6 planning. He pled the 5th when Jan. 6 panel asked. — *Seth Arenstein*

BASIC CABLE		
P2+ PRIME RANKINGS*		
(10/03/22-10/09/22)		
MON-SUN	MC	MC
	US	US AA
	AA%	(000)
<b>ESPN</b>	<b>1.084</b>	<b>3385</b>
<b>FNC</b>	<b>0.708</b>	<b>2209</b>
<b>MSNBC</b>	<b>0.388</b>	<b>1211</b>
<b>ESPN2</b>	<b>0.289</b>	<b>902</b>
<b>HALL</b>	<b>0.251</b>	<b>783</b>
<b>HGTV</b>	<b>0.247</b>	<b>772</b>
<b>TLC</b>	<b>0.226</b>	<b>705</b>
<b>INSP</b>	<b>0.202</b>	<b>631</b>
<b>CNN</b>	<b>0.199</b>	<b>622</b>
<b>DISC</b>	<b>0.198</b>	<b>619</b>
<b>FOOD</b>	<b>0.189</b>	<b>589</b>
<b>HIST</b>	<b>0.179</b>	<b>558</b>
<b>USA</b>	<b>0.173</b>	<b>540</b>
<b>TBSC</b>	<b>0.159</b>	<b>498</b>
<b>TVLAND</b>	<b>0.159</b>	<b>497</b>
<b>A&amp;E</b>	<b>0.134</b>	<b>417</b>
<b>BRAVO</b>	<b>0.134</b>	<b>417</b>
<b>ID</b>	<b>0.122</b>	<b>382</b>
<b>AMC</b>	<b>0.117</b>	<b>365</b>
<b>LIFE</b>	<b>0.116</b>	<b>363</b>
<b>GSN</b>	<b>0.113</b>	<b>354</b>
<b>HMM</b>	<b>0.113</b>	<b>352</b>
<b>TNT</b>	<b>0.112</b>	<b>350</b>
<b>REELZ</b>	<b>0.110</b>	<b>344</b>
<b>WETV</b>	<b>0.108</b>	<b>336</b>
<b>BET</b>	<b>0.094</b>	<b>294</b>
<b>FRFM</b>	<b>0.090</b>	<b>282</b>
<b>OXY</b>	<b>0.086</b>	<b>269</b>
<b>TRAVEL</b>	<b>0.086</b>	<b>269</b>
<b>NATGEO</b>	<b>0.079</b>	<b>246</b>
<b>NAN</b>	<b>0.078</b>	<b>244</b>
<b>FX</b>	<b>0.076</b>	<b>237</b>
<b>HBO</b>	<b>0.073</b>	<b>228</b>
<b>ADSM</b>	<b>0.071</b>	<b>222</b>
<b>PRMNT</b>	<b>0.069</b>	<b>216</b>

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




**The WICT Network**  
Empowering Women  
in Media, Entertainment and Technology

WELCOME TO

# The WICT Network!

New name, same great organization dedicated to empowering women in **media**, **entertainment** & **technology**. Learn more at [wict.org](http://wict.org).

in  @WICTHO