

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Play-by-Play: RSN Uncertainty Reigns Ahead of Opening Day

It feels like each day brings a new twist in the RSN saga, with **Diamond Sports Group** in the midst of Chapter 11 and **Warner Bros. Discovery** declaring it wants out of the business altogether. We're still waiting to see what it means that **Comcast** and **Altitude** settled their long-running litigation without carriage attached.

WBD raised eyebrows when news broke in late February that it was giving teams until March 31 to reach a deal to take their rights back and if that can't be done, the channels will file for Chapter 7 liquidation. Sources seem to think it will take a bit longer for the situation to shake out. That's perhaps supported by no MVPDs running any notices warning customers of potential channel or game losses. On the other hand, visit **AT&T SportsNet Pittsburgh's** website and it only has up a [2022 TV schedule](#), despite being nine days away from its opening game against Cincinnati.

Uncertainty surrounds the broadcast season for the Pirates as well as fellow AT&T SportsNet MLB teams the Rockies and Astros. The current thought is fans are probably safe tuning into AT&T SportsNets for Opening Day, but it's unclear how long that will be the case with local announcers even in the dark. In a bit of irony, shortly before the news of WBD's planned RSN exit **Charter** agreed to pay the extra fee to carry Seattle Kraken games on **ROOT Sports Northwest**, something it had balked at since the NHL team launched in 2021. WBD is a

minority owner of ROOT Northwest, with the Seattle Mariners holding the majority stake—which seems to put the RSN in the safety zone.

MLB commissioner **Rob Manfred** has promised the league will handle distribution of any games RSNs fail to carry—a pledge that could extend to Diamond's **Bally Sports Nets** which are behind on rights payments to some MLB teams, including the Arizona Diamondbacks. [ESPN reports](#), citing an industry source, that between now and April 30, 13 of the 14 teams under Bally Sports are owed rights fees. But what that means remains to be seen. Sure, there's streaming through **MLB.TV**, but presumably there would be a linear component, perhaps through **MLB Network**. If that means negotiating directly with MVPDs, distributors would seem to have a mighty upper hand—a spot they are sure to relish after decades of moaning over escalating sports fees. As for the logistics of MLB getting productions up and running, that's even cloudier.

All of this RSN drama comes at the same time MLB is introducing an ambitious list of new rules to help broaden its fanbase with faster games and increased action that risks being overshadowed by off-the-field wrangling. Changes include a pitch timer that shaved an average of 25 minutes off a nine-inning game during testing in the Minors and bigger bases that could encourage more base stealing.

Meanwhile, we still don't much info about how direct-to-consumer RSN products may perform. In June, **NESN** became the first RSN to launch a DTC service with its NESN 360 that

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has a \$29.99/month retail price. NESN hasn't given out any numbers on the service, but Red Sox fans may want to take note of some social media chatter about a possible three month [promo](#) of NESN 360 for \$1/month.

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HUD DEVELOPS EXTRA RESOURCE FOR BROADBAND PROJECTS

The **Department of Housing and Urban Development** released a guidebook Monday for states and organizations to reference as they deploy high-speed internet service projects. The resource was designed with public housing authorities, multifamily owners and operators and Tribal communities in mind as they prepare to compete for funds to be made available through the **NTIA's** \$42.45 billion BEAD program and the \$2.75 billion Digital Equity Act programs. It details eligible uses of planning funds, a funding timeline, key items to be included in state digital equity plans and a look at two additional grant opportunities coming in 2024. In the early part of the year, the State Digital Equity Capacity Grant will award \$1.44 billion over five fiscal years to states, territories and Tribal entities to implement their state digital equity plans. Later in 2023, the Digital Equity Competitive Grant will award \$1.25 billion in grants to private sector, public sector and non-profit entities to promote digital inclusion activities and spur adoption of broadband among covered populations.

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ANALYST: CONTENT SPEND TO FLATTEN IN 2023

There's been something of a ceasefire in the streaming wars as services re-evaluate their content strategies, and a lot of that means trying to keep programming spend under control. **SVB MoffettNathanson** predicts that content spend will flatten in 2023 after two years of double-digit growth as more platforms try to take the fast track on the road to profitability, and the big question is whether slowing the growth of content spend will allow streaming platforms to grow their platforms to where they are large enough to offset challenges facing the overall model. SVB MoffettNathanson isn't optimistic. "For the larger streaming players, we find that gross margins on a per-hour-viewed basis now approach those of traditional linear, although at much lower levels of revenue. For the smaller players, despite outperformance on revenue per hour consumed, we see far worse margins, calling into question their ability to drive further monetization from here," it said in a note to clients. It does highlight that **Netflix** has been able

to walk the walk and talk the talk, inching closer each day to consistent free cash flow generation. Importantly though, MoffettNathanson isn't predicting that Netflix will actually choose to decrease its content spend any time soon, and it may not be able to if it wants to keep its position leading the pack. "Streaming is a content hungry business. At scale it can turn a profit, but that is cold comfort for those for whom such a milestone is still years away," the firm said.

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FUBO REBRANDS, DROPS 'TV' FROM NAME

FuboTV is getting a new name, dropping the "TV" portion and labeling its consumer-facing products as Fubo going forward. The vMVPD is putting a greater focus on efficient growth, and co-founder/CEO *David Gandler* said the new, shortened name reflects what consumers have already been referring to the service as. "Alongside our continued growth, our consumers have affectionately shortened our name to Fubo and we feel that name represents the premium media brand we are today," he said. To commemorate the rebrand, Fubo rolled out a national ad campaign co-produced by *Ryan Reynolds'* production company Maximum Effort Productions, which [has a stake](#) in the vMVPD as well as a multi-year, first-look deal for unscripted content. The campaign is called "If Sports Fans Built a Streaming Service" and features former **NBA** champion *Kevin Garnett* and former **NFL** QB and current **Fox Sports** analyst *Mark Sanchez*. It'll have both 15- and 30-second national spots across multiple platforms.

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VERIZON EXPANDS 5G, FIOS INTERNET SERVICE

Verizon announced a slew of major upgrades to its network Tuesday, deploying new cell sites in Charlotte and Milwaukee and adding more capacity on its fiber optic cables. 5G is now available through more than 1,000 cell sites in the Milwaukee market and the surrounding areas like Saukville, Cedarburg, Mequon and Germantown. Additionally, approximately 47% of Charlotte residents are now covered with 5G Ultra Wideband service. In other news, Verizon brought its Fios home internet service to nearly 2,000 locations in Delaware across Camden, Dover, Smyrna, Bridgeville and Ocean View. Parts of Rehoboth and Dewey Beach will also have access to wireless home and business internet services. The project was completed with more than \$6 million in American Rescue Plan funds.

RATINGS

The T-Nets are feeling the ratings success with the start of March Madness. While **Fox News** held the No. 1 spot in prime for the week with an average of 1.99 million viewers P2+, **TNT** (1.84 million), **TBS** (1.79 million) and **truTV** (1.16 million) took the No. 2-4 spots, respectively. **MSNBC** completed the top five with 1.11 million. Fox News also topped the total-day chart with 1.29 million with MSNBC behind in second at 695,000. TBS came third with 655,000, followed by TNT and **HGTV** with 607,000 and 495,000, respectively. March Madness combined with some hot **HGTV** and **TLC** shows helped **Warner Bros. Discovery** average a 50.7 share of viewing across ad-supported cable from 8pm-12am for March 16-March 19. – Sunday's noon premiere of **MSNBC's** "Inside with *Jen Psaki*" had a total audience of 1.1 million viewers, according to **Nielsen**, lifting it to be the network's most-watched weekend premiere since January 2019. It was the top cable news program in the noon slot among A25-54 viewers with 137,000, beating the likes of **Fox News'** audience of 123,000 and **CNN's** 120,000. MSNBC was also the No. 1 network across cable television in New York, Los Angeles and San Francisco at noon.

WOW! ADDS BUSINESS BOOST TO VOICE SERVICE

WOW! is rolling out enhanced directory listings to its commercial voice services. The feature will let WOW! Business customers access an online portal that allows them to promote their business identity on the internet. Customers can use a portal to update information such as store hours, social media links, photos and categories. Those changes will automatically update across more than 80 of the top search engines, mobile apps, directories, voice search assistants and maps.

FIBER FRENZY

Warren County and **altafiber** have struck a partnership that will see the provider bring fiber internet access to approximately 52,000 addresses over the next 36-48 months. Upon completion of the project, all of Warren County's single-family homes will have access to fiber-based broadband. **altafiber** is investing \$100 million into the project, and **Unicity**, its smart city division, will provide the county with up to \$200,000 in funding to construct public WiFi improvements.

AT THE COMMISSION

The **FCC's Wireless Telecommunication Bureau** is seeking comment on its proposed procedures for the filing of Phase II Certifications of Accelerated Relocation in the C-band proceeding as well as the implementation of the Commission's Incremental Reduction Plan for payments tied to the accelerated relocations. Comments are due on April 20.

PROGRAMMING

The Battle of Barbie Dreamhouses is coming to **HGTV**. "Barbie Dreamhouse Challenge," where eight teams of HGTV home design and renovation experts will turn a southern California house into a real-life Barbie Dreamhouse, is set to premiere on the network in the summer. – Season 4 of **HBO's** comedy series "A Black Lady Sketch Show" will premiere April 14 at 11pm, available to stream on **HBO Max**. The fourth season will have six episodes. – **ESPN** will have a 90-minute documentary on the murder of former University of Utah track & field athlete *Lauren McCluskey*. "Listen" will premiere March 28 at 7pm on **ESPN+**, recounting the life of McCluskey and the attempts she made to contact authorities about her ex-boyfriend harassing her. – **Hulu** has unveiled an online gaming experience to complement recently-released comedy series "History of the World, Part II." The interactive website version of the show is available to download for free on Xbox until March 31 and on desktop and mobile until July 6. Take a peek into the web version [here](#).

OPENVAULT AWARDED REMOTE DIAGNOSTIC PATENT

OpenVault was awarded a patent centered on capabilities that give operators a full view of elements that impact consumer experience to enable proactive operational optimization. The [patent](#) details protocols that would monitor and manage in-home broadband subscriber computer networks, which would allow for automatic network issue detection and resolution. It also states the systems and methods it describes could minimize the number of in-home visits by technicians with the option of a remote network management solution with the ability to set up and configure hardware based on operator-defined policies.

ON THE CIRCUIT

Liberty Latin America is holding its first annual Tech Summit Wednesday at the RIU Plaza in Panama City, Panama. The summit, expected to draw more than 500 attendees, will focus on the importance of driving innovation in the region and how the provider is improving the customer experience through automated tools and new products. Other topics to be discussed are the rise in fixed-mobile convergence and next-generation B2B solutions.

EDITOR'S NOTE

Don't forget the March 24 Best Price Deadline to nominate for The FAXIES. We're looking for the best campaigns, teams and people in PR and Marketing. Enter today at [TheFAXIES.com](#). Categories include Marketing Team of the Year, PR Stunt, DEI Campaign and many more.