

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Another Batter: Bally Sports May Face Rights Issues with New Team

Another **MLB** team may soon join the court fight against **Diamond Sports**, representation for the bankrupt company revealed during a status hearing Thursday.

The hearing was largely to discuss the timing of a final evidentiary hearing tied to motions from MLB and the **Arizona Diamondbacks** to compel **Bally Sports** RSN owner **Diamond Sports** to deliver rights payments to three teams—the Diamondbacks, Minnesota Twins and Cleveland Guardians. However, Diamond Sports counsel warned that while there are ongoing negotiations with an additional unnamed team, a deadline is coming in the next few days that could lead to more litigation.

Counsel for the Office of the MLB Commissioner did not hold back when it had its chance to speak in court Thursday, declaring that the teams that weren't paid had no warning ahead of time that they would be left out when other teams did receive rights payments. The league doesn't believe that the court has the ability to reform the contracts to decide upon a reduced valuation of the rights.

Jim Bromley, representing MLB, the Guardians and Twins called Diamond Sports "hopelessly insolvent" in his opening statements. "They have borrowed billions of dollars, more than they can ever in a million years dream of repaying. The problems that they created are the ones that brought them here to this court," he said. "The only content they have, they must pay for. If this was a company that made cornbread, they

would have to pay for the corn."

Judge *Christopher Lopez* ultimately sided with Diamond Sports on extending the hearing date, setting the showdown for May 31. "All the debtors seek in their motion to adjourn is to have a fair and reasonable opportunity to present a substantive opposition to these motions and to prepare adequately for an evidentiary hearing," **WilmerHale** Partner *Ross Firszenbaum*, representing Diamond Sports, said. That includes giving Diamond's experts time to review materials tied to the case, including discovery obtained from MLB on the three teams in need of payment.

Counsel also argued that the motions can be rebutted with evidence that would show that the terms of the contracts with the three teams are unreasonable and that the value of the rights is materially less than the contract amount. But, at the same time, Firszenbaum proposed that it may make sense for the parties to try to mediate the dispute before a final hearing.

It's unclear how willing MLB is to negotiate. The league continues to claim that it is ready to broadcast games if needed. "Major League Baseball will not allow the fans of baseball in the United States not to be able to watch their games. That will happen, and until the debtors have provided some concrete evidence that we can depend on them, that they have the money to actually perform and pay all the amounts as and when due, we have a responsibility to the entire American public to do exactly that, to be ready at a moment's notice to broadcast every one of these games," Bromley said.

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Lopez may address any interim payments that would be due to the impacted teams in the meantime next week as part of conversations surrounding cash collateral, but he made no promises.

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ADAPTIVE SPIRIT'S BIG SKI LIFT

For more than 25 years, **Adaptive Spirit** has made significant funding contributions of more than \$11 million to the U.S. Paralympics Ski and Snowboard teams through its annual ski weekend that draws a sizable contingent of telecom execs. The fundraiser got its start in 1996 as SkiTAM, an event produced by **CTAM** Rocky Mountains. When industry marketing association CTAM decided to shutter regional chapters, nonprofit Adaptive Spirit was formed to keep the tradition alive. **Steve Raymond**, **Charter's** VP of Accessibility and Adaptive Spirit Chairperson, has been a driving force behind the organization for years. With this year's weekend of skiing, educational panels and networking in Vail wrapping earlier this month, we caught up with Raymond to find out more about how it went.

How much money did you raise? This year's event was very successful and will allow us to make a meaningful donation to the US Paralympic Ski and Nordic Team. The Silent Auction had a record year, raising over \$200,000 that will go directly to athlete support for training and equipment expenses. We also nearly sold out sponsorships for the 2024 event, which is evidence of the business and networking value of our event.

So many events in the industry have gone away—Cable Positive, CTAM Summit, Cable Show, etc. Why do you think Adaptive Spirit's weekend ski event has had such longevity? The combination of industry education and meeting with colleagues in an environment where you are all engaged in giving back seems to work. Having the athletes of the US Paralympic Ski and Snowboard team at the event and paired with sponsors is the secret sauce. The attendees of Adaptive Spirit build deep relationships with these athletes and want to be invested in their success. **Looking at the agenda, Amazon Web Services seemed pretty involved in the educational panels. Can you share a little bit about what they offer the industry?** Each year at Adaptive Spirit, we host an educational panel that tackles a subject that is important to our industry. This year's topic was Colossal Cloud Challenges. AWS was on the panel with other industry colleagues—**Alianza**, **Charter**, **Comcast** and **Google Cloud**—to discuss many facets of cloud trends. **Who were the race winners?** The competition was fierce this year and it was Spectrum's first time on the podium, albeit 2nd place in the competitive division. Each team has either a current, alum or development U.S. Paralympic Ski Team member. Racing with them is just an incredible experience, and it definitely helps our team time. **Warner Bros. Discovery** (formerly **HBO**) has

historically been at the top of the podium each year, with this year no different. In the competitive division, Warner Bros. Discovery took first place, with Spectrum and AWS coming in second and third, respectively. For the sports division, the **Experis** team won, with **Slalom** coming in second and **Vantiva** rounding it out in third place.

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RATINGS

The **NBA's** Play-In Tournament began Wednesday with a double-header on **ESPN**. The Bulls-Raptors contest averaged 2.34 million viewers and 1.1 million P18-49 across the flagship channel and **ESPN2**, which had the "NBA in Stephen A's World" alternate telecast. That accounted for 7% of the overall average audience with 152,000 viewers. Following that game was the Thunder vs Pelicans, which averaged 2.86 million viewers and 1.48 million P18-49.

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AWARDS

The full list of nominees for the 2023 **Peabody Awards** were revealed, and this year it's **PBS** leading the way across all categories. It had 13 total nominations, including a sweep in the "Public Service" category and four nominations for its "Frontline" series. **HBO Max** had six nominations, followed by **Apple TV+** with four and **Disney+** and **FX** with three apiece. The organization also announced **Shari Frilot** as the winner of its first annual Visionary Award. The honor recognizes an individual whose work helped shape the field of interactive storytelling. Frilot, who's the Senior Programmer of the Sundance Film Festival and Chief Curator of New Frontier at Sundance, created the Sundance Online Film Festival in 2001. She also co-founded the first gay Latin American film festivals Mix Brasil and Mix México.

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DOING GOOD

Comcast NBCU made a pair of donations to assist with tornado relief efforts. The company gave \$25,000 to the Heart of Arkansas United Way and also contributed another \$25,000 to the United Way of the Mid-South. The money will be used to provide more aid in the clean-up following tornadoes that ravaged Little Rock and its surrounding areas as well as western Tennessee. – **The Nexstar Media Charitable Foundation** donated \$10,000 to help with cleanup and recovery efforts after a tornado struck Crawford County, Illinois, and Sullivan County, Indiana. The money will go to the Wabash Valley Community Foundation, which has an emergency and disaster relief fund to provide assistance to those impacted by storms. The Foundation's pledge was

part of “The Road to Recovery Telethon” held by Nexstar’s station in Terre Haute, Indiana, on Wednesday, which raised a total of \$64,394.

PROGRAMMING

Elon Musk will be making appearances on “Tucker Carlson Tonight” on Monday and Tuesday at 8pm. The **SpaceX, Twitter** and Tesla CEO will talk with Carlson about his time so far as the head of a social media giant, the controversy surrounding AI and the future of his other companies. -- **UniMás’** dating show “Enamorándonos” will have its first same-sex marriage in an episode on April 27 at 8pm. The show has had over 4,000 participants and 15 marriages since its debut in 2019. -- **BBC Studios’** Documentary Unit and **National Geographic** greenlit a three-part limited series “Lost Gold.” The program will look back at scientist and explorer *Tommy Thompson* and his journey from discovering the wreckage of the S.S. Central America to an eventual prison sentence. -- **NBC Sports, Fox Sports** and **DAZN** are teaming up to present 14 USFL regular-season games and the entire postseason to international audiences.

PEOPLE

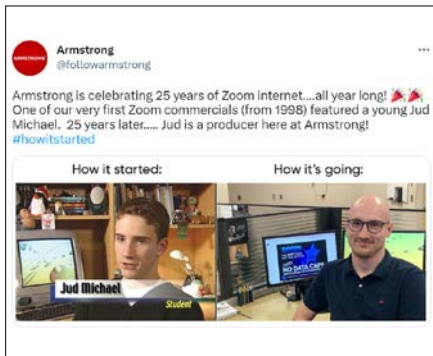
Claudia Puig was hired as SVP, State Government Affairs & Political Partner Solution for **TelevisaUnivision**. It’s a newly created position that’ll have Puig oversee state government relations efforts on behalf of the company’s legislative, regulatory and policy goals. Puig will also be the principal liaison between TU’s political ad sales team and Office of Government Affairs. She’ll report to EVP, Government Affairs *Steve Haro* and be based in Miami.

TRADE WINDS

Our loss is the industry’s gain... **Cablefax** Marketing Director *Kate Schaefer*—who many of you know through her emails and work on CFX awards programs—is headed to **NCTA - The Internet & Television Association** as its new Director of Meetings and Special Events. We’ll miss her terribly, but glad she’s staying close enough by that we’ll continue to see her on the circuit!

CABLEFAX DASHBOARD

Twitter Hits



Research

(Source: [LG Ad Solutions March Streaming Study](#))

- > Nearly half of U.S. households aren’t sure what they want to watch when they turn on the television.
- > When they know what to watch, 40% are confused on where to find that content.
- > 59% of viewers are willing to cancel a subscription after finishing their desired content.
- > 63% of consumers prefer to stream free content rather than paying for a subscription.

Up Ahead

- APRIL 15-19:** [NAB Show](#); Las Vegas
- APRIL 18-19:** [Mid-America Cable Show](#); Omaha
- APRIL 19-20:** [Telecommunications Industry Association’s BEAD Success Summit](#); Arlington
- APRIL 26-27:** [Pennsylvania Broadband Summit](#); Lancaster
- APRIL 27:** [Cable Hall of Fame](#); NYC
- MAY 2:** [WICT Network Signature Luncheon](#); L.A.

Quotable

“There are people that are willing to pay a fair amount of money to get premium and have it be ad free. Then there’s people that are willing to pay less but they’ll take – they need to accept advertising, which is sort of like basic cable around the world. And then there’s a big population of people that only want free that are never going to pay... So this was a big day for us with launching Max on the 23rd where we will have a fantastic service at \$16. We’re also going to have the ad light at 9.99 and it’ll be robust. We’ve started to offer AVOD channels with other providers, but you will see in an AVOD service from Warner Bros. You will see a Warner Bros. TV that’s free. And that will allow us to capture everyone. Our objective is we think we have the greatest storytelling, the greatest content, we want everyone to see it.”

– Warner Bros. Discovery *David Zaslav* on CNBC’s “Closing Bell” [discussing the company’s plans to offer a free streaming service in the future](#)