

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Final Countdown: Standard General-TEGNA Fight To the End for Merger

With only three days left before the **Standard General-TEGNA** financing deadline, the two companies have put forth a final push to convince the **FCC** to take a vote on the pending merger.

Representatives from TEGNA, Standard General and **CMG Media Corporation** had separate meetings with the Enforcement Bureau as well as FCC Commissioners *Brendan Carr* and *Nathan Simington* and their respective staffs last week to plead the merits of the merger. In an ex parte, the **Enforcement Bureau** noted that, to the best of its knowledge, it was unprecedented for parties to an ongoing administrative hearing before the ALJ to request, let alone receive, a meeting with FCC commissioners centered on the issues that had been designated for hearing.

“The Bureau clarified that it would not engage in settlement negotiations or begin to consider any settlement proposal unless and until Applicants entered into a protective order that provided the Bureau (and all parties and their counsel) access to confidential information,” the ex parte said. “Applicants would also need to provide the Bureau (and all other parties) with any additional evidence concerning the designated issues in support of their pending application that was not already part of the record and had not been provided to the Media Bureau before the HDO was released.”

The Enforcement Bureau also said the parties to the hearing could not settle the question of whether the merger should be

allowed to move forward. From **New Street Research's** point of view, it is hard to read the meeting as anything other than a courtesy and it continues to believe that there won't be a Commission vote allowing the deal to close by the May 22 deadline. The firm does expect that a request from Congressional leaders for the FCC's Inspector General to look into the decision to designate the Standard General-TEGNA merger to an administrative hearing will lead to an investigation, but that is hardly likely to move as quickly as stakeholders might like.

“The document summarizing the meeting makes it clear—at least to us—that the staff is not interested in negotiating a potential approval,” New Street Research said in a note to clients. “As to the IG request, we would expect an investigation, but it will not result in the Commission voting on the transaction prior to the May 22 financing deadline.”

The deal received two votes of support Thursday in the form of two letters—one from clergy leaders and another from civil rights leaders from across Georgia, North Carolina and South Carolina. The letter from a group of **NAACP** chapter presidents and organizations like the **Columbia Urban League** argued that there was no legitimate reason for FCC Chair *Jessica Rosenworcel* to not allow a full Commission vote on the merits of the merger.

“Blocking the transaction via bureaucratic holdups would be a damaging blow to ongoing efforts to bring diversity and inclusion to a media industry that is sorely lacking in both,” the letter read. “Ignoring the concerns of the civil rights community

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Other nominations include D&I Mentor of the Year, Public Affairs Campaign and Thrivers Under 30, the industry's rising stars under 30.

Final Deadline: Friday, May 19
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would put Democratic FCC Chairwoman *Jessica Rosenworcel's* legacy at risk and call into question the sincerity of the Biden Administration's claims to promote opportunities for minority Americans.”

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XFL PUTS BOW ON 3.0 SEASON

February 19 marked the third time the **XFL** got off the ground since the league's initial launch in 2001, but this time is set to be different from the first two attempts. XFL 3.0 wrapped up its season Saturday as the Arlington Renegades took home the title in front of a TV audience of 1.4 million average viewers across **ABC** and **ESPN Deportes**. While spring football has traditionally struggled in the past due to a litany of reasons—one of which being COVID-19 shutting down the XFL's reboot in 2020—the foundation was laid for the league to establish its core audience. The main driver behind that? Access, which has been a focal point from the XFL's beginning. “I think a lot of the fans just wanted transparency in terms of how some of the conversations and decisions were being made,” **ESPN** VP, Programming and Acquisitions *Tim Reed* told **CFX**. “To me, that's one of the pieces that really stands out as a really key innovation point, so it'll be interesting to see if other leagues or conferences potentially saw what we were doing there.” That influence may have played a part in the Pac-12's recent announcement of additional [broadcast enhancements](#) for the coming college football season. Reed noted how the broadcast enhancements to provide more transparency came from collaboration between the network and XFL, but another facet of the XFL that the network saw success in was its adjustment of certain rules like overtime formats or extra point conversions. That paid dividends when it came to the A18-49 demo, which accounted for approximately 1/3 of the leagues more than 50 million total viewers for the season. But the question of what will it take to fully break the trend of past spring football leagues remains. “To actually have a full season, multiple broadcasts, lots of games to look at, a lot of notes were taken—to have that as a foundational asset to prove and build on? I think both from the league side and our side, that's all going to be really, really valuable as we head into planning for 2024,” Reed said.

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APPLE ADDS MULTIVIEW

Apple is letting fans watch up to four simultaneous streams on **Apple TV 4K** thanks to its new Multiview feature. That includes **MLS** matches via **MLS Season Pass**, Friday Night Baseball games and select **MLB** and **MLS** live shows. Users

will be able to enlarge one stream to make it more prominent, and they also have the ability to control audio preferences like listening to a specific team radio feed. Also notable, Apple's highlights show “MLS 360” will stream for free this weekend on **YouTube**.

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BROADBAND USAGE KEEPS RISING

Those with usage-based broadband plans are recording slightly higher rates of usage compared to those with flat-rate plans. **OpenVault's** recent Broadband Insights report revealed the average usage among UBB subscribers in 1Q23 is 562.7 GB with a median mark of 382 GB. That's compared to 555.5 GB of data used by FRB subscribers in the first quarter, with their median settling at 371.1 GB. Overall data usage grew 9.1% YOY from 513.8 GB to 560.5 GB. Power users who use 1 TB or more per month grew to 17%, while those who use 2 TB or more went from 2.4% in 1Q22 to 3% this quarter. “On the one hand, faster speed adoption often results in higher ARPU for operators and increased satisfaction for consumers as they ‘right-size’ to subscription plans that are aligned with their actual usage,” the report said. “On the other hand, operators who have viewed UBB as a tool to reduce strain on the broadband plant will need to explore new solutions for maintaining and improving network health and alleviating network congestion.”

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RATINGS

It was a big Tuesday for the **NBA**. The night started with the lottery of the 2023 NBA Draft on **ESPN**, which averaged 3.24 million viewers. That's good for the most-watched Draft lottery in four years and is up 51% YOY. Then came the beginning of the Lakers-Nuggets Western Conference Finals series. Game 1 recorded an average of 7.36 million viewers across **ESPN** and **ESPN2**—up 56% compared to the last time **ESPN** aired the Western Conference Finals in 2021.

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HULU GOES ALL OUT FOR NATIONAL STREAMING DAY

Hulu is celebrating National Streaming Day with a limited-time deal for its ad-supported streaming plan. From now until 11:59pm PT on May 27, new and eligible returning customers can subscribe to the ad tier for \$2/month for three months. Once the three months pass the price will return to the plan's regular rate of \$7.99/month.

NTIA OKS PLANNING GRANTS

NTIA distributed \$1.4 million each in planning grants to Guam, American Samoa and the Commonwealth of Northern Mariana Islands for the deployment of broadband services and development of digital skills training. Among the plans for the funding are the increasing of capacity in broadband offices in Guam and the Northern Mariana Islands, the development of a Territory Digital Equity Plan in American Samoa and the conducting of a data collection and analysis across all grant areas.

C2HR FORMS NEW BOARD

C2HR introduced its newly launched HR Advisory Board on Thursday to provide creative input and advance the association's impact for HR leaders in the content and connectivity realms. The board includes **TelevisaUnivision** VP, HR and Local Media *Kristina Brown*, **Midco** VP, Corporate Communications *Paige Pearson Meyer*, **Comcast** Executive Director *Mariana Rivera* and **Cox** VP, People Relations and Compliance *Keith Wilson*.

CARRIAGE

Six more channels are coming to **Sling Freestream**, bringing its channel lineup to more than 370. The newcomers are **Great American Adventures**, **FilmRise British TV**, **The Dick Van Dyke Show**, **Beyond Belief: Fact or Fiction**, **FilmRise Family** and **NOST TV**.

PROGRAMMING

For the first time, **Scripps** will air the Scripps National Spelling Bee semifinals (May 31 at 2:30pm) and finals (June 1 at 8pm) on all six Scripps national entertainment networks: **ION**, **Bounce**, **Defy TV**, **Grit**, **ION Mystery** and **Laff**. The Bee begins with the preliminaries May 30 from 9am-7:25pm, with the quarterfinals happening the following day from 8am-12:45pm. Those two rounds will be on **ION Plus**, **Bounce XL** and online at spellingbee.com.

DOING GOOD

Fox's FAST weather channel **Fox Weather** named *Mark Kimoto* as the recipient of its annual scholarship program with Mississippi State University. It's the partnership's second year, with the first-year winner *Haley Meier* set to join Fox Weather as a meteorologist and reporter in July.

CABLEFAX DASHBOARD

Twitter Hits



Research

(Source: Parrot Analytics 1Q23 Streaming Report Card)

- > The consistent decline in demand for Netflix originals domestically and globally is worrisome, particularly as global demand for streaming originals as a whole continues to grow.
- > The third season of Disney+'s "The Mandalorian" was among the top 0.2% of all TV titles across its eight episodes, but dropped 24% in average demand from Season One.
- > Peacock Originals hit their highest-ever demand share in 1Q23, accounting for 3.3% of U.S. demand for original content.

Up Ahead

MAY 19: [Final Deadline To Enter Cablefax's Diversity List](#)

MAY 23: [House Communications Subcommittee Hearing on Oversight of NTIA](#)

JUNE 8: [FCC Open Commission Meeting](#); DC

JUNE 21: [FBA Regional Fiber Connect](#); Lake Tahoe, CA

Quotable

"It's not a convergent strategy in that we haven't seen evidence, in the U.S. at least, that convergence is anything more from a cable perspective than a discount... So for us, fixed wireless was really an ability to monetize the massive excess capacity we're creating with this network and create very high margin-accretive customers... The ARPU profiles are near post-paid phone levels, and yet the equipment, the handset equivalent or CPE, is much lower-priced and it just provides a great value prop for customers."

- T-Mobile CFO Peter Osvaldik at the MoffettNathanson TMT Conference speaking about convergence and his company's fixed wireless strategy