

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## Path Forward: Diamond Offers Hope to Sports Leagues in Latest Update

**Diamond Sports Group** gave a much more optimistic status update on its progression through Chapter 11 bankruptcy Monday than what it has offered up in the past.

During a status hearing in the **Southern District of Texas Bankruptcy Court**, Diamond's representation acknowledged that the company left many of its partners in the dark as it has tried to traverse a "web of difficult and dynamic business and legal issues." But now, it is close to a number of agreements with the sports leagues, particularly the **NBA**.

Diamond representation asked the court to consider an [agreement](#) it has come to with the NBA that will allow it to continue to broadcast the NBA teams that are within its fold for the duration of the 2023-2024 season. "In the meantime, as we noted, we are continuing to broadcast and are continuing, by agreement with the NBA, to pay for those broadcasts pursuant to the arrangements reached and they do yield significant benefits," *Andrew Goldman*, co-chair of **WilmerHale's** Bankruptcy and Financial Restructuring Practice Group and co-counsel to Diamond, told Judge *Christopher Lopez*.

Diamond is also "fairly close" to reaching a fairly similar agreement with the **NHL**, Goldman said, giving the company the ability to broadcast every one of the NHL's team's games through the 2023-24 season. The toughest negotiation thus far has been with the **MLB** as the pair continue to battle in the docket. MLB, along with five of its teams, filed a motion last

month asking the court to force Diamond to either assume or reject each of its telecast rights agreement. Diamond claims that it didn't want anything to draw attention away with the World Series, so it reached out to MLB to ask for an extension on its response to the league's motion to compel.

"The fan focus should be, rightly so, on the game itself and not on the atmosphere surrounding the media aspects of baseball production," Goldman said. MLB granted a short-term proposal and expects that response to enter the docket promptly.

But where Diamond hopes to win favor with the MLB is in a cooperation agreement that would provide clarity on the future of distribution for hopefully 10 teams or at least four of the six teams that are on wholly-owned RSNs and the five joint ventures that it counts in its portfolio. Under that agreement, Diamond would be able to broadcast the entirety of next year's baseball season for those hopefully 10 teams. It had agreements with 12 total teams before entering bankruptcy, and there's still hope that it could reach terms with them all. "If we reach negotiated agreements with the other two, we are happy to add them into the fold and broadcast all 12 for next season as well," Goldman said. Another judge has also stepped in to mediate between MLB and Diamond to hopefully carry an agreement across the finish line.

The MLB, unsurprisingly, is taking a "we'll believe it when we see it" approach to Diamond. **Sullivan & Cromwell** Partner *James Bromley*, representing the league, said it was reserving all of its rights until it had a chance to examine and fully



**Cablefax**  
MOST POWERFUL WOMEN

**OUR MOST ELITE CABLEFAX AWARDS EVENT**

THE EDISON BALLROOM, NYC | DECEMBER 6, 2023

**ATTEND**

understand the proposal. “I know just in listening to what I’ve heard today, I’m certain people have questions,” he said. “Certainly, the optimistic sounds that we’re hearing are better than what we’ve heard in the past.”

Diamond has also begun a mediation process with **DirectTV**, although not much information was offered on the progress made there. Diamond has filed a motion in the court for an automatic stay against DirecTV that would force the satellite video provider to pay Diamond for content from the San Diego Padres and Arizona Diamondbacks despite the MLB stepping in to produce those games when Diamond failed to make its rights payments.

Diamond still isn’t offering a long-term plan for how it will be profitable when the company emerges from Chapter 11, but a lengthy filing Monday describing the cooperation agreement also established that Diamond is willing to let go of its interest in **YES Network** and **Marquee Sports Network**, the RSNs that carry the New York Yankees and the Chicago Cubs, respectively. A hearing has been set for Nov. 15 for Judge Lopez to consider the cooperation agreement and the NBA deal, but no date has yet been set to consider MLB’s motion compelling Diamond to make decisions when it comes to its telecast deals.

.....

## KATZ FORMS FAST PARTNERSHIP

**Free TV Networks**, a company founded by industry veteran *Jonathan Katz*, is partnering with **Warner Bros. Discovery**, **Lionsgate** and **Gray Television** to create a pair of ad-supported OTA and streaming channels that’ll launch January 1. **THE365** will be tailored toward African-American viewers with movies and series like “I Am Legend,” “Dear White People” and “Purple Rain,” while the Western-themed **Outlaw** will have programs including “Unforgiven” and “Pale Rider.” The networks will start with distribution in 80% of the U.S. mainly through Gray Television. RNN Media Group and HC2 Broadcasting will also carry the two channels. Free TV Networks plans on unveiling FAST channels of THE365 and Outlaw as well as **VCR Action** and **VCR Haha**, which both will carry classics from the era of VHS.

.....

## RATINGS

It’s back to a sweep for **Fox News** in the weekly ratings among cable networks. Fox News took home the primetime prize with an average of 1.86 million viewers P2+. **ESPN** wasn’t far behind with 1.74 million, followed by **MSNBC** and **Hallmark Channel** with 1.16 million and 1.1 million, respectively. **HGTV** came fifth with 764,000. Fox News claimed the weekly total-day prize with 1.28 million viewers. MSNBC trailed in second with 822,000 and ESPN third at 764,000. Hallmark (583,000) and **CNN** (492,000) capped the total-day top five. – The Season 5 finale of **VH1**’s “Love

& Hip Hop: Miami” had its highest viewership total with close to 600,000 total viewers L+3. The episode aired Oct. 30 at 8pm and capped a season that saw the show’s audience grow by 35% in L+3 ratings while also getting a 0.631 L+3 rating among P18-49.

.....

## CARRIAGE

**Nexstar** reached a comprehensive, multi-year distribution agreement with **Cox Communications** that encompasses 38 Nexstar-owned stations in 23 markets. Specific terms of the agreement weren’t disclosed, but it includes **NewsNation** and digital networks **Antenna TV** and **Rewind TV**. – **Fuse Media** is growing its FAST channel footprint, introducing a Spanish-language version of **Backstage** on **Samsung TV Plus Mexico**. It’s the first time one of Fuse’s DEI-themed FAST channels have been dubbed for international distribution. Backstage’s content focuses on providing a behind-the-scenes look at stars and artists on the rise. It’ll have over 200 hours of Spanish-language content. Backstage is already available in other global markets including the U.K., Spain, Netherlands, Germany, India, Australia and Canada.

.....

## USL SIGNS WITH CBS SPORTS

**CBS Sports** nabbed a multi-year rights agreement to air 100 **United Soccer League** matches annually through the 2027 USL Championship and League One seasons. Select USL matches including the USL Championship Final will air on the CBS Television Network, which will be the first time a USL competition will be broadcast on network TV. Those matches will simulcast live on **Paramount+**. CBS Sports will carry over 20 USL matches on CBS Sports Network per year and 75 USL matches each season on **CBS Sports Golazo Network**.

.....

## NEW AI FUND FROM IBM

**IBM** introduced a \$500 million venture fund to invest in enterprise AI companies that are focused on accelerating generative AI technology and research. The IBM Enterprise AI Venture Fund will be led by a team of company leaders and AI experts and provide each startup with partnerships with IBM in addition to operational expertise on product, engineering and go-to-market strategies. IBM already announced it’s participating in the \$235 million Series D funding round of Hugging Face, an open-source collaboration platform for machine learning and the future of AI. Speaking of AI, The **House Communications Subcommittee** is holding a hearing on Tuesday at 10am ET titled “Leveraging AI to Enhance American Communications.” The hearing is a third in a series exploring the role of AI in various sectors of the U.S. economy.

## CHARTER TO OFFER SENIOR SECURED NOTES

**Charter** and its subsidiaries **Charter Communications Operating, LLC** and **Charter Communications Operating Capital Corp.** intend to offer senior secured fixed rate notes. The company intends to use the net proceeds of the sale for general corporate purposes, including repaying certain debt, funding potential buybacks of Class A common stock of Charter and common units of Charter Communications Holdings, LLC and to pay related fees and expenses. **Bank of America Securities, Deutsche Bank Securities** and **Morgan Stanley** will act as joint book-running managers.

## CELEBRATING VETERANS DAY

Ahead of Veterans Day on Friday, **Spectrum** will have an on-demand collection of war-themed movies available for rent. They'll be available in the on-demand portal under the "For the Troops" category through Monday. Titles include "American Sniper," "Red Tails," "Dunkirk," "Saving Private Ryan" and "Rescue Dawn." – **ESPN** will honor veterans and active members of the military with a week of programming and initiatives from Wednesday to Monday. That includes the "SportsCenter Veterans Day Special" which airs Thursday at 7pm (and an encore Sunday at 12:30pm on **ABC**) and focuses on military-themed features from over the course of the network's previous Veterans Week coverage. "First Take" will have the "First Take Salute to Service," which pays tribute to each branch of the military and shows content created by military personnel from each branch. Those features will air Thursday and Friday at 10pm.

## FIBER FRENZY

Residents and businesses in Thomaston, Connecticut, will soon get access to **GoNetspeed** service following a fully funded \$1.4 million investment. Construction officially started to deploy service, which will expand the company's footprint to more than 1,800 homes and businesses once complete. GoNetspeed's service area includes more than 30 communities across Connecticut.

## PROGRAMMING

**WWE's** "NXT" will move from **USA Network** to **The CW Network** under a five-year deal that kicks off in October 2024. It marks the first time that NXT has appeared on a broadcast network and is the latest in a string of sports offerings, including LIV Golf and ACC football and basketball, to move to CW since its acquisition by **Nexstar**. CW will air 52 live weekly NXT events.– **HBO's** original documentary short "How We Get Free" will premiere next Tuesday at 9pm, available to stream on **Max**. The short chronicles activist and Colorado state representative **Elisabeth Epps** and her work to abolish

the cash bail system in Colorado. – **MGM+** greenlit a true crime docuseries "The Wonderland Murders & The Secret History of Hollywood." It's based on the podcast of the same name made by *Michael Connelly*. The four-episode program will dissect the Wonderland murder case that struck Los Angeles in the early 1980s. – The holiday cheer is spreading far and wide. **Ovation TV** will have marathons and movie blocks of special holiday programming starting Dec. 1. The first three Sundays of the month will have the network premieres of "A Merry Single Christmas," "Another Christmas" and "Shoelaces for Christmas." A holiday movie double event will air on the first four Fridays of the month starting at 2pm. That'll feature "A Bennett Song Holiday," "Our Dream Christmas," "Homeless For The Holidays" and "A Match Made at Christmas." Ovation will have 24 hours of Christmas movies on both Christmas Eve and Christmas Day starting at 6am. – The series finale of "The Circus: Inside the Greatest Political Show on Earth" will air Sunday at 7pm on **Showtime** and streaming on **Paramount+ with Showtime**.

## ON THE CIRCUIT

**The Paley Center for Media** added **Sky** CEO *Dana Strong* and **Nielsen** CEO *Karthik Rao* to its board of trustees. Other media and tech leaders named as trustees include **Candle Media's** *Kevin Mayer*, **YouTube's** *Neal Mohan* and **Meta's** *David Wehner*. **NBCUniversal** Entertainment Chairman *Frances Berwick* was named to the Paley Los Angeles Board of Governors.

## PEOPLE

**The Walt Disney Company** tapped **PepsiCo** Vice Chairman and CFO *Hugh Johnston* as its new CFO, effective Dec. 4. "Hugh's well-earned reputation as one of the best CFOs in America and his wealth of leadership experience in both financial and operational roles overseeing a diverse portfolio of top global brands make him a perfect addition to Disney's senior leadership team," CEO *Bob Iger* said in a statement. *Kevin Lansberry* stepped into the role on an interim basis following *Christine McCarthy's* exit in June. – **Fubo** named *Dina Roman* to the newly created role of SVP, Global Advertising Sales. She reports to co-founder and CEO *David Gandler*. The company credited its strong ad sales growth in 3Q23, up 34% YOY, to Roman and said her appointment signals a shift toward direct and programmatic guaranteed transactions. Roman was most recently SVP, Sales and Strategy at **Simulmedia**. – **Quickplay** is growing its global reach with the formation of a new European office, and it's tapping *Wim Ponnet* as President, EMEA. The new office will help with heightened demand for pay TV, telco and MVPD customers throughout the EMEA region. Ponnet was most recently founding partner/CEO of the Amsterdam-based investment firm **FanTechCapital** and was Chief Strategy and Commercial Officer of **Endemol Shine Group**, where he oversaw the P&L of its sales organization.