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WHAT THE INDUSTRY READS FIRST

Retrans Ruckus: Cox Latest to Accuse Nexstar of Skirting FCC Rules

Cox Communications is joining the chorus of MVPDs complaining that **Nexstar** is bypassing ownership limits through management agreements with other broadcast station owners.

Representatives for Cox visited the **FCC** this week to highlight what's happening in Phoenix, where Nexstar has entered into an agreement with KAZT owner **Londen Media**. Under the multiyear brokerage, KAZT became a **CW** affiliate on Feb. 1. Nexstar provides programming and other services, including sales, marketing and technical operations. As such, Nexstar says Cox now must pay Nexstar's significantly higher retransmission consent fee instead of what it had been paying Londen for the station.

"They basically said 'OK, you now have to start paying Cox under the Nexstar rate card, which is increasing our cost structure millions of dollars each year just in Phoenix because their rate structure is the most egregious of any broadcaster,'" Cox's SVP, Content Acquisition **Suzanne Fenwick** told **CFX**. "Our biggest concern is this is bad enough in Phoenix, and we'd like to see it reversed. But we don't want it to spread because obviously that's going to put more pricing pressure on an already really tenuous margin situation that we have going on in the linear space right now."

If this sounds familiar, it's because **Comcast**, **Charter** and **DirectTV** have raised similar issues and filed complaints at the FCC against Nexstar. In July 2021, Comcast filed a petition at the FCC arguing that Nexstar's management agreement with **Mission Broadcasting** means the company should actually be

attributed ownership of NYC station WPIX, which would make it in violation of the 39% cap on broadcast national audience reach. The FCC Media Bureau said in March of 2022 that it's investigating the matter as an informal complaint, which means the issue is exempt from ex parte rules. There's been no updates from the FCC. Charter soon filed a similar complaint at the FCC, and DirectTV has filed at the FCC and sued Nexstar over what it calls "sham" sidecar arrangements in federal court.

Just as it has with the other complaints, Nexstar issued a statement Thursday saying it's following the rules. "As we have said before, Nexstar is now and has always been in full compliance with FCC regulations," a spokesperson said.

At the very end of 2023, the FCC approved its 2018 media ownership rules, which affirmed the 39% cap and failed to loosen ownership regulations to broadcasters' dismay. Nexstar filed a challenge to the FCC order late last month in federal court. "Rather than taking account of the increasing competition that radio and television broadcasters encounter from contemporary sources, the Commission adhered to narrow and inappropriate market definitions," Nexstar told the court. **Zimmer Radio** and **Beasley Media Group** have also challenged the FCC order.

Cox and the other MVPDs want the FCC to find that not only is Nexstar over the national audience cap, but that it's in violation of the Nexstar-**Tribune** merger order. In 2019, Nexstar agreed to divest WPIX as well as WSFL in Miami and KASW in Phoenix in order to stay under the 39% ownership cap following its \$4.1 billion acquisition of Tribune. The deal, which made Nexstar

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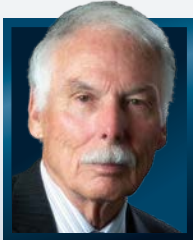
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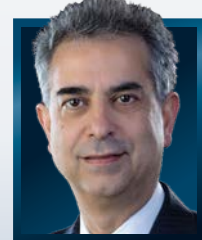
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the nation's largest local broadcast station group, raised a number of red flags within the industry. NCTA and DISH asked the FCC at the time to prohibit sharing arrangements between Nexstar and any of the divestiture stations, but the Commission said the issue was moot because Nexstar said it "will not be providing ongoing services under sharing agreements ... to any of the stations that it is divesting."

"They told the FCC that they specifically would not enter into these types of management agreements to get around ownership thresholds, and that's what they have done," said Fenwick, who added that she thinks Cox will be a bit more aggressive on retrans issues as it looks to have a reasonable rate structure for customers.

MVPDs are getting increasingly vocal on retrans. After its flare up with **TEGNA** last year, DirecTV suggested a new retransmission consent model in which broadcasters could set their rate for consumers, allowing them to personalize their video subscriptions by choosing which stations they pay for.

NCTC CEO *Lou Borrelli*, speaking this week at **ACA Connects** Summit, said co-op members are going to have to decide what they're willing to shell out on retrans. "We don't advise. We just create the deals," he said. "If the members decide that they want to drop, it's their decision. And we support that. We have toolkits and marketing support. But the point is, at some point, you just got to say enough's enough, and hopefully what happens is we come to some resolution."

Expect to hear plenty more on retransmission consent with comments due tomorrow on the FCC's proposal that would have MVPDs provide refunds for programming blackouts.

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SOME CHARTER VIDEO SUBS GAIN ACCESS TO ESPN+

ESPN+ is now available to Spectrum TV Select Plus customers at no additional cost, thanks to the revamped distribution deal struck between **Charter** and **Disney** last year. Customers can learn how to activate their ESPN+ subscription at spectrum.com/espn+. This news comes two months after Spectrum TV Select customers gained free access to **Disney+**'s basic tier, also as part of the deal. TV Select Plus customers who already have Disney+ as part of their Spectrum service can use their Disney+ credentials so both subscriptions live under one account.

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NCTA ASKS NTIA TO THINK OUTSIDE OF LICENSED SPECTRUM BOX

NTIA is set to deliver its implementation plan for its national spectrum strategy within the next week, and some stakeholders are giving the agency a final piece of their mind before that

plan becomes official. **NCTA** sent a letter to NTIA Senior Spectrum Advisor *Scott Blake Harris* Thursday to ask the agency to reject recommendations from **CTIA** that the U.S. should favor exclusive licensing above all other methods when it comes to the implementation plan. Instead, it continued to advocate for unlicensed spectrum and shared licenses to expand access to spectrum access for commercial applications while also avoiding disruptions to federal operations. "With the depletion of greenfield spectrum, the impacts of previous compressions and relocations, and the rise of congested operational environments, identifying and then clearing spectrum bands solely to support full power, exclusive commercial operations is increasingly time consuming and expensive—if possible at all," NCTA said in the letter. With more than half of all U.S. and global internet traffic delivered over WiFi, the association argued that NTIA should push forward on a strategy that allows unlicensed spectrum resources to grow with consumer demand. It also pushed back against CTIA's assertion that the U.S. has designated more than seven times more spectrum in the midband for unlicensed operations than for exclusive licenses, noting it excludes from the number of licensed-exclusive MHz the spectrum already set for licensed use in the C-band and the 2.5 GHz band.

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LRG: TOP PROVIDERS EXPERIENCE SIMILAR ADDS IN 2023 FROM 2022

The top cable and wireline phone providers and fixed wireless services in the U.S. added about 3.52 million net additional broadband internet subscribers in 2023, according to **Lightman Research Group**. That's a similar number to the pro forma gain of 3.53 million subs added in 2022. However, top cable companies lost about 65,000 subs in 2023 compared to 530,000 net adds in the year prior. Top wireline phone companies lost around 80,000 total broadband subscribers, a slight improvement from 180,000 net losses in 2022. While **Comcast** led cable companies with 32.25 million subs at the end of 2023, it still had a net loss of 66,000. **Charter** was the only cable operator that landed on the positive side with 155,000 net adds, while **Altice USA** (114,000), **Cable One** (1,100) and **Breezeline** (29,184) each rounded out top cable companies with losses. **AT&T** remained at the top of wireline phone companies with 15.29 million subs despite a loss of 98,000 throughout the year. **Verizon** and **Frontier** had 166,000 and 75,000 net adds, respectively, while **Lumen** lost 279,000 subscribers. **Windstream** broke even and **TDS** posted 29,800 adds. Fixed wireless and 5G home internet services from **T-Mobile** and **Verizon** saw 3.67 million net adds combined, which beat 2022's mark of 3.19 million. **T-Mobile** ended the year with 2.13 million adds with Verizon posting 1.54 million.



How I got **HERE**

LISA
Fischer
EVP, AD SALES
UP ENTERTAINMENT



Fischer has seen quite a lot during her sales journey of 25+ years, but she wasn't always in the cable/TV realm. It was an industry undergoing a period of transformation and thus was a risk to leap into during the early years of Fischer's career. But that's Fischer's forte—taking the chance and rising to the challenge.

"As I started my career as a young agency executive at Young and Rubicam, the television world was going through its own transition with the likes of Ted Turner, John Malone and John Hendricks, all having a dream of bringing more content to consumers—beyond the big three networks," she says. "When I took that leap to cable, many stated that I would be out of a job. Yet without my leap, I would have never learned from great executives like USA's Kay Koplovitz, Discovery's Joe Abruzzese, Oprah Winfrey and now Charles 'Charley' Humbar. This was a time of growth and excitement. With so much choice in programming through cable, it was a great [time] to be in sales and in Television."

Fischer spent 10 years as an Account Executive at USA Network before making the move to Discovery Communications. She'd spend 12 years there and ultimately rise to SVP, Sales in 2005, a position that'd have her lead sales on multiple networks including Animal Planet, Discovery Health and Investigation Discovery. Fischer then switched to ION Media Networks to become SVP, National Advertising Sales, before landing at a place she's called home for over a decade now in UP Entertainment.

While a mainstay at UP and an ad sales veteran, Fischer knows the TV industry has gone through many twists and turns since jumping in. She isn't immune to the challenges that have arisen in the past few years such as audience fragmentation. How does she get past it? By relying on the uplifting brand UP has built across its portfolio. "This proliferation of choice, consolidation of distributors and content creation, cord cutting, streaming, FAST, advanced targeting, programmatic, retail sponsorship, social, digital, etc. all have put my head on a swivel," Fischer says. "To rise above all this, staying true to the brand and serving that specific customer is more important to marketers than ever ... As an Independent player in the content space, our UP brand continues to provide cable viewers and in turn advertisers, with a brand safe environment."

FCC EXPLORING NEW WAYS TO MAKE SPECTRUM AVAILABLE

Sunday will be the one-year anniversary of the FCC's spectrum auction authority expiring, and after waiting for nearly 365 days for Congress to take action, the agency is looking at steps it can take on its own to make spectrum available. The

Commission opened a docket to explore whether it could use existing tools and statutory authority to give the public access to its inventory of currently unassigned spectrum in bands previously licensed for wireless services through auctions. "I remain hopeful that the FCC's auction authority will be restored quickly so that this important program is once again able to produce results for consumers and the economy," FCC Chair *Jessica Rosenworcel* said in a statement.

CALIX STRIKES DEAL TO HELP PROVIDERS WITH BEAD FUNDING

Calix is gearing up for BEAD, striking an exclusive partnership with funding solution provider **Ready.net**. Calix will be able to use Ready.net's tools as part of its existing Funding Consult Program, giving its 1,600 customers access to a streamlined portal to apply for and win grants, secure capital and ensure compliance with public funding requirements. Calix will be the exclusive broadband platform and managed services provider featured on the Ready.net platform.

ANOTHER NETFLIX LIVE SPORTS EVENT COMING THIS SUMMER

Netflix continues to stake its place in live sports. The streamer unveiled an exclusive boxing event headlined by *Jake Paul vs Mike Tyson* that'll take place July 20 at AT&T Stadium in Arlington, Texas. More information like undercards and the co-main event will be revealed at a later date. Netflix has slowly etched its way into the sports ring, helped by popular series like "Formula 1: Drive to Survive," golf's "Full Swing" and "NASCAR: Full Speed." The streamer had its first live sports event with "The Netflix Cup" and capitalized with a deal to be the [new home](#) of WWE's "Raw" starting in 2025.

SPORTS BETTING, INTERACTIVE FEATURES COMING TO XFINITY X1

More companies are finding ways to add sports betting functionalities to their products, and **Comcast** is doing just that for Xfinity X1. It's teaming up with **DraftKings** to make "Xfinity Odds Zone," which will let customers view live odds on their TV during major live sports games and events. It'll make its debut Tuesday ahead of the **PGA Tour's** The Players Championship and expand to other events like March Madness as well as the **NBA** and **NHL** Playoffs. Odds Zone will be homed within the Sports Zone app. Comcast will also introduce a new interactive sports experience for The Players Championship on X1 on Tuesday. The Players app will aggregate all live coverage from **NBC**, **Golf Channel**, **Peacock**, PGA Tour Live on **ESPN+** and the Tour's FAST channel. Viewers will get features like an interactive course tour, highlights, dynamic scorecard and a live leaderboard coincided with tee times.

PROGRAMMER'S PAGE

'Hunting Housewives' Shows Power of Inner Strength

Everybody deserves a little time away from it all with their best friends, but **Lifetime's** latest original film is centered on a girls' trip gone awry. "Hunting Housewives" (premieres Saturday at 8pm ET) sees characters played by *Denise Richards*, *Melyssa Ford*, *Kym Johnson Herjavec* and *NeNe Leakes* prepare for a needed spa weekend away from their families. It all takes a turn when their plane crashes, and they have to survive with whatever is in their bags. Even worse, they realize they're being watched through cameras and their entire predicament may have been a setup after all. In a panel, Richards and Ford promised that the film has plenty of dark humor, and Ford went even further to say this film helped her find her love of physical comedy. "I dare any couple to say that they have not thought to themselves, 'God, I want to kill him right now,'" Ford said. "This movie is hilarious where we take that thought a little to the extreme, but it ends up becoming somewhat comical." The script is a bit of a departure from Richards' previous work in reality TV and even her other projects with Lifetime, but she's excited for viewers to see how these characters bond together to conquer the seemingly impossible in some of the worst circumstances imaginable. "I think that people will like seeing that these women are stronger than they thought they were emotionally and physically, and that's one of the things that I loved about seeing this group of women," Richards said. "They were put completely in an environment that was so different from anything they've ever done, and being able to survive and being stronger physically and emotionally than they thought they could." – *Sara Winegardner*

REVIEWS

"Shogun," 10 pm, Tuesdays, **FX**, streaming on **Hulu**. It's not easy making it through the initial two eps of this second TV adaptation of *James Clavell's* historical fiction. Not only does the book cover a different time – feudal Japan's finale – it was published when people tackled 1299-page books, not quite three times "The Mueller Report" and far more than the January 6 Committee's slim 814-page output. The best-selling novel requires 22 hours of reading time. FX's series requires half that investment, including commercials. Is the story of an English navigator (John Blackthorne, a sten-torian Cosmo Jarvis) whose Dutch merchant vessel runs off course and beaches in Osaka in 1600 worth the trouble? All in all, it is. Indeed, Blackthorne's story is far less central in this version compared with the novel and hit 1980 TV series. Instead, the Japanese characters, particularly Lord Toranaga (the excellent *HiroYuki Sanada*) and Toda Mariko (*Anna Sawai*), an intelligent, beautiful noblewoman and one of the few who understands English, are in the foreground. This change doesn't alter the story much but provides an excellent look at Japanese history and culture. Moreover, it apparently is one of the reasons producers insisted the Japanese costumes, which are gorgeous, were historically accurate. Now, back to the opening eps, they're loaded, with dialogue and detail. This is serious, lean-in television. – *Seth Arenstein*

BASIC CABLE		
P2+ PRIME RANKINGS*		
(02/26/24-03/03/24)		
MON-SUN	MC	MC
	US	US AA
	AA%	(000)
FNC	0.654	2061
MSNBC	0.389	1225
ESPN	0.344	1085
HGTV	0.238	751
HIST	0.223	702
TBSC	0.192	604
INSP	0.189	597
HALL	0.183	577
CNN	0.180	568
FOOD	0.177	557
USA	0.174	549
DISC	0.172	544
TLC	0.153	484
TNT	0.146	460
ID	0.135	424
TVLAND	0.126	397
BRAVO	0.124	390
GSN	0.122	383
REELZ	0.104	329
A&E	0.104	328
HMM	0.102	322
OXY	0.102	322
FX	0.098	310
AMC	0.095	300
LIFE	0.093	293
BET	0.089	281
WETV	0.086	272
NWSMX	0.083	260
SYFY	0.082	258
NATGEO	0.080	253
ADSM	0.079	251
ESPN2	0.078	247
NAN	0.077	242
COM	0.076	240
TRAVEL	0.076	240

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



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