

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## Play Ball: Diamond Sports Optimistic to Build Off Charter Deal

A new dawn is breaking for **Diamond Sports**, which announced it has reached a multi-year renewal of its distribution deal with **Charter** for its portfolio of RSNs.

The deal will place Diamond's RSN channels on Charter's Spectrum TV Select Plus package. Those subscribers will also be able to authenticate their subscription credentials on the **Bally Sports** app to watch RSN content. Customers who do not have access to the RSN channels as part of their service will be able to purchase Diamond's DTC product from Charter to access the local content for which Diamond retains streaming rights.

Diamond CEO *David Preschlack* called the deal a key milestone for the company as it looks to move out of Chapter 11 bankruptcy and toward a profitable future. "We believe this agreement can serve as a model in the ongoing time-sensitive negotiations with our other distribution partners to reach carriage agreements that work for all parties," he said in a statement.

The deal is a major step forward for Diamond, to be sure, but it still has some major hurdles to overcome in order to set itself up for the best chance of success when it emerges from Chapter 11. Last week, Diamond submitted a fourth motion for entry of an order that would extend the company's exclusive period for the filing of a Chapter 11 plan. It asked the **Southern Texas Bankruptcy Court** to give it until Sept. 16 to file the plan, and until Nov. 14 to solicit acceptances of that plan. The requested

extension would be to the statutory maximum allowed under the U.S. Bankruptcy Code. It doesn't necessarily think it will need all of that time, but it believes this action makes more sense than continually asking for short-term extensions.

As for why Diamond requires the extension, it argued that it has a lot on its plate right now. Among other things, Diamond is also working on separating its business operations from **Sinclair**, working out new rights agreements with league and team partners and negotiating renewed carriage agreements with a number of its largest distribution partners. With the Charter deal officially done, Diamond can focus its attention on its negotiations with the likes of **Cox**, **Comcast** and **DirectTV**.

That last one may be tough as Diamond and DirectTV have gone to battle in the courtroom a number of times over the last year. DirectTV [previously sided against](#) Diamond having more time to pull together a bankruptcy plan, citing concerns about a lack of progress in the seven months after the company initially filed for Chapter 11.

But things are different now, according to Diamond. Since the beginning of the year, the company was able to secure a \$115 million investment and commercial agreement from **Amazon**, settled its litigation with Sinclair and managed to settle **MLB's** motion to compel the assumption or rejection of telecast rights agreements with a number of the league's teams.

Diamond's next day in court is April 17, and it hopes to gain approval there for parts of its restructuring support agreement, including a disclosure statement.

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## WHAT'S NEXT FOR PARAMOUNT?

Wednesday saw a [significant step](#) in the M&A talks that have been circulating around **Paramount** for quite some time. Now that Paramount and *David Ellison's Skydance Media* are in a 30-day exclusivity period, the discussion has shifted to what other options Paramount had on the table. In came **Apollo Global Management**, which offered \$26 billion in cash over the weekend. However, Paramount's board was skeptical of the sources of funding, so it moved forward with Skydance. "Given that Paramount board (which represents the controlling shareholders interest) has chosen Skydance, Apollo's offer serves as the floor but not necessarily for Class B shareholders. Apollo just did a huge favor for the board again after their \$11B offer setting the floor price, at least publicly, for the studios," **Bernstein** wrote in a note Thursday. "But we will know in due course whether the decision to prioritize Skydance option first is a stroke of genius, creating value for the company and its various stakeholders, or a case study by business schools on imperfect corporate governance structures." **MoffettNathanson** is curious about the financial structure of Skydance's deal. The firm notes an uncertainty around how non-voting Paramount shareholders would receive value from a merger, and also the fact a second deal that'd allow for the combination of Skydance and Paramount's studio is still being ironed out and requires approval from an independent committee of directors. Additionally, that 30-day window could be coming at an interesting time as MoffettNathanson thinks it coincides with when it expects Paramount's carriage deal to come up with **Charter**. "The new **Disney/Charter** template could have a meaningful impact on the company should Charter choose to either drop Paramount's long tail cable networks and/or force Paramount+ to be bundled at a heavily discounted wholesale price to Charter subscribers," the firm said in a note. Paramount stock was down 8.51% at market close Thursday.

## FCC TITLE II ORDER ATTEMPTS COMPROMISE WITH SMALL ISPs

The **FCC's** order that would classify broadband as a Title II service measures in at a mighty 435 pages long (if you include the fact sheet released with it). Lawyers and providers immediately set to combing through its contents when it was released Thursday afternoon. Notable upon first look is a section dedicated to steps the agency says it has taken to minimize the economic impact on small entities that may be impacted by the change in regulatory framework. The FCC has adopted a temporary (with the potential to become permanent) exemption for providers with 100,000 or fewer subscribers from compliance with certain reporting requirements regarding performance characteristics.

Those same providers will also have a temporary exemption from direct notification requirements given they are less likely to already have in place the tools needed to allow customers to track usage or provide automated direct notifications. The order includes a flat ban on paid prioritization, a move it says should lower compliance costs for small edge providers.

## PELTZ VS DISNEY DONE... FOR NOW

At last, the **Disney** proxy battle [came to a close](#) Wednesday, but that doesn't mean *Nelson Peltz* is going away for good. "We've got a new set of promises, and I hope they keep them and if they if they do, I'll be a guest on the other show probably talking about a different company," Peltz said during a Thursday interview with *Jim Cramer* on **CNBC's** "Squawk on the Street." "But if they don't, you'll see me again, Jim." Peltz added that his issue mainly pertained to Disney's board and the eventual succession plans for current CEO *Bob Iger*. He alluded to Iger's previous (and temporary) successor *Bob Chapek* and how that plan didn't unfold as Disney hoped, but succession is one of Iger and Disney's priorities as it puts this iteration of a proxy battle to rest. In another Thursday interview on Squawk on the Street, Iger said succession is the board's top priority, noting how Disney Chairman *Mark Parker* and **Morgan Stanley** Chairman/CEO *James Gorman*, who joined Disney's board in November, met seven times over the course of 2023 and "intend to meet even more this year." "Clearly shareholders care about [the succession plan], given what the company has been through these last few years," Iger said. "As you'd expect, they care about what ends up being our top priorities strategically. They want to know about the future of **ESPN**. They want to know about streaming and how that can be profitable. They care about the quality of our films, and they're very interested in growing our parks and resorts business." As for if the battle against Peltz created any sense of urgency, Iger put it bluntly. "If anything, it was distracting," he said.

## AT&T STEPPING UP DIGITAL DIVIDE EFFORTS WITH \$3 BILLION

**AT&T** is pledging an additional \$3 billion by 2030 for its efforts to close the digital divide. That brings the company's total commitment to \$5 billion since 2021, with the hopes of extending affordable internet to 25 million people throughout the process. AT&T says the \$3 billion addition will address affordability and adoption, which it says are the main barriers to connectivity. The company is also addressing the digital divide in other ways, such as committing over \$123 million in charitable contributions to non-profits, helping 360,000 students through its free digital learning platform and donating 245,000 laptops, devices or internet connections.

## NTIA DIGITAL EQUITY APPROVALS

NTIA has plenty on its plate, but it is doing everything it can to approve state plans related to the BEAD and Digital Equity Act programs as quickly as possible. As of 4pm ET Thursday, NTIA had approved 14 digital equity plans in the last three days alone. The agency has approved the plans of more than 35 states at this point, all aimed at addressing disparities in digital access, skills, affordability and more within their respective borders. The **National Digital Inclusion Alliance** also released a State Digital Equity Implementation Manual Thursday offering best practices for establishing and implementing digital inclusion strategies.

## RATINGS

Wednesday's Yankees vs Diamondbacks game accumulated 104,558 unique streams on the **YES** app, making it the second-highest viewership the app has had for a daytime Yankees game ever. That's also good for the most unique streams ever on the app for a non-Opening Day daytime Yankees game, the second-most unique streams for a non-Opening Day game and the most concurrent viewers for a game.

## FIBER FRENZY

Construction has started for **WOW!** and its greenfield markets in Hernando County, Florida, and Livingston County, Michigan. WOW! plans to add 44,000 homes in Florida and 80,000 homes in Michigan as part of its greenfield plans. Once building wraps up, residents will get WOW!'s fiber offerings as well as its mobile option, business solutions and bundling options with **YouTube TV**. – **TDS** also began construction in the Coeur d'Alene, Idaho, area, starting with the town of Post Falls. Initial work will add more than 700 addresses, with plans for further expansions in Post Falls set for the future.

## PEOPLE

**Starz** is making an addition to its distribution leadership team, signing on **Brandt Haynes** as SVP, Distribution. Hayes, whose previous stops include **HBO** and **WarnerMedia**, will oversee digital partner management in addition to partner marketing and strategic planning. He'll report to EVP/Chief Distribution Officer **Sofia Chang**, who also named **Todd Hoy** SVP, Distribution. Hoy will manage business development, distribution deal strategy and traditional partner relations. Additionally, Starz is upping **Melissa Stankowski** to SVP, Brand & Creative and **Whitney Abeel** to SVP, Originals & Digital Marketing. Stankowski will guide the leading brand marketing and creative services teams, of which include production, design and video teams. Abeel will oversee Starz's original series marketing.

## EDITOR'S NOTE

**Cablefax Daily** will not publish on Friday, April 5. The next issue will hit your inbox on Monday, April 8.



## This Week in History

It's a time to honor AVODs with two major players celebrating 10-year anniversaries this week. Pluto TV launched on March 31, 2014, and was acquired by Viacom in 2019. This year, it not only boosted viewership, but also revamped its entire look ahead of the debut of its first Super Bowl commercial.

Pluto TV invited press and others to get in on the 10-year celebration with a mailer that included a personal-sized birthday cake and plenty of confetti.



Beyond that, it held a rally in L.A. on Monday to spark conversation around Pluto's planetary status. Guests included planetary scientist and commercial astronaut Alan Stern, and Neil deGrasse Tyson sent in a video message to contribute his take on Pluto's classification as a dwarf planet.

It has also launched a [petition](#) to have astronomers reconsider Pluto's status, saying the vote in 2006 that led to its demotion was unfair. "We are both accustomed to breaking the mold and defying expectations, helping people across the solar system redefine what a planet or a streaming service can look like. In honor of Pluto TV's 10th anniversary, we are asking that the conversation to reinstate Pluto as a planet be revived and a new vote take place with a quorum present," the petition said. As of 1pm ET, The petition had 528 signatures.

One day after Pluto TV's arrival, Tubi hit the scene. The service's popularity has skyrocketed since it was acquired by Fox in 2020. In September, it surpassed 74 million monthly active users and touted a content library with more than 200,000 movies and television episodes.

Tubi rang in its 10-year anniversary in quieter fashion than its competitor, using its social channels to instead place a spotlight on "Dead Hot," one of its original series that launched on March 27. The show is set in Liverpool and tells the story of best friends bonded through grief that will do anything to find out the truth about what happened. It's also preparing for the debut of Tubi original comedy "Big Mood," a comedy focused on female friendships and how they're impacted by mental health diagnoses, on April 19.

# PROGRAMMER'S PAGE

## Disney's 'SuperKitties' Ready to Pounce Again

Parents of preschoolers, rejoice! A new season of animated hit "SuperKitties" hits **Disney Junior** and **Disney Channel** tomorrow, with debuts on **Disney+** this summer. The four superhero kittens burst onto the scene last year and finished 2023 as the #1 new preschool series while helping to make their town of Kittydale more caring and "pawesome." "You have these adorable kitties that are superheroes and their greatest power, besides the fantastic gadgets and awesome super skills, is that they use kindness and empathy to thwart our sort of hilarious and deeply misguided villains' plans," Executive Producer *Sarah Mullerv* told **CFX**. You can't have a superhero without a villain, and SuperKitties has a delightfully naughty roster—from Mr. Puppypaws, a Papillon dog with a Danish accent who rides around in a motorized pet stroller (voiced by *James Monroe Iglehart*), to Lab Rat, a rat scientist whose high-tech inventions often relate to her goal of capturing more cheese (voiced by *Ruth Pferdehirt*). While the superhero universe's villainhood can often be evil for the sake of evil, SuperKitties' nemeses are a bit more relatable. Their misdeeds revolve around being left out, not wanting to share and, of course, craving more cheese. "Their plans are ridiculous. Their schemes are big. Their motives are very relatable, but wacky. But through the SuperKitties, we see that they're actually just like us. They're just misguided," explained Mullery. New for Season 2 are "super charged" super suits—the outfits that kitties Ginny, Sparks, Buddy, and Bitsy don that transform them from cute, little kittens playing with a ball of yarn to bipeds ready to save the day. "That's the theme of Season 2—supercharged. So, expect the action to go a little bit bigger, a little bit more exciting as they show off these new powers," said Mullery. S2 also adds *Anika Noni Rose*, who voiced Tiana in "The Princess and the Frog," and Emmy Award winner *Pamela Adlon*, the voice of Bobby in "King of the Hill," in guest star roles. – *Amy Maclean*

### REVIEWS

"The Royal Hotel," **Hulu**, **Apple TV+**, **Prime**. There are few actors who merit the tag "I'll watch just about anything as long as she/he/they is/are in it." *Julia Garner* is one of those actors. We noticed her first in a small but riveting role as a vulnerable teenager in **FX**'s "The Americans" (seasons 3-6). Her next major character, Ruth Langmore, in **Netflix**'s hit drama "Ozark," also was vulnerable, though it was hidden under layers of hard-scrabble strength. Appropriately, Garner carried home three Emmys for her work. Speaking of carrying, Garner proved she could put an entire production on her back in "Inventing Anna," portraying elite con artist *Anna Delvey* in **Netflix**'s miniseries "Inventing Anna" (2022). Unless you're a Garner-obsessive, be warned about "The Royal Hotel," which features the 30-year-old as a backpacker who gets a bartending gig in the Australian outback. She's a convincing suds-server and holds her own with an unruly clientele. Still, despite Garner and the always strong *Hugo Weaving* as the pub's proprietor, Hotel fails to make us care about their characters. Moreover, lacking much dramatic tension, the film is relatively slow and runs low on the thrill quotient. – In her day, *Lindsay Lohan* was like Garner, shooting fast toward stardom. No longer on that trajectory, Lohan's stardom remains apparent in "Irish Wish," a new **Netflix** film. – *Seth Arenstein*

BASIC CABLE		
P2+ PRIME RANKINGS*		
(03/25/24-03/31/24)		
MON-SUN	MC	MC
	US	US AA
	AA%	(000)
<b>TBS</b>	<b>0.628</b>	<b>1979</b>
<b>FNC</b>	<b>0.622</b>	<b>1961</b>
<b>ESPN</b>	<b>0.523</b>	<b>1648</b>
<b>MSNBC</b>	<b>0.387</b>	<b>1220</b>
<b>HGTV</b>	<b>0.228</b>	<b>719</b>
<b>HIST</b>	<b>0.203</b>	<b>639</b>
<b>HALL</b>	<b>0.202</b>	<b>638</b>
<b>INSP</b>	<b>0.170</b>	<b>535</b>
<b>CNN</b>	<b>0.168</b>	<b>530</b>
<b>FOOD</b>	<b>0.168</b>	<b>529</b>
<b>USA</b>	<b>0.161</b>	<b>507</b>
<b>TLC</b>	<b>0.154</b>	<b>484</b>
<b>TVLAND</b>	<b>0.138</b>	<b>436</b>
<b>ID</b>	<b>0.130</b>	<b>409</b>
<b>DISC</b>	<b>0.125</b>	<b>393</b>
<b>GSN</b>	<b>0.120</b>	<b>378</b>
<b>TRUTV</b>	<b>0.116</b>	<b>367</b>
<b>TNT</b>	<b>0.115</b>	<b>363</b>
<b>BRAVO</b>	<b>0.097</b>	<b>305</b>
<b>OXY</b>	<b>0.095</b>	<b>299</b>
<b>PRMNT</b>	<b>0.094</b>	<b>296</b>
<b>A&amp;E</b>	<b>0.092</b>	<b>291</b>
<b>ESPN2</b>	<b>0.090</b>	<b>285</b>
<b>WETV</b>	<b>0.086</b>	<b>270</b>
<b>AMC</b>	<b>0.079</b>	<b>249</b>
<b>NWSMX</b>	<b>0.077</b>	<b>244</b>
<b>HMM</b>	<b>0.077</b>	<b>243</b>
<b>NATGEO</b>	<b>0.074</b>	<b>232</b>
<b>SYFY</b>	<b>0.073</b>	<b>229</b>
<b>REELZ</b>	<b>0.072</b>	<b>227</b>
<b>ADSM</b>	<b>0.071</b>	<b>224</b>
<b>LIFE</b>	<b>0.069</b>	<b>219</b>
<b>NAN</b>	<b>0.067</b>	<b>211</b>
<b>NBA</b>	<b>0.066</b>	<b>209</b>
<b>APL</b>	<b>0.066</b>	<b>208</b>

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

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