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WHAT THE INDUSTRY READS FIRST

Carriage Showdown: Fubo Loses WBD Nets, Charter-Paramount Talking

Warner Bros. Discovery linear networks are off of **Fubo**'s programming lineup as of 5pm ET Tuesday after the pair were unable to strike a new carriage deal.

Networks off of Fubo's lineup include **Discovery**, **HGTV**, **Food Network**, **TLC**, **TNT**, **TBS** and **truTV**. The pair's relationship has been fraught since the announcement of WBD's sports streaming jv with Fox and Disney, and Fubo has taken the three programmers to court over the competitive ramifications of such a package.

Fubo alleges that during carriage negotiations, WBD refused to engage in good faith negotiations and denied an offer that would have allowed the vMVPD's customers the choice of subscribing to Turner content through a separate skinny sports bundle without Discovery content. It also alleges WBD offered no counteroffer to Fubo's proposals, only continuing to push above-market rates for its content.

With April ending, there are other deals in the hopper. **Diamond Sports**' contract with **Comcast** is set to expire today and **Charter** and **Paramount Global**'s contract is also up. Charter and Paramount have been actively engaged in negotiations, and while a deal might not get done by today's deadline, the two agreed to extend carriage talks to avoid a blackout. Diamond and **DirecTV** are near an agreement in principle, which may bode well for Comcast talks.

Charter has made it clear what type of deal it wants to pursue with programmers through its **Disney** negotiation that included DTC streams of **ESPN+** and **Disney+ Basic** for various Spectrum video customers. It expects a similar arrangement for Paramount+. For its part, Comcast has made it clear it wants to move RSNs to less widely distributed tiers, recently striking such deals with **MASN** and **SportsNet Pittsburgh**.

Over the years, Paramount Global has already done deals to package cable networks in skinny bundles, including with Charter. And some providers, including DirecTV, have it so customers subscribing to **Showtime** receive access to the Paramount+ with Showtime streaming service (ad-free tier) at no additional charge.

Meanwhile, shares of Paramount closed down 7% a day after it replaced CEO *Bob Bakish* with a trio of execs, whose longevity is unclear as it is engaged in acquisition talks with **Skydance**. "It has been such a disruptive and stressful process, and to fire the CEO in the midst of it…that's just unprecedented," *John W. Rogers, Jr.*, chairman and co-CEO of **Ariel Investments** told *Barron's*. Ariel is among Paramount's 10 largest shareholders "It's especially disheartening because he and his team had been so committed to doing what was right for all shareholders." Rogers added that he's sticking with Paramount stock, though he favors a **Sony-Apollo** deal.

Bernstein Research said that if Sony and Apollo make a viable offer, the board has the fiduciary duty to evaluate the offer. "It would be especially problematic if the duo makes an offer before the board formally accepts SkyDance's offer. Time

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is running out for the duo, but the game is not over yet," the firm said. **MoffettNathanson** said one of the biggest questions at this point is whether Paramount will hold a "majority of the minority" vote on the Skydance deal, writing that such a vote would "help bring some relief to common shareholders worried they might be getting the short end of the stick in any proposed deal."

MORE JOIN FIGHT AGAINST FCC DIGITAL DISCRIMINATION RULES

The court battle against the **FCC**'s digital discrimination rules is heating up the Eighth Circuit as more submit their objections to the agency's approach to the statute. The Commission was directed by the Infrastructure Investment and Jobs Act in Section 60506 to adopt rules to prevent digital discrimination of broadband access based on income level, race, ethnicity, color, religion or national origin, and so it did. But **TechFreedom** filed a brief of amicus curiae in support of the industry petitioners Tuesday, and it believes that the FCC's approach to completing the directive will absolutely trigger the major questions rule. It cited figures that telecom firms have invested more than $2 trillion in broadband infrastructure since 1996, and it posited that even a small dent in that investment that comes as a result of new government regulation would trigger the major questions rule. Beyond that, there's also the question of whether the FCC is using the order to regulate rates, another topic of economic significance, or to mandate buildouts to areas that currently lack high-speed broadband that meets the agency's standards. "To the FCC, a rate is regulated, or a buildout mandated, only if the FCC acts on its own initiative, ex ante. Yet under its reading of Section 60506, the FCC will do the exact same thing—tell providers what rates to charge and where to build—whenever someone complains about almost any statistical disparity, between two areas, in rates, coverage, service, etc.," TechFreedom said. "Indeed, the FCC plainly wants to mandate buildouts: the logic of its order pushes it toward that result." **The International Center for Law & Economics** and the **Information Technology & Innovation Foundation** jointly filed an amicus brief with the court Monday also fighting back against the FCC approach. They said aspects like consumer income level, race, ethnicity and more can at times be incidentally associated with other non-protected factors that are important for broadband providers as they consider investment decisions. The two groups are particularly concerned about population density, widely used as a determinant of expected profitability for providers as they consider expansion. They put forth an example of a provider deploying to a high-density area purely for business reasons, but it also happens to include households with higher incomes. It would not be a stretch for someone to take that data, draw a conclusion that the ISP was deploying less to low-income areas and then use the numbers to support an FCC complaint.

SATELLITE PROVIDERS CRY FOUL ON 12 GHZ SPECTRUM SHARING

Ahead of tomorrow's **Senate Commerce** markup of Chair *Maria Cantwell*'s (D-WA) spectrum bill, a group of leading satellite providers is sounding the alarm that shared use of the 12 GHz band would cause "massive interference" to satellite delivered services. The group—which consists of **DirecTV**, **SpaceX**, **Eutelsat Group**, **Intelsat** and **Ovzon**—doesn't like the bill's directive for the **FCC** to auction by 2027 frequencies from 12.7 GHz to 13.25 GHz. The upper 12 GHz band is used for satellite services for the Department of Defense as well as residential and business customers, while the lower band is also used by satellite, particularly for the millions of satellite TV customers. "Allowing mobile and other terrestrial services at these frequencies through an auction would interfere with millions of current users in the lower 12 GHz band, would disrupt current and future use of the upper 12 GHz band, and has serious national security and commercial implications," the group said. "The record is clear that new mobile services cannot be added without harming consumers and satellite operators, as the FCC also concluded in the lower 12 GHz band proceeding in 2023." **DISH** was not part of this letter as it has pushed for use of the 12 GHz band for fixed wireless.

REPORT: NBCU PREPS MULTI-BILLION-DOLLAR NBA RIGHTS BID

With murmurs that the **NBA** has agreed to the framework of media deals with **ESPN** and **Prime Video**, the clock is ticking for folks like **TNT Sports** and **NBCUniversal** to get a piece of the pie. *WSJ* reports that NBCU is set to bid an average of around $2.5 billion per year to obtain a package of NBA games, according to people familiar with the situation. **TNT Sports**' parent company **Warner Bros. Discovery** is still trying to keep hold of those rights even after its exclusive negotiating period with the league expired last week. TNT Sports pays an average of $1.2 billion under its current deal with the NBA. The reported agreement between the NBA and ESPN would see the network pay around $2.6 billion per year—up from the $1.5 billion range it currently pays. TV partners will get fewer games in the league's next round of media deals as it looked to create a package for Prime Video.

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ROKU MAKING IMPROVEMENTS FOR ADVERTISERS

Roku inked a pair of partnerships to hone in on its advertising and measurement capabilities. It's working with **The Trade Desk** to enhance the planning, buying and measurement of TV streaming media. Roku will enable advertisers using The Trade Desk to utilize Roku Media and audience and behavioral data, which would allow customers to optimize their campaigns for TV streaming viewers. Roku's automatic content recognition data can also be used by advertisers to suppress incremental households that have seen their linear TV ads. The other deal Roku made was with the cross-platform measurement company **iSpot.tv**, which is now Roku's preferred third-party measurement partner. The two companies will share measurement capabilities and offer direct and programmatic advertisers with metrics that showcase unique reach, frequency, verified ad exposures and outcomes delivered across advertisements running on the Roku platform. Additionally, iSpot will implement Roku's advertising watermark to validate the authenticity of video ad inventory. iSpot will also get access to Roku's authenticated audience information.

T-MOBILE ADJUSTS AD SOLUTIONS

T-Mobile is re-tooling its Advertising Solutions sector. expanding to now include an in-store retail media network, mobile inventory via the T Life app in addition to a new partnership with **Plex**. The company's in-store retail media network will enable brands to target over 20,000 screens in its stores across the U.S. T-Mobile is also letting brands advertise through its loyalty program on the T Life app and is allowing advertisers use T-Ads insights and audience data to bring relevant ads to customers on Plex.

CARRIAGE

DirecTV continues to add more local **CW** stations for its streaming customers. The most recent additions are **TEGNA**'s CW affils in Des Moines, Memphis and Spokane, WA; **Sinclair**'s affiliate in Harrisburg, PA, **Gray Media**'s CW stations in Knoxville, TN; Lexington, KY; and Richmond, VA and **Block Communications**' Louisville affiliate.

APRIL RATINGS

The **NBA** and **NHL** Playoffs are well underway, and they helped **ESPN** climb to the top of the primetime rankings among cable nets for the month of April. The sports giant had 2.12 million viewers P2+ in prime, with **Fox News** hovering close behind with 1.98 million and TNT not far behind with 1.64 million. **MSNBC** stayed close with 1.25 million, and **TBS** broke the prime top five with 948,000. Fox News kept its spot at the top of the total-day leaderboard with 1.27 million. MSNBC followed with 864,000 and ESPN with 784,000. TNT and **CNN** came in fourth and fifth with 523,000 and 505,000, respectively. – In a battle of business networks, **Fox Business** led **CNBC** in total day viewers for April. Fox Business came in with 126,000 total viewers compared to CNBC's 123,000, but CNBC did win in the total day A25-54 category with 28,000 viewers vs Fox Business' 13,000. Fox Business led business day hours (9:30am-5pm) with 196,000 total viewers (11,000 A25-54). CNBC had 184,000 total viewers (38,000 A25-54) in the same timeframe. CNBC took the market hours timeslot (9am-4pm) with 185,000 total viewers, which edged Fox Business' mark of 184,000. – **Spectrum News** was the most-watched news network among Spectrum households during April with an average of 1.8 million daily viewing households across linear and digital platforms. It recorded month-over-month viewership growth in multiple markets, according to Nielsen, including Cleveland (+13%), Dallas (+14%) and NYC (+10%).

AT THE COMMISSION

The **FCC** and **FTC** signed an MOU Tuesday centered on the coordination of consumer protection efforts in the aftermath of the reclassification of broadband as a telecommunications service under Title II. The pair will work together to enforce the rules laid out as part of a Title II framework, but the FTC will continue to have jurisdiction over non-common carrier activities carried out by common carriers.

C-SPAN TAKES THE STAND AT TRUMP TRIAL

There might not be video cameras in the courtroom for *Donald Trump*'s criminal trial in Manhattan, but **C-SPAN** was still there Tuesday. Well, at least C-SPAN Executive Director of Archives *Robert Browning* was there. He was a custodial witness that prosecutors used to introduce video clips of a Trump campaign rally in October 2016 at which the candidate attacked two women who had accused him of sexual assault. "We just had the treat of listening to a trial witness explain in extremely plain language what C-SPAN is. Browning called it a 'public television network that telecasts events in their entirety,'" NY Times reporter Jonah Brom posted in one of his live updates from the courtroom. On Tuesday, the judge overseeing the cast held Trump in contempt for violating a gag order and warned he could be locked up if the violations continue.

PEOPLE

Former **Kaitz Foundation** Executive Director and longtime **NCTA** staffer *Michelle Ray* has launched **Michelle Ray Strategies**, a consulting firm that specializes in fundraising, strategic partnerships and planning, program development, marketing, and more. She's already working with **The WICT Network**, London-based **The Diverse Creative**, and the soon-to-be-launched **Gutbliss Network**.