

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## Hat Trick: Fubo Convinces Court to Block Venu Sports Launch

Fubo has successfully blocked the launch of **Venu Sports**—at least for now. A judge in the Southern New York District Court granted the vMVPD's motion for a preliminary injunction Friday.

“Because Fubo is likely to be successful in proving its claims that the JV will violate this country's antitrust laws, because Fubo and American consumers will face irreparable harm in the absence of an injunction, and because the equities and the public interest weigh in favor of preserving the status quo pending full and fair adjudication of all issues in this matter, the Motion is hereby granted,” the order from District Judge *Margaret Garnett* said.

Venu Sports was set to launch this fall for a price of \$42.99/month. The partners behind the JV—**Warner Bros. Discovery**, Disney and Fox—said in a joint statement that they disagree with the court's ruling and will be appealing it.

“We believe that Fubo's arguments are wrong on the facts and the law, and that Fubo has failed to prove it is legally entitled to a preliminary injunction. Venu Sports is a pro-competitive option that aims to enhance consumer choice by reaching a segment of viewers who currently are not served by existing subscription options.”

Fubo shares exploded by nearly 17 points following the announcement, and some of those that supported the

fight against the launch of the sports streaming juggernaut spoke up to join the celebration. **ACA Connects** reiterated its previous sentiments that Venu was anticompetitive and threatened the possibility of a fair playing field in the sports media landscape.

“For years, ACA Connects Members have tried to offer our customers the programming they want—but only the programming they want—at reasonable prices. But programmers force them instead to take bloated and expensive bundles of programming. It's unfair,” ACA Connects President/CEO *Grant Spellmeyer* said. “All we want is what **Disney, Fox** and **WB Discovery** want to do themselves—to be able to give our customers what they want. It's long past time that they let us do so. It's what fans deserve to watch the sports they love at affordable prices.”

Fubo acknowledged the huge victory, but also isn't ready to rest on its laurels. The company intends to move forward with its lawsuit against the three programmers for anticompetitive practices. Fubo has argued the media companies have for years conspired to inhibit the growth of the sports streamer, resulting in meaningful harm to the service and its subscribers. A court date for the antitrust lawsuit has not yet been announced.

“The proposed joint venture was only the latest example of anticompetitive practices that The Walt Disney Company, Fox Corp. and Warner Bros. Discovery have consistently engaged in for many years. We believe these practices

NAMIC

CONFERENCE.NAMIC.COM

38TH ANNUAL CONFERENCE

**DIVERSE VOICES!**  
DEFINING THE FUTURE...

OCTOBER 22-23, 2024  
NEW YORK

monopolize the market, stifle competition and cheat consumers from deserved choice,” Fubo co-founder/CEO *David Gandler* said in a statement.

\*\*\*\*\*

## DIRECTV OVERPAID NEXSTAR FOR WHAG, COURT HOLDS

The New York Supreme Court’s Appellate Division ruled **Nexstar** inappropriately collected more than \$10.5 million in retransmission consent fees from DirecTV. The case centers around a 2015 distribution agreement where **DirecTV** agreed to pay an “Unlaunched Station Fee” for Hagerstown, Maryland, station WHAG (now WDMV), which at the time was an **NBC** affiliate. The Unlaunched Station Fee was paid by DirecTV for not being required to immediately launch WHAG, and it would stop paying that fee if the station did launch and instead begin offering license fees based on actual sub numbers. WHAG lost its NBC affiliation in 2016, but DirecTV did not learn of that until 2018 and had paid Nexstar more than \$10.5 million in fees. When DirecTV asked Nexstar to return the fees paid during that time, the broadcaster argued there was no requirement that WHAG be a Big 4 station for the Unlaunched Station Fee to be paid. Last year, the NY Supreme Court found Nexstar to be at fault and Thursday’s ruling affirms that judgment. “Despite defendant’s unproven, self-serving contentions that it expected to renew its NBC affiliation agreement and that it worked until the last second to secure an extension from NBC, there was unrebutted testimony from two NBC employees who testified that NBC advised defendant that there would be no further extensions to WHAG’s NBC affiliation beyond its June 30, 2016 termination, and that NBC never suggested to defendant that it might reconsider this decision,” the judgment said. “Thus, defendant knew that the termination of the NBC affiliation was a fait accompli and intentionally concealed this information from plaintiff.” A DirecTV spokesperson celebrated the ruling, saying in a statement the judgment “confirms that Nexstar intentionally and fraudulently hid critical information and misled DirecTV into paying millions of dollars extra.”

\*\*\*\*\*

## WBD’S KATHLEEN FINCH ANNOUNCES RETIREMENT

**Warner Bros. Discovery** Chairman/CEO, U.S. Networks *Kathleen Finch* is preparing to bid the company adieu. She’ll retire at the end of 2024 after 25 years with the company. At that time, Warner Bros. Television Group Chairman and CEO *Channing Dungey* will begin leading the U.S. Networks business. Finch first joined **Scripps** in 1999 after 12 years as a journalist with **CBS News**. Her first assignment was the **Food Network**, which

she developed into a leading network. Following **Discovery’s** acquisition of Scripps, Finch became the merged company’s Chief Lifestyle Brands Officer leading not only Food Network, but also **HGTV, TLC, ID** and **Travel Channel**. Upon the acquisition of **WarnerMedia** that led to the creation of Warner Bros. Discovery, she also began overseeing **TNT, TBS, Adult Swim** and **Cartoon Network**. “The greatest joy, and the part I will miss the most, is the incredible people with whom I get to work every day. Starting with David and throughout the organization and of course all the amazing on-air talent, this is one of the smartest and most creative groups imaginable,” Finch said in a statement. “I am so proud of what the US Networks group has accomplished together, and I know under Channing’s leadership there are many successes to come.”

\*\*\*\*\*

## DNC TO TAKE OVER CHICAGO AND SOCIAL MEDIA

The next stop on the road to the presidential election is the Democratic National Convention, set to kick off in Chicago Monday. And while all the news nets will be running coverage throughout the week with special editions of studio shows, specials on their respective streaming services and more, the Democrats are also testing something a little different to engage with younger voters. The convention will be streamed in vertical video formats across TikTok, Instagram and YouTube for the first time. There will also be horizontal video feeds available on X, Twitch and Prime Video. The party is also continuing to try to win over influencers that could encourage their audiences to get out and vote in November with President *Joe Biden* hosting an inaugural Creator Economy Conference this week. The event, which featured plenty of selfies and jokes from Biden about how he’s looking for a job, touched on issues directly impacting influencers and other content creators that rely on social media for their income.

\*\*\*\*\*

## WILL PARAMOUNT GLOBAL RECEIVE BRONFMAN BID?

The clock is ticking on **Paramount Global’s** go-shop period, and the rumor mill suggests there may still be one suitor who is willing to put up a bid rivaling the one the programmer has already received from **Skydance**. *Edgar Bronfman Jr.* is reportedly still working on a bid to submit to Paramount’s special committee ahead of the August 21 deadline that would at the very least match Skydance’s offer. At that point, Paramount would evaluate both bids and any others received and move forward with the one it deems best. Notably, if Paramount chooses to ditch the Skydance deal, it will owe the company

a \$400 million breakup fee. “Assuming the Bronfman-led bid is submitted before Wednesday’s ‘go-shop’ deadline, we would not be surprised to see the Paramount special committee extend the go-shop by 15-days (a unilateral right given to Paramount in the merger agreement with Skydance). That said, even if Paramount’s Board ultimately chooses Bronfman over Skydance, it is all a moot point if NAI (meaning the Redstones) are not in favor of Bronfman’s bid,” **Lightshed Research** wrote in a note. “If NAI votes against the Bronfman transaction, the Skydance transaction would move forward. In turn, all that really matters is which suitor the Redstones want.”

families across the U.S. Sinclair donated \$25,000 to the campaign in addition to airing a 30-minute special and other PSAs on its TV stations, Tennis Channel and multicast networks. – **TDS** pledged \$3,000 to Lake Norman Humane during its Dog and Cat Days of Summer. The pet adoption day was sponsored by TDS and sought to assist families interested in adopting animals with their adoption fees. The donation will also be used to maximize Lake Norman Humane’s facilities.

**DOING GOOD**

**Sinclair** has spent the Summer promoting Feeding America and the Sinclair Cares: Summer Hunger Relief fundraising campaign, and through financial contributions and food donations, 1.2 million meals were given to children and

**PROGRAMMING**

**Sundance Now’s** original drama series “Fifteen-Love” will debut with its first two episodes Aug. 22, also streaming on AMC+. The remaining episodes will air weekly. – **HBO’s** limited series “The Penguin” will begin Sept. 19 at 9pm, available to stream on **Max**. All subsequent new episodes of the eight-episode season will be released on Sundays at 9pm.

**CABLEFAX DASHBOARD**

**Social Media Hits**


**Peter Kiley** @PDad

.@CSPAN’s Politics Team, led by @nathanhurst & @gretabrowner, are keeping caffeinated to bring you #unfiltered coverage of #Campaign2024 #BestInTheBusiness



**Shirley Bloomfield** @sbloomfield15

Wildly constructive mtg with @DavidsonNTIA and @NTIAgov team on BEAD. Seeing flexibility in low-cost options in the states & good discussion on paths to possible smaller project areas sizes in some states and why that matters for @NTCAconnect providers.



**Shad Powers** @shad\_powers

Has anyone ever been less fazed by an earthquake while on live TV? Amazing job @malika\_andrews

**Awful Announcing** @awfulannouncing · Aug 12

ESPN Los Angeles studio shaking from an earthquake during NBA Today and Malika Andrews handled it like a pro.



**Up Ahead**

- SEPTEMBER 24-26: SCTE TechExpo; Atlanta**
- OCTOBER 8: Regional Fiber Connect; Calgary, Alberta**
- OCTOBER 21-22: WICT Network Leadership Conference; NYC**
- OCTOBER 22-23: 38th Annual NAMIC Conference; NYC**
- OCTOBER 23: The Kaitz Dinner; NYC**