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WHAT THE INDUSTRY READS FIRST

Two Houses: WBD Splits Linear and Streaming in Corporate Switch-Up

In a sign of the times, Warner Bros. Discovery is separating its linear networks from its growing streaming business.

The programmer's board has OK'd the implementation of a revamped corporate structure under which WBD will serve as the parent company for two operating divisions. The first of those will be Global Linear Networks, which will focus on maximizing profitability and free cash flow across the linear TV properties to continue deleveraging the business. The other division will be Streaming & Studios, a unit that will focus on driving growth and strong returns on investments.

WBD is immediately starting work on the foundational steps of the shift but expects to complete the movement to the new structure by mid-2025. While the move isn't as aggressive as that of Comcast NBCU, which has decided to spin off many of its cable networks and non-streaming assets into a separate company, WBD made it clear that the new structure is meant to give the company greater optionality to pursue different value creation opportunities across both divisions as viewer habits continue to change.

"Our new corporate structure better aligns our organization and enhances our flexibility with potential future strategic opportunities across an evolving media landscape, help us build on our momentum and create opportunities as we evaluate all avenues to deliver significant shareholder value," WBD President/CEO David Zaslav said in a statement accompany-

ing the announcement.

The separation came on the same day Charter made the ad-supported tier of Max available for free to all Spectrum TV Select customers as part of the pair's recently revamped distribution agreement. WBD also made headlines earlier this week with the announcement of long-term deals with Comcast to bring WBD content to Xfinity and Sky UK and Ireland customers across linear, apps and streaming services.

In a note, MoffettNathanson said the reorganization of WBD's business isn't new or surprising, but the deals it has been able to secure with Comcast and Charter showcase the flexibility the programmer wants to have when it heads to the negotiation table in 2025 and beyond.

"These two deals greatly reduce the pressure to fill the NBA-sized hole in TNT's lineup. Stability in linear cash flows, or rather an avoidance of an acceleration of their decline, would provide WBD with time," MoffettNathanson said. "WBD still must prove whether these latest moves help secure its place in the streaming future, but the fundamentals of this business and this industry demand that the great game continues to be played."

Zaslav has been one of the most outspoken executives among the programmers of the need for change in traditional strategies to ensure the long-term survival of the video ecosystem. In May 2023, he notably called for rival streaming services to come together to repack and market their products together. That culminated this summer in the launch of a

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new bundle that included **Disney+**, **Hulu** and **Max** for \$16.99/month with ads or \$29.99/month without ads.

With Comcast and WBD both making moves to separate their linear businesses, the big question for industry watchers is who will be next? A logical company to watch would seem to be WBD's partner in that streaming bundle—Disney. It was only [last year](#) when Disney CEO *Bob Iger* said during an appearance on CNBC that the company's linear networks may not be core to the company. The C-suite has walked those comments back since with CFO *Hugh Johnston* saying during the company's 4Q24 earnings call last month that he ultimately found no value-creation opportunities tied to spin-offs at the company.

But could it adopt a structural change like WBD's make sense, particularly as Disney prepares for next year's launch of the ESPN flagship DTC service? We'll be keeping our Mickey ears open to see where Iger and Co. decide to go next.

DELAWARE DOLES OUT BEAD GRANTS TO COMCAST, VERIZON

Delaware became the second state behind Louisiana to announce grant funding awards from its BEAD allocation, awarding **Comcast** and **Verizon** \$17.4 million to provide service to eight grant areas across the state with more than 5,600 unserved and underserved homes and businesses. The state's broadband office received a total of 21 proposals from five ISPs for the grant areas. The awards will serve 3,367 unserved addresses in Sussex, 1,712 in Kent and 556 in New Castle. Gov. *John Carney* has made it a goal for Delaware to be the first state in the country to be fully connected to high-speed internet under BEAD. Delaware was awarded a total of \$107 million in BEAD funding. Following **NTIA** final approval, it will start to allocate the remaining BEAD funding to eligible uses, which could include building internet and cellular network resiliency, increasing cybersecurity protections and engaging in tech workforce development.

CTIA HEAD SETS RETIREMENT

CTIA President/CEO *Meredith Attwell Baker* is retiring from the association in 2025 at the close of her current contract. Baker has served as the head of the wireless association since 2014 and during her tenure, CTIA grew in size by more than 80%. She also launched the annual 5G Summit and worked with **GSMA** to establish and co-produce MWC Las Vegas. Before joining CTIA, Baker served as an **FCC** commissioner and led **NTIA**. CTIA has chosen consulting firm **Korn Ferry** to assist with a nationwide CEO search.

FIVE MORE STATES SEE NTIA DIGITAL EQUITY MONEY

NTIA approved award applications from Kansas, Mississippi, North Carolina, Pennsylvania, and Virginia, allowing the states to request access to more than \$85.1 million to implement their Digital Equity Plans. Kansas will use more than \$8.2 million in funding for initiatives such as creating a pool of funds for a long-term affordability program. Mississippi's more than \$10.7 million will go toward partnering with public entities to provide skills training and other initiatives. North Carolina has more than \$22 million for efforts such as increasing the supply of no-/low-cost internet-enabled devices and partnering with workforce and education agencies to identify and adopt digital skills standards. Key digital equity initiatives for Pennsylvania's \$22.5 million pot include providing technical assistance in support of a micro-grant program for digital inclusion activities. Virginia will use \$18.3 million in funding for a state-wide online resource hub of local and regional digital access resources, digital skills offerings and more.

YOUTUBE TV BUMPS UP PRICE

Next on the list of platforms upping their price is **YouTube TV**. Starting today, the YouTube TV base plan will increase from \$72.99 per month to \$82.99 for new customers. Existing users will get the price hike starting Jan. 13. The updated plan will include more than 100 channels, a DVR with unlimited storage, up to six accounts per household and three concurrent streams. YouTube TV said the changes are "due to the rising cost of content" and that they'll help with the continued investment into the platform. Those who subscribe with a promotional price or a trial will keep those rates until their expiration.

WOMEN'S WORLD CUP COULD BE GOING TO A STREAMER

The U.S. rights to the 2027 and 2031 **FIFA** Women's World Cups are up in the air, and it could be headed to a streaming service. *Puck's John Ourand* [reports](#) that FIFA told companies that bid on the rights that an unnamed "non-traditional" media organization submitted the highest bid. Known bidders include **CBS**, **Fox** and **NBC**, but signs could be pointing to **DAZN** being the mystery winner considering it recently [entered a deal to exclusively carry the Club World Cup](#). FIFA will now work with the unknown media company on a deal.

CARRIAGE

Samsung TV Plus introduced a new FAST channel dedicated to *David Letterman*. **Letterman TV** is available for users in the U.S. and Canada and comes with episodes from “Late Show with David Letterman,” curated moments, interviews and commentary from Letterman.

FIBER FRENZY

Mediacom gave its broadband network in Nebo, Kentucky, an upgrade to a 10G platform. The move will allow Mediacom to increase from 1 Gbps and 2 Gbps offerings to 10 Gbps and beyond in the coming years. Customers can now choose from Mediacom’s Xstream Internet offerings such as the Internet 250 tier (250 Mbps down, 100 Mbps up), Internet 500 (500 Mbps down, 100 Mbps up), Internet 1 Gig Symmetrical and Internet 2 Gig Unlimited (2 Gbps down, 1 Gbps up).

ON THE CIRCUIT

FCC Commissioner *Nathan Simington* will be a keynote speaker at the upcoming **ACA Connects** Annual Summit. Simington, who’s been with the FCC since 2020, will discuss his approach to regulatory issues, the state of broadband and video marketplaces, the future of federal rulemaking and the FCC’s role in facilitating private investment in infrastructure development. The Summit will take place March 5 from Washington, D.C.

AWARDS

NATAS unveiled the nominations for the third annual Children’s & Family Emmys. **Disney** and its properties found themselves in 98 nominations, but it was **Disney+**’s “Percy Jackson and the Olympians” that found the most noms with 16 including Young Teen Series, Show Open and Visual Effects for a Live Action Program. **Netflix** garnered 46 noms including “Orion and the Dark” for Animated Special and “Perfect” for Writing for a Young Teen Series. Shows that garnered multiple noms include **HBO/Max**’s “Sesame Street” with 13, Netflix’s “StoryBots: Answer Time” and Apple TV+’s “Fraggle Rock: Back to the Rock” with 10 apiece, Netflix’s “One Piece” with nine and Disney+’s “Goosebumps” with nine.

PROGRAMMING

The 2025 Oscars will be streamed live on **Hulu** for the first time ever. The show—set for March 2 at 7pm—will also air on **ABC**. *Conan O’Brien* will be the host. – “The Curious Case of Natalia Grace: The Final Chapter” will air across two nights Jan. 6 and 7 from 9-11pm on **Investigation Discovery** and streaming on **Max**. – Season 2 of the “Stifel Snow Show,” which highlights competitive skiing and snowboarding, will begin Saturday at 2:30pm on **CNBC**. Each episode features one of the U.S. Ski & Snowboard Team’s athletes, including *Mikaela Shiffrin*, *Alex Hall* and *Jessie Diggingins*. – Clear eyes, full hearts, can’t lose. A new adaptation of “Friday Night Lights” is currently in the works at **Peacock**, the streamer revealed. No word on an expected premiere date. – **Newsmax** picked *Marc Lotter* to be a co-host on the weekday morning program “Wake Up America” alongside *Sharla McBride*. He’ll make his debut Monday at 6:30am. Lotter was most recently the Chief Communications Officer for the America First Policy Institute, but previously served as Press Secretary to former VP *Mike Pence*.

PEOPLE

Imagine Communications CEO *Tom Cotney* announced he’ll retire effective March 31. He’ll stick around, however, as the non-executive chairman of the board, where he’ll support customer commitments, advise the leadership team and serve as a performance coach for the organization. Succeeding him will be current company President *Steve Reynolds*, who’ll step into the CEO role immediately as he and Cotney work together in a transition period. – *Jacqueline Castro* is stepping into the newly created role of VP, Production for Telemundo Studios. She’ll lead production strategy and oversee both in-house and third-party productions, also heading up multiple Spanish-language production teams and working with development executives on project evaluation, script approval and creative adaptations. Castro arrives from being Executive Director, Unscripted Content and Production for Sony Pictures Entertainment.

BASIC CABLE P2+ PRIME RANKINGS* (12/02/24-12/08/24)		
MON-SUN	MC	MC
	US	US AA
	AA%	(000)
ESPN	0.981	3111
FNC	0.750	2377
HALL	0.289	917
PRMNT	0.215	681
MSNBC	0.197	625
HGTV	0.158	501
USA	0.157	497
HIST	0.148	469
TBSC	0.145	459
TLC	0.139	441
INSP	0.136	431
HALLMYS	0.134	425
DISC	0.132	419
FOOD	0.124	394
FRFM	0.114	363
CNN	0.112	355
TNT	0.100	316
AMC	0.094	300
ID	0.094	299
TVLAND	0.093	296
BRAVO	0.090	287
FX	0.086	271
NWSMX	0.081	256
LIFE	0.080	252
GSN	0.079	251
ESPN2	0.077	245
A&E	0.074	234
WETV	0.069	218
OXY	0.063	199
REELZ	0.061	194
BET	0.056	179
SNDNCE	0.055	174
NAN	0.054	172
NATGEO	0.051	163
COM	0.051	160
GAF	0.050	158
SYFY	0.050	158
TUDN	0.050	157
ADSM	0.049	156
TRAVEL	0.048	153
BBCA	0.047	149
MTV	0.045	142
CMT	0.043	138
FX2	0.043	136
NFL	0.043	136
IFC TV	0.041	131
HLN	0.041	129

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