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WHAT THE INDUSTRY READS FIRST

Diversity Pushback: Group Asks FCC to Probe Paramount DEI in Merger Review

The same conservative group that has filed a news distortion complaint against a CBS “60 Minutes” interview with Kamala Harris is now pointing its fingers at Paramount Global’s DEI policy.

Citing a [letter](#) that FCC Chairman Brendan Carr sent to Comcast-NBCUniversal over its DEI policies, the Center for American Rights [CAR] is crying “them too” for Paramount. “The specific concerns raised by the Chairman in his letter to NBCUniversal are present in spades at Paramount,” CAR said, noting that while NBCU has a “DEI Day,” Paramount has a whole “Inclusion Week.”

“The Commission should review Paramount for the same concerns that the Chairman has raised as to NBCUniversal, and insist that New Paramount commit to specific, concrete steps to address DEI practices that are illegal or contrary to the public interest and convenience,” CAR wrote in an FCC filing in the agency’s merger review docket for Paramount proposed merger with Skydance.

Paramount declined to comment on the missive, which complains that merger application filings describe the DEI work as “laudable,” though Carr has indicated it “may be ‘illegal’ and is in all events antithetical to America’s commitment to racial equality.”

Carr has suggested that the 60 Minutes news distortion complaint could be taken into account in the agency’s review of the proposed Paramount-Skydance merger. The complaint was dismissed by his predecessor Jessica Rosenworcel, but he [revived](#) it once taking the chairmanship. Last week, Carr sent Comcast CEO Brian Roberts a letter saying that he’s asked the agency’s

Enforcement Bureau to open an investigation into whether the company is “promoting invidious forms of discrimination in violation of FCC regulations and civil rights laws” and warned that the Commission will also look at other entities it regulates.

New Street Research’s Blair Levin has questioned the FCC’s legal footing on company DEI work, but said it could become a political issue when companies have business (like a merger review) before the Commission. CAR is arguing that even if DEI policies do not cross the threshold of formal illegality, they may nevertheless be incompatible with the public interest.

“As a for-instance, a formalized quota for people of color in reality TV shows is a ‘hard’ DEI policy that may violate a legal standard. Having an executive responsible for ensuring DEI in broadcast programming may not transgress any legal boundaries (assuming that executive was hired in a race/gender-neutral way), and so is a ‘soft’ DEI policy. But to the extent that executive reshapes broadcast television content to promote programming that does not interest or serve the viewership, that policy is legal but may not be in the public interest,” CAR said.

The group gave the example of viewers of Paramount-owned CBS stations in “markets like Minneapolis, Pittsburg (sic), and Chicago” possibly desiring more content that is “patriotic, family friendly and faith-inspired,” but a “DEI executive” in L.A. may provide those stations “exclusively with content that is different from or even contrary to those consumer preferences.” As for the argument that if viewers don’t like what’s on TV, they can change the channel, CAR contends it isn’t that easy.

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“When all three for-profit broadcast networks (and **PBS** for that matter) are 110% bought-in on the same DEI ideology, those consumers have no other broadcast option to go to. Second, many companies in thrall to the DEI/ESG agenda intentionally choose those ideologies over profits or consumer demand, such that losing some consumers is an acceptable cost for adopting the ‘right’ ideology,” the group wrote.

CAR points to DEI components on Paramount’s website, including its “Content for Change” initiative, a companywide effort to “combat bias, discrimination, prejudice and other forms of hate” to “drive culture shifts within the entire company and in the content it creates.” It also noted its Employee Resource Groups and Inclusivity Councils, saying that inclusivity is based primarily on race or ethnicity. “One such group promises ‘cultural events, safe spaces, and community projects.’ One will search in vain for a group or council dedicated to celebrating employees’ faith commitments or underrepresented geographies like employees from rural and farm communities,” the filing said.

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DTC HOT FOR TELEVISION

TelevisaUnivision’s streaming service **ViX** has quickly become an asset for the Spanish-language media giant since launching nearly three years ago. After securing profitability in 3Q24, ViX helped TU’s DTC business finish 2024 with \$1 billion in revenue generated along with positive adjusted OIBDA. Of ViX’s milestones last year include rolling out an ad-supported tier, which CEO *Daniel Alegre* said a low percentage of gross new subscribers initially opted for after becoming available. That opened the door for TU to implement a price increase for ViX’s ad-free tier in the U.S. from \$6.99 to \$8.99/month over the past few months, and Alegre credits that adjustment being a factor in why the percentage of new subscribers choosing ViX’s ad tier has risen to a 20-30% rate. The free ViX Gratis tier ended the year with a 20% rise in monthly active users while having total streaming hours keep pace with MAU growth. TU is focusing on adding more personalized content recommendations for ViX users and producing short-form “micronovelas” specifically for mobile viewers. When asked about TU’s approach to bundling and ViX, Alegre said there’s still a lot of runway for the company to grow in that regard. “The value for money for Spanish-language [content] is tremendous ... but it also means that we probably also have some pricing leverage that we can bake in as we think through the rest of the trajectory for ‘25 and beyond,” he said. Total ad revenue for the quarter fell 1% YOY to \$853 million, but it finished the year up 3% compared to 2023 with a record \$3.09 billion in total ad revenue. That’s thanks in part to heightened demand for political advertising in the U.S. and a big year in sports that included the Copa América and Super Bowl. Although U.S. political ad revenue reached \$70 million in 2024, Alegre said the

company realized it needed to get involved with campaigns “much, much earlier” in the campaign and planning cycles to ensure both linear and digital spending is comprehensive. “An error that clearly came out in this last political campaign cycle, for a number of the campaigns, was assuming that you can reach Hispanics by advertising in English,” Alegre said. Fourth quarter subscription and licensing revenue was up to \$465.7 million (\$1.81 billion for the year), and total 4Q24 revenue fell slightly to \$1.34 billion. Total revenue for the year improved to \$5.06 billion.

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DIRECTV NABS NEXSTAR WIN IN NY

The **Supreme Court of the State of New York** awarded **DirectTV** more than \$26 million Wednesday after affirming a [ruling](#) that the company overpaid **Nexstar** retransmission consent fees. The award is tied to amounts DirectTV paid the broadcaster for Hagerstown, Maryland, station WHAG (now WDMV) for renewal fees and those that should not have been paid to Nexstar when the station lost its **NBC** affiliation in Feb. 2016.

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NETFLIX PLEDGES \$1 BILLION TO MEXICAN PRODUCTIONS

Netflix is doubling down on its commitment to producing global content, committing \$1 billion to produce series and films in Mexico over the next four years. Co-CEO *Ted Sarandos* announced the pledge during a press conference with Mexican President *Claudia Sheinbaum* where he noted that it was 10 years ago when Netflix came to Mexico to produce its first series outside of the U.S., “Club de Cuervos.” Sarandos said it was created in Mexico for Mexico and ultimately paved the way for the company’s current strategy around local productions. “That means we’re investing in the creative community, and helping talented people find their calling in our industry. But we’re also helping people in other industries make a living, too—from catering and hotels, to transportation and manufacturing,” he said. “Together with our government and industry partners, we’ll also keep funding programs that help diverse and creative talent behind the camera break into entertainment.”

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FRONTIER EARNINGS

Frontier closed out its 2024 with a bang, adding 97,000 fiber broadband customers in the fourth quarter. That equates to fiber broadband customer growth of 19.2% YOY. The provider also added 241,000 fiber passings, and now reaches 7.8 million locations with its network. Consumer fiber broadband ARPU was \$65.98, up 2.8% YOY, and revenue rose 5.6% to \$1.51 billion due to growth in fiber-based products. That was partly offset by declines in copper-based products. Frontier is not hosting earn-

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ings calls due to its pending acquisition by **Verizon**, which is expected to close in 1Q26.

NEW REPORTED ESPN DTC DETAILS

While we're still waiting to find out what to call **ESPN's** upcoming DTC product besides "flagship," pricing and other details are starting to take shape. **CNBC reports** that execs are zoning in on pricing the offering at \$25 or \$30/month, citing people familiar with the matter. It would include linear programming from ESPN and other digital add-ons like **ESPN+**. Chairman *Jimmy Pitaro* has teased other enhancements like having more RSNs integrated onto the app. Another feature that'll likely find its way onto flagship is user-generated content. Though it wouldn't be available at launch (ESPN is still targeting a release before the **NFL** season begins), it would be added down the line once the technology is built to support it. And about how much longer the flagship moniker will remain—**CNBC's** sources indicate a name, price and launch date will be revealed in the coming months.

FDSN'S DTC PARTY

FanDuel Sports Network is keeping the train of **MLB** teams introducing DTC options ahead of the 2025 season rolling. It announced agreements with the Angels, Braves and Reds to make their games available to fans via a DTC subscription. The teams will have their offerings available throughout their respective markets with no local blackouts. Braves and Reds fans can get a monthly subscription for \$19.99/month or an annual pass for \$189.99, or they can get a season pass that starts at \$105.99 beginning March 20. Those who want to watch Spring Training games can get it for \$122.99 starting Friday. Braves fans will get either **FanDuel Sports Network South** or **FanDuel Sports Network Southeast** depending on their zip code while Reds fans will receive **FanDuel Sports Network Ohio**. A subscription for FDSN Ohio will also grant access to coverage of the **NHL's** Blue Jackets and **NBA's** Cavaliers, while FDSN South carries the **NHL's** Predators and Hurricanes and FDSN Southeast has the Atlanta Hawks in addition to the Braves. The Angels' DTC product, which will also hold L.A. Kings programming, has the same rates for the monthly and annual plans. The season pass is slightly more expensive at \$111.99 starting March 20 or \$129.99 if purchased Friday until then.

CBS NEWS PREZ TAKES TEGNA JOB

Adrienne Roark is exiting her seat as **CBS News** President after just six months in the

role and heading to **TEGNA** to become its Chief Content Officer at the end of March. The departure comes while **CBS** grapples with a [lawsuit](#) from President *Trump* regarding a "60 Minutes" interview with former VP *Kamala Harris* in addition to the pending **Paramount-Skydance** merger, which reports point to being a primary reason for Roark's exit. A search is underway at CBS News for her successor. At TEGNA, Roark will oversee content for the station group and report to CEO *Mike Steib*. TEGNA also said it was expanding the responsibilities of Chief Growth Officer *Tom Cox*. His new role will have him manage TEGNA station affiliation partnerships with broadcast networks as well as the multichannel distribution of local news programming, premium content and live sports.

RATINGS

The *Elon Musk* and President *Trump* interview that aired Tuesday during **Fox News'** "Hannity" came in with 5.4 million viewers P2+ and 733,000 A25-54. That helped the network nab nearly 70% of the cable news audience at 9pm as well as posting the second-highest-rated episode for Hannity so far this year, only trailing the program's Inauguration Day episode. – Sweden's 2-1 win over the U.S. in the 4 Nations Face-Off averaged 1.8 million viewers on **TNT** and **truTV**. Monday night's battle was the most-watched non-playoff hockey telecast ever among **TNT Sports'** networks, also recording the most-watched hockey game on **Max** in its history (no number was disclosed). That game was two days after the U.S. and Canada showdown that saw the Americans prevail 3-1 in front of 4.4 million viewers across **ABC**, **ESPN+** and **Disney+**. That's enough for the most-viewed non-Stanley Cup Final hockey telecast since 2019 and is up 369% vs the NHL's average viewership on ABC this season. Viewership peaked at 5.2 million viewers. The U.S. and Canada will play once again in tonight's 4 Nations Face-Off Championship on **ESPN**, **ESPN+** and **Disney+**.

PEOPLE

FanDuel Sports Network is handing *Steve Simpson* oversight of **FanDuel Sports Network South** and **Southeast**. He was named EVP, Team Partnerships for the two RSNs, a title that would've been GM before FDSN decided to shake up roles as it prioritizes team relationships. Simpson, who will replace *Jeff Genthner* upon his retirement, currently manages team partnerships for FDSN's West/SoCal, Southwest/Oklahoma and Midwest/Kansas City/Indiana regions.

BASIC CABLE P2+ PRIME RANKINGS* (02/10/25-02/16/25)		
MON-SUN	MC	MC
	US	US AA
	AA%	(000)
FNC	0.923	2927
TNT	0.440	1396
ESPN	0.356	1129
MSNBC	0.341	1082
HGTV	0.209	663
HALL	0.178	563
HIST	0.156	496
INSP	0.153	484
CNN	0.151	478
TBSC	0.144	458
USA	0.136	431
FOOD	0.135	430
DISC	0.129	410
TLC	0.111	353
TVLAND	0.103	326
NWSMX	0.096	305
PRMNT	0.095	300
HALLMYS	0.094	297
ID	0.093	294
GSN	0.090	284
BRAVO	0.087	277
FX	0.085	271
A&E	0.078	247
WETV	0.078	247
OXY	0.077	243
LIFE	0.075	239
AMC	0.075	237
NAN	0.073	232
FS1	0.073	230
REELZ	0.070	222
NATGEO	0.063	199
ADSM	0.061	193
BET	0.060	189
SYFY	0.055	173
TRUTV	0.050	159
FXX	0.048	153
FRFM	0.048	151
FETV	0.047	149
COM	0.047	148
MTV	0.046	147
IFC TV	0.046	146
HLN	0.046	146
ESPN2	0.046	146
TRAVEL	0.045	143
MGNLA	0.044	138
POP	0.043	138
NICK	0.042	134

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



BEYOND THE BANDWIDTH

By Amy Maclean

A Conversation with the Chief Legal Officer of CableLabs

It has been just over three years since Courtney Seely joined CableLabs as its Chief Legal Officer, but she has fit right in even before Day 1. In the weeks before she started the job, the most destructive wildfire in Colorado history blazed through Boulder County, Colorado. While CableLabs HQ in Louisville was largely unaffected (amazing considering a hotel next door burned to the ground), its employees were among the more than 37,000 evacuated and one lost their home. Others found themselves without gas and potable water for days.

Seely's background at previous companies, including Molson Coors, had her running risk management, giving her deep experience in crisis communication. At the time of the Marshall Fire, she was vacationing in the mountains, which meant her home near Denver with keyless entry was empty. "I got invited to the Slack channel where the whole company was communicating, and I just did what I would do at any organization," she recalled. "I just said, 'Whoever needs a place to evacuate to, I know you don't know me yet, but you're welcome to go to my house. Make yourself at home.'"



She rolled up her sleeves even before she had an employee badge, not only supporting impacted employees, but helping with the SCTE Foundation's disaster recovery fund, engaging with vendors to help with clean-up efforts and providing support from a risk perspective. It's that sort of willingness to jump in that's served Seely well as CableLabs Chief Legal Officer, a role that spans three primary functions—legal, intellectual policy and technology policy.

With a new administration and SCTE TechExpo set to take place in Washington, D.C., in September, her team is especially busy preparing to host with NCTA the third annual tech policy track at Expo, the largest future of connectivity industry event in the U.S. "By virtue of the location, the event is turning into a really prominent part of what SCTE TechExpo will look like and it is a real opportunity to showcase the tech policy activities that CableLabs and NCTA collaborate on for the support of the industry," Seely said.

As the industry's leading R&D lab for next-generation technology, Seely's team provides the tech expertise that helps

shape NCTA's policy priorities. CableLabs runs the simulations and provides the data to NCTA and operator members' government affairs teams to make credible arguments on the Hill. Right now, spectrum policy and cybersecurity are especially hot topics. "Both have been significant, priority issues for the prior administration and will remain priority issues under the new administration. And the reason for that is the underlying drivers have not changed," she explained.

For the IP side of her work, Seely leads a small but mighty team that includes a patent attorney, IP attorney and a patent paralegal who support all of the organization's work from a legal perspective. "We are prolific patentors, as you would expect," said Seely. In fact, CableLabs is set to host its annual internal ceremony tonight recognizing employees who received patents in 2024. Her team focuses on the shifting strategies around IP licensing and provides regular updates to members. How does CableLabs view AI when it comes to IP? Transparency is key. "There isn't a prohibition against consulting with and using AI, but if you are doing so, in your invention disclosure to our IP team you need to be very transparent about what IP sources you have consulted, because that can impact the patentability of the invention," Seely said.

Other initiatives keeping Seely's team busy include the launch of a new contract management system, providing a much-needed update to a 30+ years old system, and the ongoing integration work following the 2021 merger of SCTE into CableLabs. It's the final stages of bringing SCTE into the legal services structure so that the entire enterprise—CableLabs, SCTE and Kyrio—are being supported in a relatively consistent and efficient way.

"Culture is always the most challenging thing to overcome," said Seely, who has a background as an M&A attorney. "Different organizations have different cultures, so sort of respecting the culture and the values of one organization when you're bringing them into a new organization, it's a really delicate process. I would say CableLabs and SCTE have gotten it mostly right, but there's always going to be some growing pains."

Seely described marrying the two organizations, with SCTE much smaller and heavily chapter focused, as an art, not a science. "There are some things in SCTE that are truly unique, and they're not going to fit squarely within our process. So being flexible and finding a way to build sort of a new support process for them that also works for our team has been critically important," she said. "We've had moments where we could have done better, but overall, I think the teams understand that everyone's intent is to do good. I think we've actually probably rounded the corner, and we're off to the races in terms of being able to support each other in a way that works for everyone."