

Culled from the headlines of the TV Industry's Trade Press, CONTENT MATTERS is a Bi-Monthly Newsletter curated and contextualized by **KATZ Content Strategy's Bill Carroll**.

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INSIGHTS TO KNOW

1. Syndicated Programs Are Millennial Magnets

While much has been made of Millennials leaving traditional linear TV, syndication is proving to be a better draw for the younger set.

2. Let's All Slap Each Other and Fall in Love

How TV Fell Back in Love with Primetime Soaps

3. Zombie Time Slots Plague Broadcast Prime

A look at broadcast primetime's most troubling time periods.

4. TV Everywhere Key To Attracting Millennials

Millennials aren't TV-averse - they just want it when and where they choose!

5. Can the TV Guys Put the Netflix Genie Back in the Bottle?

Why the big TV networks are having second thoughts about selling their reruns to Netflix.



This fall, at the start of the TV season, syndicated programming held its ratings prowess among Adult 18-34 viewers versus the same period last year. In today's fragmented viewing environment, holding your own is as good as a gain - especially as other traditional linear TV platforms are posting declines. For broadcast networks, programming dropped -15% among 18-34 viewers (NTI L+SD, excluding sports & Spanish-language pgmg), while the top 20 cable networks dropped -12%. Even the top 50 cable networks are seeing a -7% decline.

By contrast, many of syndication's top-rated shows are off-network comedy fare, such as Twentieth's "Modern Family" and Warner Bros' "Big Bang Theory," which skew differently in reruns versus their original TV network airings. Barter Sales Executives tell us that: "When shows segue into syndication, they tend to bring a younger audience than their concurrent primetime

broadcast run."

The "Modern Family" median age on ABC is 46-years-old, but two years younger (44) in syndication. "The Big Bang Theory," while older, drops from 53 on CBS in prime time to 51 in syndication. There is a three-way tie for the top spot among 18-34 viewers between Warner Bros' "Big Bang Theory," Twentieth's "Modern Family" and "Family Guy."

This is not really a new phenomenon. Sitcoms in syndication have always played younger than when they ran in primetime on the broadcast networks. Reruns attract new and often younger audiences who missed the original telecasts, likely because of scheduling. Most of the syndicated sitcoms air on non-traditional affiliates and independent stations opposite local newscasts and/or the network's nightly news---both of which have little appeal to younger adults and teens. This drives many to the sitcoms as a more palatable alternative.

CONTENT IN CONTEXT

As a result of the solid younger audiences, syndicated barter sales have been seeing gains among new young-skewing marketers "especially in mobile and video gaming." We are told that they are also attracting

larger, and new, theatrical business. All of these should and can translate to continuing local market sales opportunities for key sitcoms on local stations.

**Excerpted from New York Magazine's
VULTURE...**

Scandal took the world by storm a few years ago. Then along came Empire early this year, and at last there was no denying it: The age of the primetime prestige soap is back, and the shows are bigger, and often better, than their historical forebears.

Like any other primetime TV genre, Soaps go in and out of fashion. Dallas invented the modern primetime soap in 1981, and established a few genre-defining traits. The early '80s marked the genre's first glory era -- alongside Dallas, the 1981 lineup included Dynasty, Flamingo Road, Knots Landing, and Falcon Crest, among others. There was a boomlet in the '90s, with shows like 90210 and Melrose Place, and ABC tried to jump-start the genre with Desperate Housewives and Ugly Betty in the mid-2000s. What sets apart the modern era from most of its predecessors is that many don't present explicitly as soaps but double as shows we classify as "prestige" television, from historical fiction to political intrigue. It's the soapy twists and pervasive melodrama, however that keep people coming back.

The so-called Golden Age of television centered largely (though not exclusively)

on antihero-driven shows, and with that genre in decline, it's been hard to identify what exactly our next era entails. There's no shortage of very good, very distinct shows. But the genre at the center of innovative TV is the prestige soap, in no small part because shows can now embrace a soapier aesthetic without having to be defined purely as a soap. Audiences developed a stronger appetite for elaborate drama during the antihero era, for high production values and vivid storytelling, but after a decade of contemplating the flawed nature of man, those shows were starting to feel a little suffocating.

At their best, primetime soaps have a generalized sensation of more clashes, more crying, more secrets, more twists, more changings-of-the-guard, more slaps, and more betrayal. There's a push outwards and upwards. And a truly great soap isn't only defined by its excess. While realism isn't a priority on these shows, often, through the use of extreme stylization, we see an almost Herzogian level of ecstatic truth, the documentarian's theory that truth is best arrived at through imagination and an exaggeration of reality.

CONTENT IN CONTEXT

As the article states: Primetime soaps, at their core, are about huge emotions that, as a viewer, you get to live a sliver of – albeit vicariously. We don't really want to cheat on people, experience murderous rage, slap someone or disfigure them in a moment of fury ... well, maybe just a teeny tiny bit.

Soaps are there to surprise, delight, and, yes, even enlighten us, in ways other shows can't or won't. Thank God they're back. And we agree that the genre has revitalized broadcast and viewer involvement and excitement.



Excerpted from Advertising Age...

This fall, ABC quietly yanked “Wicked City”, becoming the first broadcaster to formally cancel a new series. That’s a matter of semantics, of course, given that similarly blighted shows like “Minority Report,” “Blood & Oil” and “The Player” are merely burning off their remaining episodes. But in doing so, ABC all the same vacated TV’s most troubled time slot. ABC hasn’t had a bona fide hit in the final hour of Tuesday prime since the 2000-2001 broadcast season with “NYPD Blue”. Although a few workaday dramas have stepped in to fill the gap, none have enjoyed breakout success.

Things took a turn for the worse in the 2013-14 season, when no fewer than three dramas failed to fulfill their initial episode orders. “Lucky 7” was yanked after two episodes and ABC filled the hour with three months’ worth of repeats -- so-called “spackle” programming -- “Killer Women” and “Mind Games.” All told, ABC that season programmed just 14 hours of original scripted content, leaving 60% of the allotted in-season hours to be filled with mostly repeats. In 2014-15, ABC aired all the episodes of “Forever” over its single-season lifespan. Now ABC plans to slot repeats of “Shark Tank” for the

better part of the next few months, with an eye toward premiering “Of Kings and Prophets” in March.

ABC is hardly alone in suffering from the broadcast equivalent of recidivism. The NBC Thursday 10PM slot has played host to a lineage of failure that runs all the way back to after “E.R.” Fox’s 9PM Thursday of late has been visited by itinerant efforts and “Sleepy Hollow” has all but lost its head in the post-“Bones” niche. Even CBS also suffers, as it hasn’t been able to launch a new comedy out of “The Big Bang Theory.” Of the six attempts made in as many years, only two shows managed to retain more than half of that lead-in; both were canceled after a single season.

If many time slots remain challenged, a few recent efforts have been successful. Noble failures have given way to the phenomenon Fox’s “Empire,” and the Thursday 8PM slot is now one of ABC’s strongest anchor hours, thanks to “Grey’s Anatomy.” Dick Wolf’s Windy City civil service dramas now beat all comers in the Tuesday and Wednesday slots, allowing NBC to command the highest ad rates in late prime behind only its “Blindspot” and “How to Get Away with Murder.”

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While there are those who would argue that time slots have become more or less irrelevant in an era in which nearly every viewer has the means to self-program via the time-shifting of DVR, VOD and streaming, it’s worth noting that live viewing remains the default option in the

U.S. A full 61% of all TV consumption happens in real-time, and while that figure is being eroded by non-linear options, the primetime schedule retains some measure of relevance as long as the majority of viewers continue to watch it live.



According to research from strategy consulting firm Altman Vilandrie & Co., younger Millennials (ages 18-24) are 23% less likely to cut their cable cord or switch providers if they know their current provider offers “TV Everywhere” than if they think the service is not available.

Meanwhile, among those that do not currently subscribe to a pay TV service, 54% of younger Millennials and 47% of older Millennials (ages 25-34) said they were more likely to subscribe to a service if it offered TV Everywhere capabilities.

“It seems like there’s an opportunity to attract new subscribers and retain [current subscribers], particularly among Millennials,” Jonathan Hurd, a director at Altman Vilandrie & Company, who led the survey, tells Marketing Daily. “They responded even more than the older population to that value proposition.”

Yet consumer awareness of their TV Everywhere options remains low. Only about a third (36%) of all consumers – regardless of age demographic – indicated they were aware of the ability to watch programs on devices other than their televisions, according to the online survey of more than 3,400 consumers (which was conducted in concert with premium pay TV channel EPIX).

Service providers looking to increase their subscriber base (or keep current subscribers from leaving) might want to consider advertising or promotional efforts around these features, Hurd says.

“There hasn’t necessarily been a commitment across all service providers and programmers to market it,” he says. “They’ve got to do more and target [these] campaigns better to reach Millennials.”

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Even though this research is not directly related to broadcast television, it might have significant implications for local market and network mobile strategies. Reiterating the finding, Millennials are more inclined to subscribe to a pay television service if the provider (station)

were to make a more concerted effort to demonstrate how the service can be used anywhere, on any device. Is not that the primary aspect of the mobile applications for broadcast television? We must be encouraged that this attitude underlies Millennials thinking.

So are the [broadcast networks] ready to pull back on sales to Netflix and other digital services in the hopes of keeping their core business intact? That is the question posed by an item on the RE/CODE website. Investors will be looking for an answer to that question as most of the big entertainment companies report their earnings, but several key TV executives have already signaled that they're going to stop selling their best stuff to digital services — particularly Netflix.

This comes in response to rising concerns that Netflix has been using the shows the TV guys have sold them to build up its brand and business, while simultaneously pulling viewers and subscribers away from the TV Industrial Complex. Each of those companies is likely to take a different tack toward this — in part because they can't work together without setting off antitrust alarms — but they seem to be telling Wall Street (and each other) that they're willing to go without some digital money in the near term.

Netflix has been anticipating this

discussion, as well. "Some studios will choose to license content to SVOD services like Hulu, Amazon Prime Instant Video and Netflix. Others may not. We have a lot of content to select from." And, as Netflix CEO Reed Hastings argues, the networks and studios can't simply announce that they won't sell to Netflix — they need to be able to demonstrate to the show's creators that they've gotten a market price for the episodes they sell.

On the other hand, it is helpful for three of the big networks — Fox, ABC and NBC — to own Hulu, a streaming service that can compete with Netflix (and Amazon) for the rights to those networks' shows, and which has landed several of them in the last year or so. Another way to pull video back from Netflix is to hold it back from all of the digital subscription services. Some programmers are talking about keeping their shows tied to their networks — and only making them available to pay TV subscribers as part of "TV Everywhere" programs — for a longer stretch of time, so more of the value (theoretically) goes to the networks that paid for them.

CONTENT IN CONTEXT

CBS has recently announced that they will create shows that only live on their own streaming services. The network will produce "Star Trek," and air all of the new shows, with the exception of a pilot episode,

on its \$6-a-month "CBS All Access" streaming service. Whether viewers will accept this remains to be seen, but be certain that this is an evolving circumstance that Katz will be keeping a close eye on.