**DVRs FALLING OUT OF VIEWER FAVOR**

**MILLENNIALS USE DVRs THE LEAST**

Is the DVR going the way of the VCR? Time spent with DVR-timeshifted TV is down to its lowest level in the past three years, according to Nielsen data analyzed by the Video Advertising Bureau (VAB). Monthly DVR-timeshifted viewing was down to 22 hours, 52 minutes for Persons 2+ in Q1 from 25 hours, 16 minutes a year earlier and 24 hours, 56 minutes two years earlier.

With today’s younger viewers expecting—perhaps demanding—programming to be available on digital platforms when and where they want it, DVR usage if falling more rapidly in the Millennial demo. For Adults 18-34 DVR viewing dropped to 17 hours, 27 minutes in Q1 of this year from 20 hours, 59 minutes a year ago and 22 hours, 45 minutes two years ago. But the VAB report notes that while DVR use is falling fastest in young demos, the decline is across-the-board. DVR viewing fell year-over-year by 20% for Kids 2-11; 17% for Teens 12-17; 19% for Adults 18-24; and 16% for Adults 25-34. But even for the older demos, the decline was 7% for Adults 35-49; 6% for Adults 50-64; and 7% for Adults 65+.

Broadcast TV accounts for most of the programming which is recorded on a DVR and watched later by people 18-49 in households which have a DVR (which is only slightly over half of all TV households). 54% of primetime broadcast viewing is live and 46% timeshifted with a DVR. For ad-supported cable the primetime breakdown is 75% live and 25% timeshifted.

When timeshifting does occur, most people are watching within the Live + three day advertising window. For cable programming 88% of DVR playback by viewers 18-49 takes place in Days 1-3 and 12% in Days 4-7.

While the networks have been placing more emphasis in recent years on getting advertiser credit for three-day and more recently seven-day playback windows, the truth is that live TV viewing still rules. For time-sensitive advertising campaigns, 77% of primetime viewing by Adults 18-49 is live and only 23% DVR playback. For total day viewing live TV accounts for 80% and DVR playback viewing only 20%.

DVR viewing is even lower in the major ethnic viewer groups than for the population as a whole. Live TV accounts for 83% of viewing primetime programming by Blacks 18-49 and 81% by Hispanics 18-49. For Males 18-49 that rises to 85% for Blacks and 84% for Hispanics. And looking at the ten largest U.S. Hispanic markets, VAB says “Hispanic viewing with timeshifted TV is minuscule.”

**ADVERTISER NEWS**

After a few years in which wireless carriers tried to wean customers off of extended contracts built around an offer of a new phone, The New York Post reports Verizon, AT&T, Sprint and T-Mobile are now offering promotions that allow customers to get iPhone 7s free by trading in an iPhone 6 and committing to a 2-year contract. And some of the carriers are offering trade-in deals to replace the Samsung Galaxy 7 phones that have been recalled due to fire hazards......Although he’s a former Safeway executive, Target’s CEO Brian Cornell says the chain has “no intention” of becoming a full-service grocery store although tests and expanded marketing are currently in progress to improve food sales. Cornell also told reporters Target could eventually open hundreds of smaller “flex-format” stores in major cities with 23 open already, nine more due before the end of the year, and at least 16 more in the pipeline for next year......As had been feared, Golfsmith International has now filed for bankruptcy protection, telling the court it had expanded at a time that golf was starting to decline in popularity and now has “an oversized store footprint.” Currently with 109 U.S. stores (and 55 in Canada) it will try to sell part of the company as a going concern and close some weaker stores, but if that strategy isn’t successful, it will liquidate......Cracker Barrel did better than many of its competitors in the restaurant business have done lately, but it’s becoming pessimistic about the outlook for upcoming quarters. For the quarter that ended on 7/29, the chain reported a 3.2% increase in same-store restaurant sales despite a 1.2% decline in traffic which was offset by a 4.4% increase in the average check. Comp-store retail merchandise sales were up 3.5%......We’ve carried many items lately about food price deflation and how that’s had negative impact on both the supermarket and restaurant industries. Now the Bureau of Labor Statistics’ Consumer Price Index is showing that food-at-home prices fell by 1.6% in July versus July 2015, the eighth straight month in which grocery prices have been down. One of the reasons seen by analysts is that food is being stockpiled in the U.S. instead of being exported— and that’s partially a result of the strong U.S. dollar making American products more expensive overseas......Nielsen reports an increase of more than 6,100 new stores opened in the U.S. between 2014 and 2015, and taken together, dollar stores and convenience stores accounted for 87% of openings. C-stores had the most (2,913) but dollar stores are growing at the fastest rate (9%).
CABLENET CHATTER

ESPN will broadcast two opening day games for the new baseball season on April 2nd. The games will feature the New York Yankees at the Tampa Bay Rays and the Arizona Diamondbacks hosting the San Francisco Giants. Actual start times for the coverage is yet to be determined. ESPN will also present an exclusive telecast of MLB Opening Night—a full national primetime game on the same day. Participating teams will be announced at a later date……The FX comedy series and critical darling, Atlanta, increased its Tuesday night Nielsen rating this week, posting a 0.6 in A18-49. That was up a tenth of a point from last week’s debut episode, which saw substantial growth in three-day DVR viewership. WWE Smackdown on USA was the number one non-news program with a 0.9 rating in the demo, and If Loving You Is Wrong on OWN delivered a 0.8 for a third place finish, behind Family Guy reruns on Adult Swim. Investigation’s JonBenet—American Murder posted a 0.6 rating……National Geographic Channel has selected November 14th at 9 PM (ET) for the premiere of Mars. The six-part series, produced by Brain Grazer and Ron Howard, will be set in both the present and the future with a cohesive story of mankind’s quest to colonize the Red Planet. Ben Cotton, Jihae, Alberto Ammann, Clemetine Poidatz, Sammi Rotibi and Anamarie Marinca will star in the scripted drama……ESPN has entered into an agreement with the new Drone Racing League to carry 10 hour-long episodes of the new sport. The events feature six drone pilots navigating elaborate race courses around the country that include abandoned shopping malls, subway tunnels and NFL stadiums. The races will be featured on ESPN2 beginning on October 23rd……A new comedy series produced by Will Ferrell and Andy Samburg has picked up a 10-episode order from truTV. The series is called I’m Sorry and features Andrea Savage as writer and star of the show. Savage has worked on HBO’s Veep and Showtime’s Episodes and will be executive producer, along with Ferrell and Samburg. I’m sorry is the third scripted comedy for truTV along with Those Who Can’t and Bobcat Goldthwait’s Messed Up Stories……The summer season finale of Suits on USA was the last episode for Jessica Pearson, played by Gina Torres. However, the actress and Suits producers have left the door open for return appearances. Torres is slated for a recurring role on season two of the ABC series, The Catch……Fox News Channel led the way in total news viewing again on Tuesday night, delivering 3.1 million, MSNBC was second with 1.6 million, CNN came in third with 903,000 and Headline News remained 4th with 384,000 total viewers……The Daily Show with Trevor Noah is going to be live on Comedy Central following the Presidential Debates—Monday, September 26, Tuesday, October 4 and Wednesday, October 19. The show will air at its regularly scheduled time of 11:00 PM (ET) to provide instant analysis and commentary.

During Dancing with the Stars two protesters rushed the stage during Ryan Lochte’s performance. So finally, an assault on Ryan Lochte that really happened.

Conan O’Brien

MOONVES COOL TO CBS-VIACOM MERGER

CBS Corp. CEO Les Moonves told a Bank of America Merrill Lynch investor conference in Los Angeles that there are no “active discussions” with Viacom on reunifying the two media companies controlled by the Redstone family. “We are never going to do something that is bad for CBS shareholders,” Mooves said, without elaborating. Speculation about a merger has been increasing after the shakeup at Viacom saw chairman-CEO Philippe Dauman exit the company. Most of the merger talk, though, has come from Wall Street interests with Viacom stakes. The now-struggling cable network operator and movie studio owner was widely believed to be the better growth vehicle when the two split in 2006, but the opposite has been the case.

DENTSU AEGIS REALIGNMENT

Dentsu Aegis is reworking some of its U.S operations to have Vizeum become “strategically aligned” with digitally-focused 360i. The idea is to offer clients fully integrated services across strategy, digital, media planning and buying, and creative. While Vizeum may be better known to many of our readers—since its clients include Fox Broadcasting, Fox Sports and National Geographic—360i is the larger unit. It has around 800 U.S. employees with offices located in New York, Atlanta, Chicago, and Los Angeles. 360i handles integrated media planning and buying for clients such as Pernod Ricard’s portfolio of spirits brands, New Orleans Board of Tourism, DSW (Designer Shoe Warehouse) and Spotify. Vizeum has over 150 people in the U.S. handling media planning and buying for clients. Dentsu Aegis says it manages nearly $14 billion in billings on behalf of U.S. advertising clients. Vizeum US will remain a stand-alone brand. Dentsu Aegis says Vizeum clients will benefit from 360i’s digital and creative expertise, while the combination will bring additional scale and depth in integrated media planning and buying to 360i’s rapidly growing media agency of record business.

DIRECT RESPONSE GOES PROGRAMMATIC

WideOrbit and CoreMedia announced formation of a partnership for the programmatic planning, purchasing and managing of direct response advertising, currently over $5.7 billion in annual business from CoreMedia clients. The announcement said that the integration of WO Programmatic TV, CoreBuy TV and CoreDirect software will be the “industry’s only programmatic direct response ad buying solution” automatically delivering offers from media buyers to station’s traffic systems for placement and invoicing. Plans for the same capability for cable systems are also in the works.

MVPDs CALL OUT FCC ON PRIVACY

Trade groups representing all sorts of cable, satellite and wireless companies have asked the Senate to call the FCC on the carpet for proposed broadband privacy rules, saying they include unnecessary and unjustified restrictions. Even the FTC has complained that the FCC’s proposals are at odds with the FTC’s existing rules and trade groups from the advertising industry are also opposing the FCC’s proposed rules.