

BROADCAST INVESTOR

Broadcast TV station streaming database: Fox's Tubi grows live offerings

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Market Intelligence

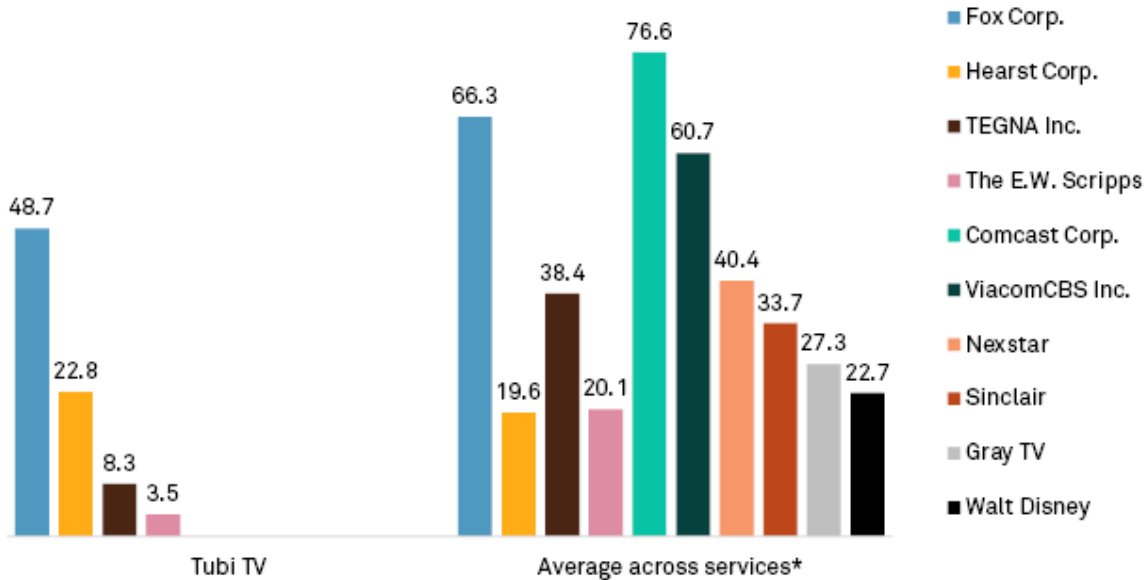
Tubi, the ad-supported over-the-top streaming service owned by Fox Corp., is the latest platform to stream live local broadcast TV stations, adding to the growing number of OTT services offering live broadcast stations.

In October 2020, Tubi launched its first live broadcast TV stations since it began with on-demand service in 2014. The service has a total of 48 live TV stations streaming, reaching 83.4 million households, with more stations slated to be live in the coming months, according to our data as of Aug. 25, 2021. While Tubi is still a long way from the 996 live TV stations that subscription-based YouTube TV offers across all 210 TV markets, it already has more live stations and TV markets than DISH's Sling TV.

Using our database of live-station streaming on virtual multichannel providers, we are updating our analysis of broadcast streaming stations and U.S. household coverage. We include ABC, CBS, FOX, NBC, MyNetworkTV, The CW, Telemundo, Univision and UniMás station affiliates in our counts.

Please click here for an Excel file of our streaming station database.

Top broadcasters on Tubi streaming service vs. average (million households) By US household coverage



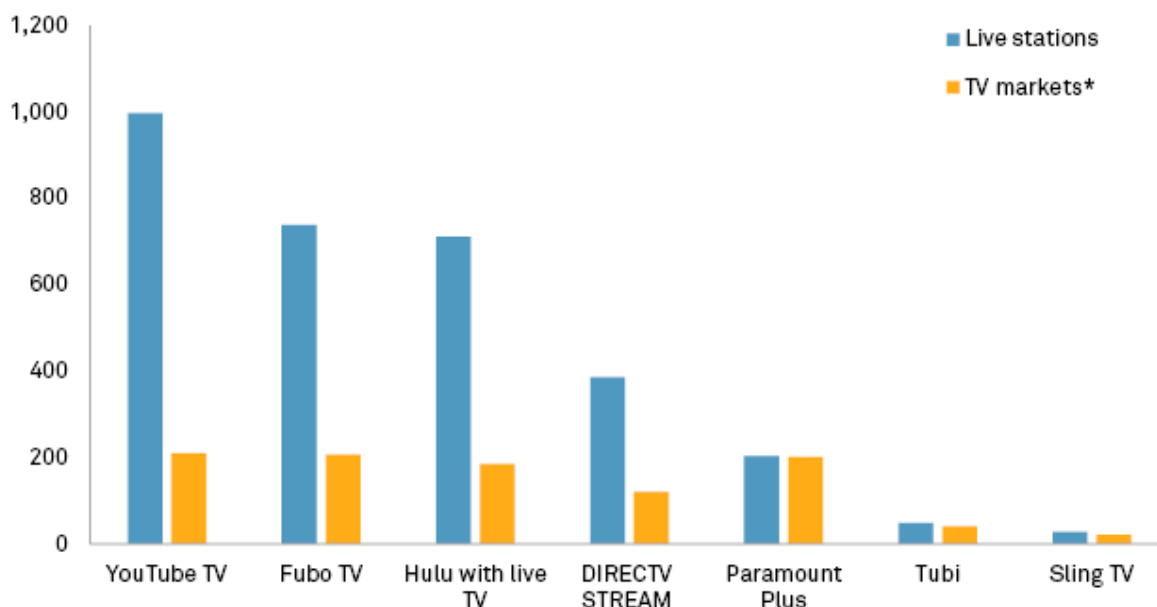
All counts as of Aug. 25, 2021.
 U.S. households based on Q1 2021 Media Census figures and TV station database as of Aug. 25, 2021.
 * Average taken from all services include Hulu with live tv, fubo TV, DIRECTV STREAM, Sling TV, Paramount Plus.
 Sources: Company filings; public reports
 Kagan, a media research group within the TMT offering of S&P Global Market Intelligence.
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Our analysis is based on the most recent company reports, website information and other public information for seven select virtual multichannel providers: Fox's Tubi, Hulu LLC's Hulu with Live TV, DISH Network Corp.'s Sling TV LLC, AT&T's DIRECTV STREAM (formerly DIRECTV NOW and AT&T TV), Alphabet Inc.'s YouTube TV, fuboTV Inc. and ViacomCBS Inc.'s subscription video-on-demand service Paramount+ (formerly CBS All Access).

Free ad-supported OTT TV services have seen heavy growth in the last year as services such as Roku Inc. and ViacomCBS' Pluto TV reported exceptional user growth and ad revenue results. ViacomCBS said on its second-quarter earnings call held Aug. 5 that it raised its monthly active user base to 52 million while streaming revenue more than doubled year over year, reaching \$502.0 million in the period. Revenue for Pluto TV is expected to generate \$1 billion in revenue in 2021.

Tubi announced Aug. 24 the launch of "Sports on Tubi," 10 dedicated channels to livestreaming sports from the NFL and MLB. The linear content will come from Fox Sports, Fox Deportes, NFL, MLB, beIN Sports Xtra en Español, Fubo Sports Network, Pac-12 Insider, Stadium and USA Today SportsWire. The ACC Digital Network, Real Madrid TV and other channels are planned to be added in 2022.

Total number of live streaming stations by service



All counts as of Aug. 25, 2021.
 Includes ABC, CBS, FOX, NBC, MyNetworkTV, The CW, Telemundo and Univision affiliated stations.
 * TV markets defined by Nielsen Holdings PLC.
 Sources: Company filings; public reports
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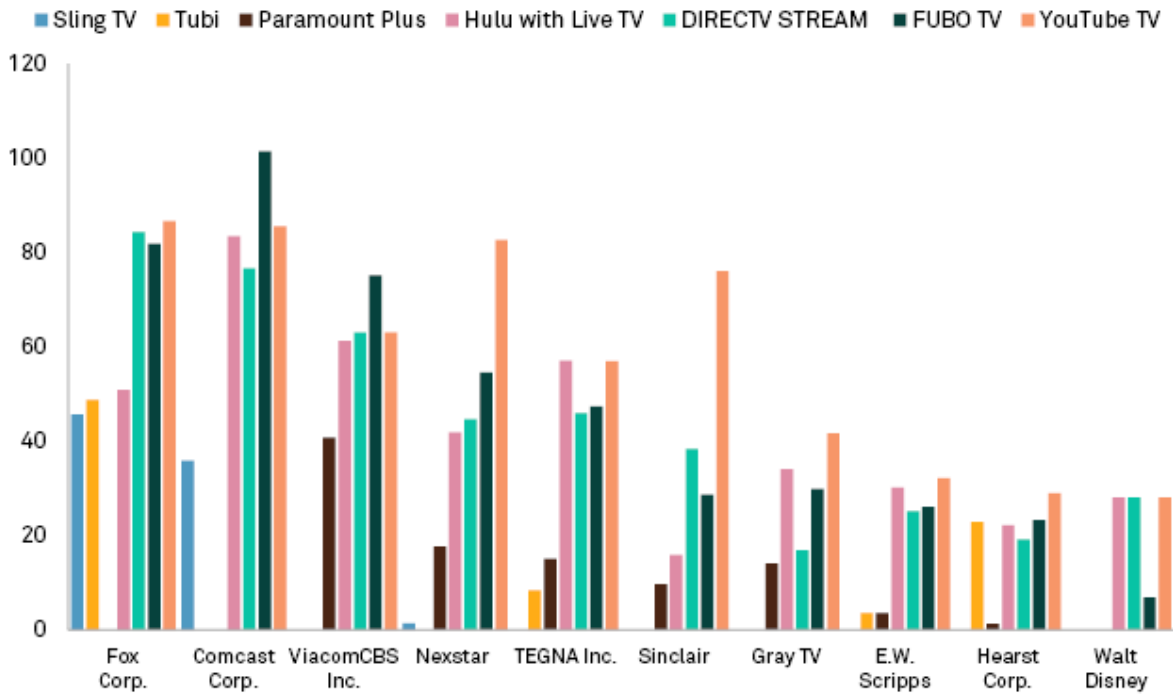
Like Pluto, Tubi grew its user base by 30.0% year over year in Fox's fiscal third quarter to 40 million as of March 2021. Total view time was up nearly 50% year over year in the quarter, according to Fox's earnings call held May 5.

In Fox's fiscal fourth-quarter earnings call held Aug. 4, CFO Steven Silvester Tomsic said Tubi surpassed \$100 million in revenue for the quarter, bringing full-year revenue to almost \$400 million. The company has stated that revenue for Tubi should surpass \$1 billion in coming years.

Fox intends to invest in the range of \$200 million to \$300 million of net EBITDA on the acceleration of digital assets and a particular focus on Tubi, FOX Nation and FOX Weather, Tomsic said. For Tubi, that means some investment in Tubi originals. However, the investment is going toward the three core pillars of content, user acquisition/marketing and technology, according to the Fox earnings call.

Top broadcasters across streaming TV services (million households)

By US household coverage



All counts as of Aug. 1, 2021.
 U.S. households based on Q1 2021 Media Census figures and TV station database as of July 31, 2021.
 Sources: Company filings; public reports
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In September 2020, fuboTV dropped about 48 CBS affiliates over a carriage dispute with Nexstar Media Group Inc.-owned stations. However, after a 2.5-month hiatus, the two came to an agreement to bring back those stations in January.

In February, fuboTV announced the addition of 12 ABC local affiliates owned by Nexstar across the U.S. The additional stations bring the total livestreaming stations in our analysis to 738, behind only YouTube TV with 996 live station streams.

FuboTV has invested heavily in growing its subscriber base over the last two quarters. The company's subscribers grew by 91,291 in the second quarter, up 138% year over year, according to its earnings call held Aug. 10. Total subscribers hit 681,721, with full-year subscriber guidance between 910,000 and 920,000 subs. FuboTV CEO David Gandler predicts the service will grow to between 3 million and 5 million subscribers by 2026, according to an Aug. 18 interview with CNBC.

The growth of OTT TV has led to some interesting techniques to draw new subscribers. Sling TV partnered with DraftKings Inc. to roll out a new sports betting information channel. The channel will give real-time game scores and betting odds for sports, leveraging the DraftKings sportsbook.

In January, fuboTV announced its intent to acquire Vigtory Inc., a sports betting and gaming company, and plans to release a sportsbook of its own by the end of 2021. The integration would give fuboTV subscribers a seamless way to view and bet on sports. FuboTV also has an agreement with FanDuel Inc. and acquired Balto LLC in December 2020.

Of the broadcasters with live TV station streams in our analysis, Gray Television Inc. remains the top station owner with 433 total stations, followed by Nexstar with 408 total stations and Sinclair Broadcast Group Inc. with 290 total stations.

On Aug. 25, Nexstar announced a multiyear agreement with SportsGrid LLC to launch SportsGrid Network, a diginet for sports wagering and fantasy sports. While the network is not OTT, the diginets are easily transferable to the OTT TV streaming services in our analysis.

Sinclair launched a sports betting app with Bally's Corp. in April. The Bally Sports App leverages the former regional Fox Sports Networks Sinclair purchased in 2019. The company is also developing a direct-to-consumer streaming product, which is expected to debut in 2022, providing unauthenticated users access to some content from Bally's regional sports networks, as well as other sports programs.

While some TV station owners have embraced live station streaming by third-party providers, some are planning on developing their own linear streaming services, such as Sinclair's Stirr and Fox's Tubi TV. Broadcasters are looking to the future and preparing for an industry that is likely to see retransmission fee growth eventually declining.

For more on fuboTV, please see our company profile [here](#).

For more on US OTT online video, [click here](#).

Broadcast Investor is a regular feature from Kagan, a media research group within S&P Global Market Intelligence's TMT offering, providing exclusive research and commentary.

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