

Jessica: Charlie Collier, CEO of Fox Entertainment. Welcome to the conference.

Charlie: Thank you for having me.

Jessica: I don't think you've been here.

Charlie: I have not. You mark your career by the number of people you've prepped to come to speak to all of you, and now I'm here with you.

Jessica: Amazing. We're thrilled to have you. You came to Fox following a very successful run at AMC Networks where you were a guiding force in the successful repositioning of AMC, into one of the most watched basic cable networks for scripted original entertainment. What was the allure of coming to a company like Fox which has a large focus on live sports and live news – well obviously news is going to be live.

Charlie: Well, you started with live sports and I'll say it. It is an amazing platform that happens to have this year the NFC Championship game and the Super Bowl, and of course, the NFL all season long. You look at that and what it means and you think, gosh, to be able to combine that with the best of entertainment is really about as good as it gets. You add to that that this team is filled with visionaries and risk-takers and people – when Lachlan Murdoch calls and says, I want to do it again, I want to build it, that is a remarkable moment.

There are moments in your career, actually we had – thank you for saying what you said about AMC; and I'll tell you, I was one of a great group of people who are responsible for that – but a perfect example is we launched *Breaking Bad* off of the back of the NFC Championship game. We had a spot in the game and we monitored it and we put a 15-second spot for *The Walking Dead* into the Super Bowl one year and we planned for months, literally like we were putting a baby in the crib. It was a 15 in the Super Bowl and you nurtured it and then you come here and we've got the Super Bowl as an in-house asset that we are going to have three minutes thereabouts of advertising time to launch new product. And so I'm here because the opportunity is that good and the team has just exceeded my expectations.

Jessica: How does entertainment fit into Fox's overall strategy, new Fox?

Charlie: Well, entertainment obviously is a huge part of a broadcast network. It is really an interesting time. You've got the live and near-live; and probably you'll hear me talk about *Masked Singer* a lot because we're two weeks away from launching our schedule. It was the number one new show of the year last year, and it was borne out of this strategy. Because if you look at how we promoted it, we promoted it in the NFL. We launched it right during the new year when there wasn't a ton of

opportunity going on. Terry Bradshaw and Antonio Brown at the time were behind the mask and the cross-promotion was amazing and, again, it became the number one new show.

You look at that and it is the combination of the best of sports and entertainment. It's the combination of being able to take risks on product that probably you wouldn't see on every network. *The Masked Singer* is a pretty crazy idea, well executed; and then it took advantage of the fact that we're Fox and there were a bunch of risk-takers who said go.

Jessica: What recent consolidations between AT&T-Time Warner, Disney and Fox, and soon to be CBS-Viacom mean for Fox? Are there any implications?

Charlie: Well the real implication from this chair is that we are the only independent broadcast network, and there is power in that positioning in all sorts of marketplaces. First of all, from an ad sales point of view, it's very clear when you work with Marianne Gambelli and you come to our B2B relationships, that they know what we're selling, we know what we're selling; and it's high CPM, high engagement, really high-end product. That's been flattered by a real concentration on what we do.

And then being the only independent network has creative benefits. Obviously, a big part of my job is running the business, but the other side is running the creative. And you look at what it means to be in a relationship with a company that understands what a network television hit can mean; and then we bring it to them in a way where we want them to thrive in this environment.

That's very different than – obviously, what our competitors are doing is terrific and they've built some enormous companies. But in terms of doing fewer things better and being in great relationships with the creative community and being able to build really long term, really sustainable value, I think Fox, now stands alone.

Jessica: I mean it's definitely uniquely structured, that's for sure.

Charlie: It is.

Jessica: You've been hard at work for I guess it's just over 10 months in your current role. How are you thinking about the programming mix for the Fox Broadcast Network?

Charlie: Ten months – did you have the over or the under? It's going great. The mix is interesting. It is a broadcast network, so I believe there is a broad mix of content that should be there. You look at what we're doing, I'll start with *The Masked Singer*, because I mentioned it is coming back and that will launch a new show

called *Almost Family* on Wednesdays, and we're using the NFL platform to launch it.

When you look at a Fox, it's not just the leadership team, but there are a lot of recurring hits, pop-culture piercing hits that have come through the doors and many of them remain. We'll have the final season of *Empire*. Ryan Murphy's *9-1-1* is a hit that we're building off of. You look at what the assets are to platform, what will be our new entrants and it's as powerful as they come. It's a nice blend of comedy. *Last Man Standing* has been a really powerful edition to our lineup and we're building off of that on the comedy side.

And then, of course, there's animation and I'm sure we'll talk about *Bento Box*; but Animation Domination is a brand that Fox is known for in all sorts of constituencies, not just to the viewers; but it really has value well beyond our platform. If you're the home of *The Simpsons* and *Bob's Burgers* and *Family Guy* and are able to platform as we will, new animation inside that Animation Domination umbrella, I think there's real expansion possibilities, and we're leaning very heavily into expanding in that way. The slate is broad, but it builds off of a really strong base.

Jessica: As the network with the most sports, including WWE, how does that impact your approach to programming?

Charlie: Well, I love it. The answer is WWE on Friday nights is a luxury. It is something we're so pleased to recur. Again, you read my background. I come from cable. The number one show pretty much all my career in cable was WWE over on USA; and they built the number one network that they touted a lot around that.

What we have is a strategy where imagine if you got this job and you said, alright, Thursday nights you're going to be number one with the NFL in the Fall; and then Friday you're bringing a powerhouse in the WWE; and Saturday will be the home of Michigan/Ohio State and Big 10 and some great college sports; and by the way, Sunday you're base to build off of is -- your stations will be airing the NFC package; and then going into what is arguably the most well-known animation brand out there in Animation Domination.

You start with that as your base and you would build off of it. And so our Thursday promotion will drive – or our Wednesday promotion will drive beautifully into sports; our Thursday will build obviously the Friday wrestling; and the Saturday college football. And then Sunday we're into animation which goes into our entertainment, and we'll build off of that starting with *9-1-1* which was a top 10 show now for a couple years. It's a really remarkable base and it is the best blend of what you'd want on the sports side and what you'd want in entertainment.

Again, I can't tell you – if you asked anybody who has programmed for a living, certainly on cable, how would you like to have the NFL and the WWE to help launch those platforms and build them, I think you'd get a unanimous, I love it and it's powerful.

Jessica: Yeah, it's pretty powerful. Just to go to the entertainment side, though, what is your strategy for scripted dramas, versus comedy, versus unscripted series?

Charlie: Great question, and the answer is we'll be a mix. You look at what we're trying to do. Obviously, you want to have long term, high margin, preferably revenues that come from a diversity of sources. And traditionally, you know our business, we're ad and affiliate sales.

What we've done is first of all, we've created co-productions on the vast majority, really all but one product now, we own a healthy participation in and that has real benefits. You start to look at what that could mean across drama, comedy, animation, and obviously unscripted, where we've doubled down on that and built an in-house, Fox Alternative Entertainment; and it allows you to both be really disciplined – the perfect example is *Masked Singer* now has been brought in-house, so we'll be efficient on the cost side. We're producing that with some of our partners, but it's done right in our backyard.

And of course, we feel very good about not just being able to scale that property, but be able to take advantage of it in all sorts of different ways and platforms, because of the Fox animation, the Fox Alternative Entertainment brand.

Jessica: The company recently earmarked more spending to pursue your programming strategy alongside a greater push for content ownership, which you actually just mentioned. You own everything but one show. What percent of the upcoming slate, how do you think about that? It's like most of your slate you own.

Charlie: Well, that's it. We own, we're in co-productions – and I think there's, I think about it in the following. There are micro implications and those are terrific and most of them, or many of them, are creative, which is you're aligned with your partners. You've been around this business a long time. There's nothing like walking in and having an alignment with your talent, knowing that what you're doing and what the production company is doing actually has the same desired result.

It is not to be overestimated the power, on a very micro level, of making sure we win the same way, because we know a lot of deals in Hollywood are not built that way; and when they are I think they tend to move forward, obviously in tandem, but with more upside potential.

And then there's a macro implication of this ownership which, again, gets back to what I said earlier. I think if you look at our business from a distance you'd say they're an ad and affiliate sales business. But the diversification of this business and the ability to build some high margin opportunity – I mean a good old-fashioned broadcast hit is still really powerful; and we are not in this situation where we've consolidated and need to fuel this studio. We're literally trying to take advantage of what we think is a great upside opportunity.

Jessica: Because you have this unique structure -- you program 15 hours a week in prime time versus 22 for the other three broadcast traditional networks -- you've less shelf space that you need to fill, but you do need to fill what you have. And you're competing in a world that's completely changed in the last five years. I mean this is uber competitive environment for television production. Could you just talk about how you compete to get the best shows for your network when you have this new and bigger competition?

Charlie: Well, firstly, I'll say in this environment, scarcity is our friend, scarcity and knowing what you have to schedule. I won't ask you, but think about this, if you had to name the bottom 10 shows on any of the places that are producing 22 hours a week, A, you'd be hard pressed to do it; and B, they're on the bottom for a reason. Well, we're sitting here with a great sports base, a returning series of assets, like I mentioned *Empire* and *9-1-1* and others, and now *Masked Singer*; and then we have a relatively finite slate compared to others, which allows us to do fewer things better.

You started with the comment that AMC scaled in the way that you mentioned. And I think there's something really interesting about knowing everyone you're in business with, being in business with a desire to not just fill up a grid, but actually program a schedule, and then use the assets that we have to actually elevate that schedule.

To answer the first part of your question, scarcity is not just a friend, but actually I think it's a differentiator, because there's no one in this environment who's saying, gosh, I wish I had seven more hours of a linear schedule to fill. That doesn't exist.

And then how we approach it, the answer is – I don't know if we'll talk about SideCar...

Jessica: We're going to get there, absolutely.

Charlie: You look at some of the partnerships, there are ways to bring business into this network now. Actually, I should pause and say I don't really even think of it as a

network business. We're called Fox Entertainment and we branded that way for a reason. There's Fox Sports and there's Fox Entertainment; and I think of the entertainment opportunity as really interesting, because we are blessed, as I said, to have one of the four broadcast networks at the center of our entertainment company.

But, it's not an entertainment business per se, only; because I want to have a strong broadcast core, but all of the capabilities you see us bolting on with great discipline, but they are capabilities, will allow us to, I think, monetize in a different way, come to market in a different way, partner with different types of people who still understand the value of growing here, versus in a cost-plus model. And all of a sudden you start to see that entertainment company can be really powerful, because the network is supported in a very different structure, a la your earlier question about our unique status as an independent television network.

Jessica: I'm sure AMC's going to keep coming up in this conversation because at AMC you were known to have quality content, but really in a very cost-efficient manner. Can you bring that same discipline to Fox? [sure] In this environment with all of these big companies [yes] spending money, can you do that?

Charlie: Well, the answer is unquestionably, because the funny thing about creativity is you cannot corner the market on creativity. There is not a correlation between how much you spend and whether you're more creative. It just doesn't exist. If it did, again, *The Walking Dead* was the number one show for 10 years out of AMC; and if you had ranked by spend, you wouldn't have assumed that that would happen. I mean Time Warner was out trying to do that and obviously, the Turner networks do a great job, but it was on AMC – and any other network who was out looking for the same thing.

Just like the Yankees don't win every year – I'm a Mets fan and I say that now before they make their playoff run – but it is, you cannot corner the market on creativity; and therefore, we are going to approach the market in a similarly disciplined way; and we're going to, we think, punch beyond our weight; and we're going to have an impact because of the sports and the structure and because of our approach that allows us to get in partnerships where we think we'll be advantaged by, by all of what you've asked. The answer is an emphatic I think we're very well positioned to come to market.

Jessica: As an outsider, it appears that you're sort of building back the same or similar in-house production capacity that 21st Century Fox had or the business that was just sold to Disney. Is that a fair observation? What's different about what you're building?

Charlie: I'll say it is not what we're doing. We are not rebuilding what we just sold. I think – and John Nallen and others have covered this in some other situations – what the Murdochs did in selling their assets at a premium to Disney and put them in the place where they now reside, I think was really strategic; and I think someone referred to it as getting the lump sum payment, the upfront payment on a lottery ticket. That is something they did very well and I think it's very smart.

My mandate was not to go out, and we are not going out, to rebuild what we did. What we are doing is bolting on capabilities that really matter. You look and if you're in animation and you have Animation Domination and we have this strength of independence, you're going to think about investing and we just bought a world-class production partner in Bento that allows us to not just fortify our commitment to animation, but also build capabilities without great overhead.

You fast-forward to, actually you rewind because when I first got here, what a great opportunity – Gail Berman who is a terrific executive, we had an opportunity to build the company with her, it's called SideCar. And that is meant not to rebuild what we're doing at -- what they did at 20th, which is wonderful and valued. But what we're doing is adding capabilities without great overhead and the skill and the nimble nature of not just Fox, but these capabilities has really I think allowed us to take some projects and elevate them in a way that others in the market either can't or wouldn't prioritize at this time; and I think that's a great advantage.

Jessica: Just jump into that. You've mentioned SideCar a few times and also Bento Box. You've launched this – I mean you have this array -- maybe you could talk a little bit about SideCar. Gail, who once ran Fox TV Network herself, is your partner with SideCar; and then you bought Bento Box, which is the animation company behind *Bob's Burgers*. Could you talk about both of those investments and how strategic it is to you? Well, it's strategic of course. What are the objectives?

Charlie: Again, when I say we're not rebuilding what we sold and we're not, but we are building capabilities, SideCar is a perfect example. SideCar, we call them a content development accelerator; and all three of those words are chosen specifically and wisely, we think, to get us into the market, to develop content more quickly and more nimbly than others would. When you have an executive and a team under the executive in Gail Berman, that we do, we have a really seasoned, well-connected, professional producer that has – her batting average has been better than the industry for a long time as well. [absolutely] She's remarkable.

And so overnight we have this 100% Fox owned asset in SideCar that gives producers another opportunity to enter the world of Fox Entertainment, but do it with an excellent producer in hand. And also the way that Gail and her team are

working with Michael Thorne and Rob Wade, who run our scripted and alternative groups, and working hand in hand to say when we all win, Fox wins.

If a producer's more comfortable coming to us and going through SideCar because they want those production capabilities, they can do that and it has a path to air. If they are a studio that says, nope, we've done business with Michael and the scripted group for years, let's go there, they can come through; and frankly, because SideCar is 100% owned, if we win through SideCar or win through the traditional development process, we all win.

Jessica: Increased optionality, increased capability.

Charlie: It is. It's a remarkable way to do so without, again, with great discipline and without tremendous overhead. Bento is the same thing, again, there are certain things, if you sat in my office, the first thing you'd notice is that there's a huge mural of The Simpsons on one of the stages right outside my window. If you spent any time studying Fox you would know that *Simpsons* and *Family Guy* and *Bob's* and the legacy of animation is one that is a head start that should be compounded.

Now, the very producers with Lauren Bouchard of *Bob's Burgers* is Bento Box, and now they're in-house. We can service all the great partners that have used Bento before. They do shows for 20th. Actually, they do shows on our air for 20th. They do shows for Apple; and they do shows for Netflix; and that's great, and that's the production services side of their business; and then we can also get in direct relationships with animation creators all over the planet. And that allows us to have, again, a nimble and I think direct relationship with some people who otherwise we wouldn't be in business with, and that's great.

Jessica: Do you see potential for additional organic investments similar to SideCar, maybe acquisitions?

Charlie: Well, I will say that we will always look because that's responsible to do, but I feel like we're pretty well positioned. You mentioned earlier the mix of animation and scripted and unscripted. Between Bento and Fox Alternative Entertainment and SideCar, I feel like we've built very quickly some capabilities in a really disciplined way that allow us to win, but so no plans at this point; but I think we'll approach it in the same disciplined and thoughtful manner.

Jessica: You have some of these incremental investments that you've made will show up on the screen this season, this upcoming TV season. What milestones are you looking for for success? How are you going to judge yourself?

Charlie: That's a great question. Actually I heard some of Bob's comments before about iHeart. A measurement of success is one of the hardest things in our business, because it used to be the good old overnight and now it's time shift of ratings. We're compensated on live – or well, C7 ratings, which means seven days afterwards; and frankly our success is measured in a truly diverse way because we have the opportunity to start a new company. As of March it's a new day one.

We're looking at our engagement with the creative community and how we walk new talent through the doors. And if you start to look at from, we're launching a show called *Bless the Hearts*, which is right in between *Bob's Burgers* and *The Simpsons*; and it's an animated show by a creator named Emily Spivey who right out of *Saturday Night Live* and it's starring Kristen Wigg and Mya Rudolph and Jillian Bell and Ike Barenholtz, and that talent wasn't here 10 months ago and they're here now.

You look at what we're doing in terms of some of our scripted originals and who is partnering with us; and that engagement with the creative community and them seeing that we're going to treat them well, actually I would say treat them better and give them an opportunity at backend and look at the way they can grow here, that, in many ways, is as important as some of the commercial ratings that we have to get, because we're building a long term growth business; and that to me is exciting.

So we have engagement metrics, we have obviously the ratings and the commercial ratings businesses; and then we have the what will be the fruits of these capabilities we've bolted on. And so there is, I think, a good deal of alternate revenue, diversified revenues that are going to come from this and we're obviously tracking that for our success as well.

Jessica: Can you increase original programming hours further in 2021? How much shelf space is currently occupied by reruns that could be replaced with original programming?

Charlie: That's a good question. The answer is that we're pretty close to capacity. There are moments in the schedule where I think we can both build new things for audiences and advertisers. We just announced a show called *Moody Christmas*; and if you think about it actually, if you think about television, you know what happens on every network at Christmas; but you might not, actually, I defy you to tell me what happens at Fox at Christmas.

Here's what typically, to your question, I looked at we have the World Series which is such, again, another great sports opportunity. Because you don't know if it's going to be four games or seven games or somewhere in between, I think a lot of the instinct was not to program anything around that because you don't know if

it's going to be bumped by live sports. But we looked at Christmas and we looked at the opportunity from certainly an ad point of view, but really a viewership point of view; and you know that Al Roker is going to be lighting a Christmas tree on NBC; and the Pentatonix will probably singing; and you know on CBS and ABC that Rankin Bass or Snoopy's going to be airing. But nothing was happening at Christmas on Fox.

And so we just thought with the Fox attitude and a little bit of punch, that our Christmas should be not that happy Christmas, it should be the real Christmas that so many people have. We just greenlit a mini-series called *The Moody Christmas* and it's going to star Dennis Leary; and so you'll start to see us filling out the Fox Christmas with attitude. I think they're branding the month, again, for advertisers Not So Silent Night; and you'll start to see us build out capabilities there. But in general, we're at or near capacity and then we're going to fill in some holes with some things that we think help create value.

Jessica: Just to go back to some of the investments like SideCar and Bento Box, are there any other forms of programming that you want to bring in-house?

Charlie: Well, I'll say this. I think the capabilities that we've added allow us to service different types of people. For example, SideCar is in production right now with an original series for Quibi. It stars Darren Chris. It's called *Royalties*. It's a really interesting product and what I find fascinating about it is you wouldn't have expected Fox Network to so nimbly be able to participate in that revenue stream. That came through Gail's group. She's managing it incredibly well and it has, just with that little bolt on capability it provided us revenues that you wouldn't have expected.

I'd say, again, we're pretty, I feel pretty well positioned to go into any corner of the market that you might desire at this point, without great overhead added; but I like our ability to service new partners. We are, again, an entertainment company that's blessed with all of the live sports and this entertainment and independent broadcast network at its core; and we're also pretty nimble to be able to service a partner like Quibi and be in a production relationship with them.

Jessica: Pay TV subscriber trends have declined for [what?] – I know, it's shocking news. But it continues, sadly they continue to decline. Although Fox has trended above the industry for awhile. You've carried agreement across all of the major virtual MVPVs. [yes] From a creator's perspective, how do you think about reaching the broadest audience, creating long-term value and obtaining the best monetization on various platforms, whether it's traditional linear or via digital platform?

Charlie: Well, look, one of the attractive parts of having one of the four broadcast networks is that it is still the biggest and best storefront window. It is. And you

start to look at it, and you see symbols of this throughout the year, there's a reason why so many major advertisers put the majority of their dollars in the upfront broadcast. And there's a reason why when companies are trying to raise money or go public or get attention, they move their money into broadcast.

And actually, if you watch something like the Emmys in a couple weeks on Fox, what you'll see is that all of the streaming services will have their ads on broadcast, because it's a growth category for us; and it's a way for them to have broad reach, where they otherwise wouldn't be able to get it.

And so right at the heart of value proposition is that I think network reach still is 140-ish million per week, per week. And that, again, that accumulation of reach of 140 million households per week is pretty powerful, and really unduplicated.

And then, you talked about measurements for success. Obviously, it's multi-platform measurements. I didn't go deep into that area, but we – and by genre it varies, but when you look at the animation success, because it is so broad and so big, over 50% of our viewing on our animation will happen on other platforms.

And so we have great live 7, in this case the monetization C7 metrics on animation, and we have great digital leverage and digital partners through Hulu and in the case of what airs on Animation Domination; and their monetizing with us the value of that property to travel.

It's kind of interesting to think of how we can expand our reach, not just with the breadth of broadcast, which we'll have in spades with the sports that we have as a platform, but also across digital partners and Fox Now and some of our ancillary properties.

Jessica: How do you even think about the direct-to-consumer opportunity for Fox Entertainment; and how do you think that evolves over time?

Charlie: That's a good question. Yeah, again, I mentioned Now and before I think he's taking that pretty head-on in his last few conferences. I walked into a situation where Fox is one of the key founders of Hulu and we're still in a Hulu relationship that I find really powerful. And again, not just in the reach – not power through reach, but actually in the ad relationship that we have. So we're not looking to compete with Hulu any time soon.

But what I think of the direct-to-consumer marketplace for us is that between the reach of the Hulu and the Fox Now and what we're doing on broadcast, we're well positioned for the short term. And then over time, as the marketplace shakes out, we'll certainly look at if we fortify the Hulu relationship or we look for other opportunities.

Again, it all starts with the demand for our product, and I look at, again, animation as an example. How much of Hulu's viewing is driven by what we're producing; and how much of the demand do we get incoming for the product that we have? And that is, you mentioned, measured metrics of success. It's really rewarding to have some of the brands that are driving viewership on these platforms. And we'll continue to build those brands, because I think it'll have that value, not just this year, but long into the future.

Jessica: Last topic, advertising.

Charlie: Advertising.

Jessica: Yeah, so could you talk about some of the reasons why Fox was able to post one of its strongest upfronts in many years; and then maybe – well, let's talk about that, then we'll go to another question.

Charlie: Sure. Well, look, I grew up in the ad sales world and I look at what's going on in the marketplace today; and I said from a programmer's point of view, that scarcity is a friend. But I actually think it's driving pricing as well for us and others. So there's obviously fewer impressions in the marketplace and that is juxtaposed with the fact that you still create massive reach through broadcast. So if you have scarcity and massive reach, I think that's what's driving your price increases and we were on the high end of that as a broadcast entity.

I also think, the very heart of your first question, the mix of sports and entertainment at a high level is really what broadcast does best. And you positioned our sports well in your question. We are a leading sports purveyor and we have some brands that are really breaking through; and we have the number one show of the summer to create some momentum with *90210*. And then – number one launch, and then we had the *Masked Singer*, which built some breadth on the entertainment side. All of those are driving growth.

And then I was talking to the ad agency this morning about our Fall launch; and they were talking as a buyer about how all of their advertisers had returned to Fox. And it hadn't occurred to me to look at that agency in that level of granularity, but they're part of a big holding company. And so I asked them the same question you ask me, which is what's creating value? And you won't be surprised to hear that it's everything I just told you.

It's getting down to the buying level that the combination of sports and high-end entertainment is actually potent and they know what they're getting from us. Where they are coming to market and a lot of people and a lot of new faces are selling them things that they're not 100% sure how they're going to package up.

There's a clarity of our message and, again, not just that pricing reflects it, but I think the volume reflected that as well.

Jessica: I mean subjectively Fox feels very different this year than it did the last year or two before.

Charlie: Yeah, well, I think that's good. Are you saying that positively? Yeah, well, come on, bring it on.

Jessica: Just jiggling(?) you right now.

Charlie: Well, no, listen, we have momentum and so you measure it by who comes back and whether they increase their spend and we're liking our trends there. And then we have a lot of – a lot of new advertisers who have come back and were not on the network for the last few years and they're back this year. And so both of those are nice reminders that we're doing some of the right things and they're interested in our stories and our platform.

Jessica: What can you tell us about calendar, you're in a different fiscal year, but calendar Q3 and visibility you have into calendar Q4?

Charlie: Well, the advertising marketplace was unquestionably strong in the upfront. And so we're – obviously Q3 is waning, but Q4 is the first year of the new upfront and it really is, the Fall is the best incarnation of our strategy. Because you get into the NFL and then our first quarter of entertainment. And if that conversation with the ad agency this morning is any reflection, they're stating back to us why we add value and where they see the value. And it's very much in keeping with everything I'm saying today.

Again, without throwing out figures, you actually had them in your upfront question. I think there's a lot of power and momentum; and I think once we start to see the numbers, certainly not just on Fox, but across the board, scarcity is going to be our friend.

Jessica: And as an ex-cable guy, do you feel any shift from cable to broadcast, in terms of advertiser sentiment?

Charlie: There's something about the size of this audience and this storefront window and the size of the brands and what they're buying here. That it is just different. Again, even the feel of the upfront, we think about what brings advertisers back to New York every year to stand in the rain and wait to see someone like me speak. That's not the point. The point is that the value of the platform and the value of what they're investing in seeing returns from is really powerful.

And so look, we had some great properties at AMC and I felt demand. We created demand there. What I find so fortifying about Fox's position right now is that our message is consistent with how they're building their businesses. And so you look and you say, all right, when they're on broadcast they see results. When they need attention they see results. And even our competitors in the streaming side know where they have to come for results. So I feel like we're in the – we're positioned in the right way for the moment.

And I wouldn't underestimate the value of the independent network, because for us, the creative relationships into which we can enter that don't need to lockdown everything, but actually can offer them some freedom, is pretty powerful. We signed a deal with a showrunner, a writer, he was one of the creators of *Criminal Minds*, Jeff Davis, and he is doing a broadcast-exclusive deal with us. And I think it's right at the heart of your question.

He can come here and do his broadcast work exclusively at Fox; and because we don't have huge vertical integration, other things, if he builds something that is more appropriate on a streaming service, he will bring that product with our help to that streaming service. Because we want it to succeed there and have his broadcast home be at Fox.

And that ability to be nimble and put the right project in the right place and offer a creator access to backend and all that the broadcast networks still uniquely offers with scale, and also be able to say, look, if you want to go do a project somewhere else, go do that too, that's pretty different than what you're hearing from the marketplace where most of what you read day in and day out is here's our ecosystem, how do we protect it? These are the people we just signed, how do we lock them down?

And so I like our ability to be nimble and we're starting to hear that back when people come and pitch us, I think this would be a great Fox project. And they're talking about new Fox. It's a good moment.

Jessica: And then last question, but I don't know when Fox launched, 30 years ago, something like that?

Charlie: Yeah, about that.

Jessica: It was known then to be like really edgy sort of male-oriented, younger – very different. What will the Fox brand be in the next three to five years?

Charlie: That's a great question. Well, so what's funny is I think it was edgy then, it's hard to argue, and I wouldn't argue, it's not our brand that edge is where we're going to win. Because certainly when you can find anything with no language or nudity

or any other constraint on your phone at any time, that's not a position – it was edgy at the time.

But I would say they're bold and they're risk-taking and they were then and we are now. And so part of – I didn't go deep into your question because it was a nice easy one to start. You said what attracted you to this place. This is a network that a time where no one thought there needed to be a fourth network, they went and built a fourth network. And it was bold and brash and all the things that I think was communicated in their brand.

And we're looking at our brand now and we're saying, actually, we can have the same attitude. And so you look at it, the *Masked Singer* is a show that couldn't be on any other network. It was out there, it was a Korean format, but it made sense for us to take that risk. And we talk a lot about how we can break down convention to build new things. Break down convention to build something better. And I think that's always been part of the Fox brand.

So it wasn't very – even the *Simpsons*, *Married With Children*, *In Living Color*, all of those things you shouldn't do on television, defined their legacy. And now you start to look at what we've got at our core between *Empire* and *Masked Singer* and *9-1-1* and some of the things that turned convention on their head, we're going to do a lot more of that. And you'll see it reflected in our brand.

Jessica: But do you see it – will the network be younger? Will the male/female or ...

Charlie: You look at it, it's broadcast. What's remarkable, one of the ways we build great reach is when you look at a show like *Empire*, you can know who the target audience is and we are the number one show skewing African-American in the marketplace. And then you have – that's on a Tuesday night and then you're going to go to Wednesdays, and we have probably what is one of the most family-friendly hits in the *Masked Singer* and it's breadth. But it's a different area of reach building than we were on Tuesday.

And then we're going to go into Thursday and you're going to be NFL and you couldn't be more broad all America there. And you do have a little bit by night of an opportunity to target by night, but have what broadcast does best, which is breadth, when you combine the week. And so look, we've tended to be and I think we'll probably continue to be the youngest of the broadcast networks, but I wouldn't call it targeting young.

It's still broadcast and I think there's a very nice sweet spot of audience that we can build. And when we do it right, it will look like a big broadcast hit. And I like our chances to not just build that for broadcast, but bolt on all those capabilities that monetize it for the long term in the ways I've described.

Jessica: Great. Well, good luck in the new season. Thank you for coming.

Charlie: Thank you.

Jessica: Thank you.

Charlie: Thank you very much. It's good to be with you. Thank you so much. It was fun to see you.

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