

## CBS says 'Star Trek' to help reap \$400M from online channel

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Boldly going where no programmer has gone before?

Not quite, but CBS says that airing its new "Star Trek" TV show exclusively on its CBS All Access online video service will help the show take off at warp speed next January.

Executives told an investor presentation in New York Tuesday that CBS plans to release three to four original series every year on the \$6-a-month service, including a new version of its "crown jewel" franchise.

It expects each series to boost subscriptions to CBS All Access, and aims to have 4 million subscribers in five years, generating revenue of about \$400 million a year by 2020. It didn't say how many subscribers it has now.

Chief Operating Officer Joseph Ianniello told investors that Showtime's direct-to-consumer offering is also expected to gain \$400 million in revenue by then.

Ianniello said Hulu, the online video service owned by ABC, NBC and Fox, is its closest competitor online, but said CBS All Access has more Top 20 shows than Hulu from all of its partners combined. He noted Hulu gained 10 million subscribers over the last five years.

"We're only projecting 40 percent of that number," he said. "So that doesn't feel like a very long putt."

The company also said it expects to benefit from so-called "skinny bundles" of TV programming. Cable and satellite operators are experimenting with offering fewer channels in cheaper-priced packages and CBS expects to be paid more for its channel in those smaller bundles.

The forecasts were part of a presentation in which the broadcaster explained how it would add \$3.75 billion in new annual revenue in the next five years. It posted \$13.9 billion in [revenue](#) in 2015, up less than a percent from a year earlier.

CBS also said Tuesday it is looking at "strategic options," including the possible sale of its terrestrial radio station business, which owns and operates 117 radio stations in 26 markets in the country.

The move would lower its dependence on volatile advertising revenues, which fluctuate with the economic cycle and make up roughly half of its revenues today.

CBS Corp. shares closed down 1.3 percent on Tuesday to \$52.59.

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