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What the Industry Reads First

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Altice 4Q: Video Declines Slow, But Company Still Open to Alternatives

When it comes to video, **Altice USA** is down with traditional pay TV, OTT and linking up with virtual MVPD players. For 4Q18, pay TV RGU quarterly net losses totaled 15K, better than the 25K recorded in 4Q17. “To explain this, we see the pace of cord-shaving slowing, helped by Altice One [gateway rollout]... as well as OTT players recently raising prices and seemingly suffering from elevated churn levels and facing increased competition,” CEO *Dexter Goei* said in call with reporters Thursday. During the company’s earnings call, he said Altice believes there’s still good financials for video in the bundle. Still, Altice USA continues to have discussion with many OTT players about full integration into the Altice One box. “Hopefully, we’ll be in the position to announce a major player joining our platform in the next several months. The idea would be to continue to populate our Altice One platform with full integration with some of the more fully distributed and attractive platforms, including vMVPDs,” Goei said. He added that it such a deal would need to feature a revenue share business model because it would “incentive us to push distribution at the expense of potentially a linear subscriber.” Video streaming is driving broadband usage growth at Altice, with broadband-only subs using twice the amount of data as video-Internet customers and streaming twice as much video. This week, **Charter** announced that it will launch a true OTT offering, priced at \$15/month with around 60 channels (no broadcast or sports). Altice will look at all the options, including doing its own skinny OTT bundle, Goei said, though he cautioned that there’s “quite a bit of clutter” out in the market. “To the extent that we can do something that’s differentiating, that’s great. To the extent that we’re just doing, let’s call it more Me Too types of services, I’m not so sure that’s the right business model for us to be focused on relative to all the other balls we have up in the air,” the CEO said. One of those balls is mobile, with the company gearing up to launch a full MVNO service later this year. Not a lot of new info on that front, with Altice in the midst of testing billing systems and examining handset partnerships. During 4Q, the company completed its development of the core network to support MVNO with Sprint, including upgrading and expanding its WiFi network. Some 19K AirStrands have been deployed. Overall, Altice USA saw 4% YOY revenue growth in the quarter to \$2.45bln, with cash flow up 7.8% to \$1.1bln. It was largely helped by advertising, which posted revenue growth of 33.2%. “A good chunk of that is from political, but there’s been very strong growth in non-political,” CFO *Charles Stewart* said. The company’s very close to kicking off its previously

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announced partnership with **AT&T's Xandr** and it is ramping up its next-gen platform "Athena," which is a one-stop shop for multiscreen ad campaigns. Residential broadband RGUs grew by 22K, similar to 4Q18's 25K adds. Altice's 1Gbps symmetrical internet service over its new FTTH network is now being rolled out in select areas of Long Island, NJ and CT, with the company continuing to deploy and active its network. At the same time, it's planning to bring 1 Gigabit service over existing hybrid fiber-coax this year.

5G Forward: Verizon's 5G ultra wideband network will hit more than 30 US cities by the end of 2019, the company revealed at its investor day Thursday. It also announced that its 5G Mobility service would launch within the first half of the year with Verizon 5G Home extending its reach in the second half. The ultra wideband network isn't the same as the home 5G service it offers in four cities already, which requires specialized equipment. Instead, this mobile 5G will be compatible with industry standard 5G gear. No specifics were given as to which cities would be receiving the new speeds or when rollouts would occur, but it did say it would not charge a premium for any enhanced speeds. Verizon is also looking at how to extend its broadband reach and the availability of Fios, but said it isn't currently in a place to offer services to residents and businesses beyond its current footprint. The executive team continued to point to optionality as a major goal for the company, saying that it wants to give customers choice on internet, internet speeds and how they consume content.

Mediacom Numbers: Mediacom ended 4Q18 with \$496.4mln in revenue, a 5.2% YOY increase. The company reported free cash flow of \$76.6mln, up from \$75.6mln the year prior. However, video losses accelerated to 17K in the quarter vs 2K in 4Q17, while HSD increases slowed to 4K vs 15K a year ago and phone adds fell to 5K from 22K. Still, Mediacom ended the quarter with 2.654mln primary service units, a 2.3% YOY increase. Ending customer relationships slid 0.4% to 1.357mln. For full year 2018, Mediacom reported total revenues of \$1.956.4mln, a 4.2% YOY increase.

Galaxy Ready: Comcast will offer the **Samsung** Galaxy line of devices to Xfinity Mobile customers, including the S10, S10e and S10+. While 5G isn't on the table quite yet, it's coming. The Galaxy S10 5G, Samsung's 5G-capable offering, will become available to Xfinity Mobile customers later this summer. They'll be on hold longer than some other customers, with **Verizon** serving as the official launch partner of the 5G phone, which will be hitting stores in the first half of the year.

Smarter Ads: Nielsen launched a new technology, product and commercial initiative that will focus on expanding and innovating addressable advertising for Smart TVs. The Nielsen Advanced Video Advertising initiative comes along with the acquisition of **Sorenson Media**, a leading addressable TV technology provider, that will help transform TV from a one-to-

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Panhandle Patents: It may be early days, but a patent suit against **Comcast's** X1 streaming service is moving forward in the Sunshine State. The Middle District Court of Florida ruled Wednesday that streaming video company **WhereverTV** provided sufficient evidence to put Comcast on notice of claims that it is infringing one of WhereverTV's '431 Patent, which discloses a global interactive programming guide. The alleged violation comes when Comcast is manufacturing, selling, offering, importing or distributing Xfinity-branded products in combination with its interactive programming guide. "We disagree with, but respect, the Court's ruling," Comcast said in a statement. "It has no impact on our ability to continue offering our innovative X1 platform and streaming services to our customers, and we look forward to winning the case on the merits." Comcast is also fighting a legal battle in Tennessee, where it sued state Revenue Commissioner *David Gerregano* to recoup \$17.1mln paid in taxes. The extra dollars paid came in the form of franchise and excise taxes, plus interest, for 2012 through 2015 due to a state audit. It claims the state miscalculated what the company owed on its video and internet services and that the assessment wasn't based on Comcast's actual books and records.

On the Job: **CSG** and **Atlantic Broadband** are expanding their working relationship, giving the latter access the CSG Workforce Express field service management solution. Atlantic Broadband customers will now receive automated appointment notifications and will be able to have their installations or service work scheduled based on traffic data, geography, technician skill and availability. On the other side, Atlantic will be tracking jobs in real-time and integrating messaging capabilities to connect technicians with each other, field supervisors and operations should something impact scheduled appointments.

Booting Up: Startup **Loop Media** announced its acquisition of streaming video solutions business **ScreenPlay**. The short-form streaming company now has the licensing rights to over 200K music videos and film, game and TV trailers. ScreenPlay founder/chmn *Mark Vrieling* will join Loop as chief content officer while current ScreenPlay COO *Pete Mackenzie* will become president. Loop, launched last week by veterans of **Disney**, **Vevo** and more, will launch its consumer app later this year.

Haunted Houses: The people behind **Netflix's** hit series "The Haunting of Hill House" signed a multi-year overall deal with the streaming giant. Under the deal, creator *Mike Flanagan* and ep *Trevor Macy* will produce new projects exclusively for Netflix. The streamer also announced it's turning Hill House into an anthology series, with the next installment in development. "The Haunting of Bly Manor," based on *Henry James'* "The Turn of the Screw," will have no connection to Season 1.

Weather Report: **AccuWeather** promoted *John Dokes* to CCO and pres of AccuWeather Network. He first joined the company in 2013 as its CMO. The company also announced the formation of a new Media Content Group, which Dokes also will direct. The new group is a strategic reorganization of the AccuWeather Digital Media Content and Operations and AccuWeather Network Groups.

In the District: **FCC** chmn *Ajit Pai* will serve as a keynote speaker at **ACA's** 26th Summit. Pai is scheduled to have a fire-side chat with ACA pres/CEO *Matt Polka* on March 21 at 8:20am to mark his third appearance at the annual event. This year's ACA Summit will be held from March 19-21 in DC.

Ratings: Wednesday night's basketball matchup between Duke and North Carolina is the third highest-rated regular season college hoops game on record for **ESPN** with a 3.2 overnight rating. The game also became the highest rated of the season across all networks. -- The 2019 **Bounce** Trumpet Awards saw 1.8mln total viewers across premiere and encore telecasts. The premiere telecast on Feb 17 delivered 552K total viewers with a peak of 708K, an increase of 12% YOY.

Programming: **Discovery** is premiering "Moonshiners: Whiskey Business" on March 13 at 10pm. The series is a spin-off of "Moonshiners" and follows moonshiner *Tim Smith* as he helps pull struggling distilleries back from the edge. -- **Starz** and *Reese Witherspoon's* media company **Hello Sunshine** are developing "Kin," a multi-generational family drama. Witherspoon, *Lauren Neustadter* and *Davita Scarlett* will serve as eps.

People: **NBC Sports Group** pres *Pete Bevacqua* will now oversee the entire sports group portfolio, adding NBC Olympics, Production and Operations to his area of his responsibility. Bevacqua joined the company as pres in September. The move comes as *Mark Lazarus* recently added oversight of NBCU's East Coast-based content businesses, including NBC News Group, CNBC and the Cable Entertainment portfolio, in addition to NBC Sports Group, NBCUniversal Owned Television Stations and NBC Affiliate Relations. -- **Lifetime** named *Cat Rodriguez* vp, unscripted development and programming. Rodriguez has more than 20 years experience in reality television, most recently producing "LA Ink" and "The Real Housewives of New Jersey."

PROGRAMMER'S PAGE

Controlling the Message with 'Flack'

We've all got issues. Celebrities and the like happen to have their personal business aired out for the rest of the world to see. Their saviors are their publicists, who happen to be at the center of **PopTV's** British drama "Flack" (premiering Feb 21 at 10pm). It's been more than five years since creator *Oliver Lansley* developed the idea after working with PR on a press junket as an actor. "It was so much more robust than we're normally told," Lansley told **CFX**. "I found it interesting and dynamic. It reminded me of politics, but in a way that was much more relatable to normal people." Diversity in Hollywood was a whole other ballgame then, and Lansley wanted to shake things up by introducing more than a complex female protagonist. "There's a book called 'Difficult Men,' which is about showrunners and their complicated male antagonists," Lansley said, explaining that the book includes characters such as Tony Soprano and Walter White. "I wanted to write a character that could be on the cover of a book called 'Difficult Women.'" That led to the creation of *Anna Paquin's* Robyn, a publicist more than prepared to maintain the perfection of her clients' lives but incapable of cleaning up her own. And she's not alone. Every woman in the series, from innocent intern Melody (*Rebecca Benson*) to the cheeky, immoral coworker Eve (*Lydia Wilson*) would have you believing the show was developed within the past two years. Even though the average person may not be responsible for keeping a celebrity's career afloat, the current landscape of social media has Lansley believing more folks than not will relate to the need to curate their public persona. "We all PR our own lives daily," he said. "We create our own image via Instagram, Facebook or Twitter and everyone is controlling their own image in a way they weren't five years ago... it feels like it's very timely on that front." -- *Sara Winegardner*

Reviews: "The Trump Years," series premiere, 9pm, Monday, **A&E**. It's a curious choice to open this three-part series about the family background of the president with a slew of *Donald Trump* proponents (*Chris Wallace* of **Fox News** and **MSNBC** contributor *Donnie Deutsch* are the exceptions). The impression it leaves is that what's coming (in the two eps provided for review) is a slanted portrayal. That it's not is a surprise. What follows is an engaging story well told. Most of the storytellers are authors who've written about Trump, such as **CNN** contributor *Michael D'Antonio*, whose books aren't particularly complimentary of the president. As you'd expect, the story begins with the president's grandfather coming to America from Germany. A major theme is Trump's demanding father, *Fred*. The president, though, dismisses dwelling on the past. I'm always looking to the future, he says in a series of heretofore-unheard recordings D'Antonio made with Trump in 2014 en route to writing "The Truth About Trump." -- "Tone Bell: Can't Cancel This," premiere, 10pm, Friday, **Showtime**. This comedy special features the actor in an engaging set, though he's more a storyteller than a joke teller. He's got a terrific bit about paying back student loans, and his riff on a frigid hotel elevator morphs well. This first special offers evidence of *Bell's* strong potential. -- *Seth Arenstein*

Basic Cable P2+ Prime Rankings* (02/04/19-02/10/19)		
Mon-Sun	MC US AA%	MC US AA (000)
FNC	0.811	2,477
TNT	0.771	2,354
MSNBC	0.621	1,897
ESPN	0.458	1,399
HGTV	0.441	1,347
HIST	0.420	1,282
USA	0.367	1,122
ID	0.365	1,114
HALL	0.351	1,072
TBSC	0.344	1,051
CNN	0.328	1,002
A&E	0.328	1,000
TLC	0.319	974
DISC	0.316	965
FOOD	0.302	923
NICK	0.248	758
AMC	0.222	677
TVLAND	0.217	664
BRAVO	0.216	660
NAN	0.211	645
INSP	0.198	606
ADSM	0.196	600
DSNY	0.187	572
FX	0.183	558
LIFE	0.183	558
HMM	0.177	539
TRAVEL	0.161	491
HBO	0.157	480
NKJR	0.154	471
MTV	0.152	464
DSNY	0.151	461
SYFY	0.151	461
NATGEO	0.150	458
APL	0.148	453
VH1	0.147	449
FRFM	0.147	448
WETV	0.146	446
CRN	0.144	440
GSN	0.143	437
OWN	0.114	348
WGNA	0.113	345

*P2+ L+SD rankers are based on national Nielsen numbers, not coverage.



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