

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## New Guard: After 50 Years, Charter's Rutledge Ready to Retire

On August 15, *Tom Rutledge* hit his golden anniversary—50 years in cable. It wasn't just a memorable milestone. It also triggered a clause to reopen his contract as CEO of **Charter**, which had been extended in October 2020 through 2024. It opened a window from Aug. 15 to Feb. 15 for Charter and Rutledge to have transition negotiations. He decided it was time to pass the baton, with Charter longtime heir apparent *Chris Winfrey* to step up.

Rutledge, 69, won't cut ties immediately. Winfrey will take over as President/CEO on Dec. 1, with the cable vet moving to an Executive Chairman role through November 30, 2023 that notably will have him maintain oversight of Charter's government affairs—an especially critical area with billions of government money flowing in for broadband. Under the amended employment agreement, he'll receive a base salary of at least \$1.25 million, a target annual bonus opportunity of 300% of his salary and stock options in 2023 valued at \$15 million.

The Charter executive shuffle actually began last year as *John Bickham* moved into a Vice Chairman role as he prepares to retire at the end of 2022. Winfrey was promoted into the COO post from CFO last fall, with *Jessica Fischer* stepping into the CFO job. Winfrey's new contract has a term ending on Dec. 1, 2025, subject to renewal by the company. He immediately becomes a non-voting observer of the board and will be appointed as a member on or before Dec. 31, 2023.

His annual base salary will be at least \$1.7 million with a target annual bonus opportunity of 250% of his salary. He gets a promotional award of stock options with a grant date fair value of \$2 million and beginning in 2023 will be granted annual stock option awards with a grant date fair value of at least \$17 million.

Wednesday's headlines rightly focused on the change of power at the top, but Chief Product & Technology Officer *Rich DiGeronimo* is also getting a new role on Dec. 1: President, Product and Technology.

Rutledge serves on a number of boards and is Vice Chairman of **NCTA**. It's not immediately clear whether he'll keep that seat or if it will be transferred to Winfrey. He also serves on the boards of **CableLabs** and **C-SPAN**.

Rutledge began his cable career in 1972 as a technician for **Eastern Telecom** while attending college. He joined **Time Warner Cable** predecessor **American Television and Communications** in 1977 and rose up the ranks, eventually becoming President of **Time Warner Cable** in 2001. He went on to serve as COO of **Cablevision** before joining Charter as CEO in 2012. A number of Cablevision execs—*Bickham*, *Jon Hargis*, *James Blackley*—followed Rutledge to Charter. And a lot of those folks have retired or will soon, so Rutledge's departure feels like the last step in the changing of the guard.

Rutledge's career was punctuated by Charter's 2016 acquisition of **Time Warner Cable** and **Bright House Networks**, creating the second largest cable operator in the U.S. He

## Guide to Your Online Cablefax Daily Issues

The screenshot shows the Cablefax website with the following elements:

- A**: LOGIN, SUBSCRIBE, SEARCH buttons in the top right.
- B**: "Featured in this Issue:" section listing various companies and networks such as Amazon, AMC, Apple, BET, Charter, Comcast, Disney, etc.
- C**: "Still Assisting: Charter Looks to Aid Community Centers, Job Training" article headline.
- D**: "PDF" button in the left navigation bar.
- E**: "FULL ARCHIVES" button in the left navigation bar.

- A** Subscriber Login: Gain access to every Cablefax Daily story PLUS the archives
- B** Every issue includes a list of companies featured. Easily navigate to the stories by clicking on the company name.
- C** The issue headlines are featured on the left nav bar.
- D** Access the pdf version quickly from the website.
- E** Missed an issue or doing some research? Search Cablefax Daily archives

Subscriptions Available for Groups and Corporate Site Licenses.

Contact Ellen Kamhi at [ekamhi@accessintel.com](mailto:ekamhi@accessintel.com) or [www.cablefax.com/subscribe](http://www.cablefax.com/subscribe)



JOIN US FOR THE 36<sup>TH</sup> ANNUAL NAMIC CONFERENCE

# RESILIENCE: THE COURAGE TO *LEAD.*

October 11 - 12 · New York City

In Person,  
Virtual &  
Hybrid

**50+**  
Industry  
Experts

**20+**  
Hours of  
Interactive  
Education

Global  
Networking  
Opportunities

**Register Today!**

[www.conference.namic.com](http://www.conference.namic.com)

**Become A Sponsor!**

For more information, email [Sandra.Girado@namic.com](mailto:Sandra.Girado@namic.com)

**Share with your network & Tag Us!** #36NAMICconference · @NAMICNational

Sponsored by: 







was also an early believer in the power of mobile wireless, for years evangelizing internally that it would be a major part of Charter's future. He was also a frequent critic of streaming password sharing, long before **Netflix** began limiting a household's number of log-ins.

In the years to come, Winfrey will help guide the company through its rollout of multi-gig speeds (Charter has a demo of DOCSIS 4.0 extended spectrum DOCSIS at the **SCTE Cable-Tec Expo** that is showing simultaneous speeds in a range of 8.3 Gbps downstream/5.5 Gbps upstream in a node plus six amplifier architecture.), mobile expansion (it's piloting offloading traffic through CBRS in Charlotte now) and a \$5 billion investment (offset by \$1.2 billion in Rural Digital Opportunity Fund money) to connect more than a million currently unserved homes and businesses to broadband.

### POWELL SAYS BROADBAND TO ALL WILL TAKE TIME

With the government throwing more than \$65 billion at ensuring all of America has broadband, the question on everyone's mind is when do we close the digital divide. **NCTA** President/CEO *Michael Powell* warned that there are some overly optimistic projections out there. "You hear a lot of people say, 'Oh, in three years, we'll be here.' I really do think this is probably a decade-long project," he said during an online discussion with *The Washington Post* Wednesday. "The maps don't even get formally done until the spring of 2023. This is a very complex undertaking in pretty remote areas. I think it's just going to be a long, stable, steady slog. I think we can do it. But if we start wringing our hands after two or three years, that it's failed, I think we can lose our nerve and our will to continue on that course and get the job done." In 10 years, the country needs to have met President *Biden's* goal of every American having access, said **Commerce's** Special Representative for Broadband *Andy Berke*, who joined the Post in a separate online chat. "Ten years from now, we can't be having this discussion anymore. We won't be because of the work that we're doing. And I think then using this work to build on the equity issues will really help our country grow," he said. The *Obama* administration had the same goal of broadband for all. What's different this time? Chiefly, a bipartisan infrastructure law with \$65 billion for broadband. "This is unprecedented by an order of magnitude. The money that President Obama had access to, in the wake of the 2008 collapse, was a pittance compared to what we have today," said Powell. And the money's not just for deployment. "If you add up all the digital equity funds together over the last 20 years, that number would be zero. We have \$2.75 billion in the bipartisan infrastructure law," said Berke. Powell warned that one of the problems with the 2008 influx of broadband money was that much of it went to areas that already had broadband. Is \$65 billion enough to get the job done? "It's hard to say. I think it's enough. I think we should also be willing

## The WHO and the WHY

CFX's spotlight on recent new hires & promotions



SUSIE  
**Piotrkowski**  
VP  
espnW

### 3 THINGS TO KNOW

- ESPN hired Susie to help advance its espnW portfolio and the W. Studios group. In her new role, she'll oversee the development, creation and implementation of espnW content across ESPN platforms. She'll report to Head of Sports Business Development & Innovation Mark Walker.
- Susie joins from the sports and entertainment agency Octagon, where she was Head of Women's Team Sports and guided athlete, league and brand clients on opportunities for growth. Before Octagon, she was VP of Sponsorship Sales for the NWSL, adding to her resume that earned her a spot on the Sports Business Journal's "Power Players in Women's Sports" list this year.
- Susie played two seasons of Division-I lacrosse at the University of New Hampshire. She was named to the 2008 America East All-Rookie team and garnered 22 goals and five assists in 19 career games.

to ask ourselves occasionally, is it too much?" Powell said. "It's plenty of money if it's used efficiently and effectively for the stated purpose of getting those online who currently have no access."

### EXPO NOTEBOOK

Welcome back to the show floor! After being forced to shift to a virtual experience for the past two years, vendors were back in abundance at **SCTE Cable-Tec Expo** this week. The floor was crowded, lively and loud—which prompts us to wonder if it's time to revisit the practice of hosting sessions on the floor from the Innovation Theater. It's a tough call. The exhibit hall had amps, DOCSIS 4.0 demos, lightsaber tchotchkes and even a dancing Minion at the **Comcast** booth, but most importantly, tons of foot traffic. – The *Bob Gold* and *Paul Schneider* Media & Analyst SCTE Dinner was back for its 18th edition Tuesday night. Comcast sponsored the evening, which included a lovely sit-down dinner in the Comcast Technology Center that served as a reunion for many industry friends. "I've met so many people that I haven't seen in years, and just to chat and brainstorm and think about technology, I thought it was just fantastic," EVP/Chief Network Officer *Elad Nafshi* said about the opening days of Expo. He and Comcast President, Technology, Platform, Experience *Charlie Herrin* welcomed guests to the event with a discussion on Comcast's path to 10G and the WiFi technology at the company's exhibit booth. "What I get excited about is we've got all that connectivity and telemetry coming off



the network. You've got essentially the same kind of insights in the home," Herrin said. "You can do a lot to prepare customers... and help them realize that we know their house is unique to them and we can look at all of that and pinpoint for them what their optimal setup is, I think is game changing." – The **SCTE Foundation** also announced late Tuesday the launch of a new scholarship fund established in honor of former Comcast President, Technology, Product, Xperience *Tony Werner*. Initial donations for the Tony Werner Scholarship Fund were provided by friends of Werner, and the scholarship will sponsor an annual scholarship to the Dakota County Technical College, his alma mater.

### MULTIPLE REVENUE STREAMS A MUST

Money manages moves. That alliteration is how Senior Entertainment & Internet Analyst *Laura Martin* began to describe what she's learned about the two ecosystems of Washington, D.C. and Wall Street. Martin spoke at the **Media Institute's** Communications Forum Luncheon, bringing the tough New York honesty as she evaluated the various media players in the industry. The streaming business saw a boom in total screentime during the pandemic, but there hasn't been a massive dropoff since. That means services have to find ways to continue generating consistent cash flow, which could lead to duplicating the linear TV advertising and subscription business models. However, that also means lowering content production costs—which has continued to grow overall—as well as making sure services have multiple means of revenue. "Either they need to cut their content costs or they need to find a new revenue stream," Martin said. "A new revenue stream is adding advertising to **Disney** and **Netflix**, or if you're advertising only like ... **Roku** channels, we're screaming and yelling 'No, add subscriptions, you must have two revenue streams.'" Companies like **Apple** and **Amazon** have the added benefit of not primarily being a streaming service. But even with companies finding the recipe for profit, the second equation is how to retain those customers. One threat to retention is social media, which has edged into TV audiences more with each generation. "The comparison of TV to streaming is too narrow that we need to widen our gaze and look at the hours and the demographics that we're losing to video games, and the hours and the demographics, we're losing to user-generated content," Martin said. "Whether it's YouTube—right now it is TikTok—or Facebook ... we're overstating earnings in all of TV, in my opinion, if we ignore the fact that there's seepage or leakage out of all media into other forms of media."

### SCTE, CABLELABS HONOR MEMBERS, 10G WINNERS

Wednesday was all about the awards at **SCTE's** *Cable-Tec Expo*. During the group's annual award luncheon, **NCTA** VP, Engineering *Andy Scott* was given the Excellence in Standards award, **Midco's** *Jon Pederson* walked away with the Chairman's Award and **Mediacom's** *Nathan Sidlinger* took home the Excellence in Learning & Development Award. **Harmonic's** *Andrii Vladyka* won the Wilt J. Hildenbrand Jr. Rising Leader Award and **Cox's** *Mark Adams* was inducted into the Hall of Fame. Comcast's *Rudy Dauncey* was surprised with the SCTE Member of the Year award, an honor that left him speechless. Cox VP, Field

Engineering and Operations *Toni Stubbs* was also on-hand to accept the Women in Technology Award, presented jointly by **The WICT Network**, **SCTE** and **Cablefax**. "It is my commitment to provide input on where our industry is going. It is my responsibility to touch others through mentoring and employee resource groups. I'm obligated to leave this industry better than the way I entered it, providing opportunities for doors to be opened for future women professionals," she said. During a later conference session, **CableLabs** had a chance to unveil the winners of its first-ever 10G Challenge and technological solutions to solve challenges in healthcare came out on top. **NCTA's** *Michael Powell*, who also serves as the **Mayo Clinic's** board chair, **Corning's** *Cate McNaught* and CableLabs' *Phil McKinney* gave out more than \$300,000 in prize money during the session. **Mediview XR**, designed to improve access to specialized breast cancer care through telehealth services, earned the \$100,000 grand prize while medical VR training platform **Xennial Digital**, fleet management monitoring system **TractorCloud**, nursing simulation education service **KC Digital Drive** and *Dana Leung's* immersive shopping experiences took home the \$50,000 category prizes. **T4 Movement**, designed to use movement analysis to evaluate musculoskeletal disorders, left with the \$10,000 People's Choice Award.

### JUDGE REDUCES CHARTER VERDICT TO \$1.1B

A Texas judge reduced the amount **Charter** must pay the family of an 83-year-old woman murdered by one of its technicians to \$1.1 billion. In July, a jury handed down a verdict of more than \$7 billion in the case. The jury found the operator acted negligently in hiring *Roy James Holden*, 45. Charter plans to appeal and has said it conducted a pre-employment criminal background check that showed no arrests/conviction/criminal behavior. "The responsibility for this horrible act rests solely with Mr. Holden, who was not on duty, and we are grateful he is in prison for life. While we respect the jury and the justice system, we strongly disagree with the verdict and will appeal," the company has said.

Cable-Tec Expo®  
EXHIBITOR SPOTLIGHT

**NCTI**  
Powers Frontline Performance

www.NCTI.com

## Think about that for a minute...

### Rethinking III

Commentary by Steve Effros

I know, not a very original title, but it's a hint for folks to look back at the last four or five columns as well as the next few to fully understand where I'm coming from with this analysis of where the video distribution business may be going. It starts with clarifying the language which I've tried to do so far. Next week we hopefully begin to get to how all this fits together.

So we've looked at "free TV," "noncommercial television," "compensation," and last week the multi-faceted use of the term "cable." Now comes the hardest one: "streaming." You can't miss the fact that every consumer article, every telecom analyst, every entertainment reporter is focused on the concept of "streaming video." But what the heck does it mean, and as important, what do viewers think it means?

Let's start with this: traditional "cable service," the aggregation of channel offerings bundled together and delivered to a set top box via a physical thing we call a "cable," "streams" video to consumers! The video pictures, whether in the old days analog, or today digital, stream in linear fashion to the consumer's television. Viewers, as they had for years with over the air broadcast television, are conditioned to view based on the time the linear program is "streamed" to them!

But that's not what we refer to as "streaming video" today when we talk about Netflix, Amazon Prime Video, Hulu, Disney+ or the like. Ironically, for those of us who value accuracy in the use of language, that's because those services don't "stream" linearly. They are actually libraries of available video programming data that can be called up at any time by a customer. When requested, the program data is then delivered to the set and usually stored in part so it can be watched, paused, reversed, fast-forwarded, etc., at the whim of the watcher. That's not a "stream," but that's what it's now called! Ironically, the cable industry had a term for it when that same capability was offered via cable service years ago; "On Demand."

This all gets more complicated when you realize that today you can watch a "streaming service" like Netflix through your

"cable service" box. Does the consumer think (oh pollsters, analysts and pundits take note) they are watching "streaming video" or "cable service"? What do all the numbers we are seeing lately mean? Are folks watching more "streaming" than "cable" if they are watching the "streaming" on cable? And as we will start to explore in more detail next week, what happens when the individually identifiable "streaming" services, such as Disney start bundling their offerings with other co-owned services like ESPN+ and "broadcast television?" Is that then a "cable service"?

If a consumer watches an NBC program originating on a local broadcast channel on "cable," is she watching broadcasting or cable? What if the cable provider is combining the availability of Hulu with the aggregation of other "cable" services, is that "cable" or "streaming" or, if it's "Hulu+broadcast," watching "broadcast television?" What if the NBC program is shown the next day on Peacock, but it's a replay of the local telecast? And if you really want to mess this up, what about watching a delayed showing from a cloud DVR supplied by a "streaming service" like YouTube TV of a program originally on a broadcast channel but recorded from a repeat on a "cable channel?"

Well, you get the point. Simply saying that "streaming" is going to be the dominant way video is consumed in the future is probably right, in the broadest linear vs. non-linear sense, but doesn't really tell us much about how the business of video distribution might play out (and be economically viable) in the future. We'll start looking at that next week.



Steve

T:202-630-2099  
steve@effros.com

(Steve Effros was President of CATA for 23 years and is now an advisor and consultant to the cable industry. His views do not necessarily reflect the views of Cablefax.)

THE WICT NETWORK LEADERSHIP CONFERENCE

# THE GREAT RESET

OCTOBER 10-11, 2022 | New York Marriott Marquis

Choose a format that meets your needs:  
▶ IN PERSON ▶ LIVE STREAMED ▶ ON DEMAND

LC2022.THEWICTNETWORK.ORG

THE WICT NETWORK 2022  
LEADERSHIP  
CONFERENCE

The WICT  
Network

Empowering Women  
in Media, Entertainment and Technology