

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Trouble Ahead: Comcast Warns of Potential Layoffs After Hurricane

Comcast bucked expectations and delivered positive numbers for broadband in 3Q22, recording 14,000 total broadband customer net additions. That may not sound like a victory, but it's better than the flat numbers the operator submitted last quarter. Comcast's total customer relationships fell by 21,000 in the quarter, and overall revenue in 3Q22 dropped 1.5% to \$29.8 billion.

The story of cable's success in wireless is still being written with the reveal that **Xfinity Mobile** has surpassed five million subscribers in the five years since its launch. The division added 333,000 lines in the quarter with wireless revenue increasing 30.8% on the back of those new customers as well as increases in device revenues.

The aftermath of Hurricane Ian cast a heavy emotional shadow on the company's results, but it will take some time before we get a complete picture of the damage. The locations in southwest Florida are still being repaired and many customers' homes and commercial locations were damaged or destroyed, but the impacts, including net losses, will be reported during the 4Q22 earnings call.

The challenges of restoring that network as well as the potential loss of residential customers combined with the larger economic environment had President/CFO *Mike Cavanagh* warning that cost-cutting will be a priority in 4Q22, and that could include layoffs. "As we enter the fourth quarter and look

to our year ahead, we remain focused on driving long-term growth during an increasingly challenging economic environment," he said. "As a result, we expect we'll be taking severance and other cost reduction related charges in the fourth quarter in anticipation of expense reduction actions that will provide benefits in 2023 and beyond."

Pivotal dropped its YE22 target price to \$42 from \$47 due to the hurricane impacts, competition in the U.S. broadband ecosystem and ad weakness at **Peacock**, among other factors. "The good news is that Comcast shares remain cheap (and again trade at a discount to the clearly challenged telcos). The bad news is that until FWA additions begin to slow down (churn will inevitably kick in slowing growth + bandwidth issues) and investors gain comfort that cable data additions/data ARPU can continue to grow investors will likely need to be patient, but a 3.4% dividend yield helps," the firm told clients.

Comcast's video division continued to hemorrhage customers, reporting 561,000 net losses in the quarter. Video revenue dropped 4.4% due to that drop in customers which was partially offset by an increase in average rates. At **NBCU**, Peacock had more than 15 million paying subscribers in the U.S. at the end of the third quarter as well as 14 million bundled and free users. In response to an analyst question, **Comcast Cable** President/CEO *Dave Watson* said he expects the video ecosystem to continue shifting and believes his team has been able to anticipate and navigate those changes effectively by putting some eggs into other related ventures.



Cablefax
MOST POWERFUL WOMEN
Celebration Luncheon

Thursday, December 8 | 11am - 2pm
 Edison Ballroom, NYC

Join us as we salute the women who have made their mark on the industry with their leadership and innovation.

Register Your Team at
www.CablefaxWomen.com

“We’ve had the fluid nature of video putting pressure on the more mature tiers of video service, but we’ve also offset substantial part of that through Flex. We’ve invested in the ability to do smart TV—that joint venture with Charter is an opportunity,” Watson said. “We view video as an opportunity long-term as a platform. We will continue to focus on that.”

FCC KEEPING WATCH ON ACP

FCC Chairwoman Jessica Rosenworcel said the agency will take note of ISP responses to House Commerce Chair Frank Pallone, who has requested 13 providers submit information about their conduct regarding government broadband subsidy programs. “We set up the Emergency Broadband Benefit and its successor the Affordable Connectivity Program in record time as Congress requested. We take the integrity of those programs seriously. Along the way, we’ve made adjustments to improve the program to make sure it functions better and without waste, fraud and abuse,” Rosenworcel said during a press conference Thursday. “There are countless changes we have made to prevent upselling to make sure that when consumers order the service that they get the benefit during the first billing cycle. We’ve also developed practices to remove providers from the program. We’re going to continue to update this program to make sure it functions with integrity.” Commissioner Brendan Carr said that whenever a program of this size and scale is created, there will be bad actors. “When we see it, we need to step in firmly with the enforcement action,” he said. Following complaints detailed by The Washington Post, Pallone has asked Altice USA, AT&T, Charter, Comcast, Cox, DISH, Excess Wireless, Frontier, Lumen/CenturyLink,

Maxsip, Q Link, T-Mobile and Verizon to submit a host of information by Nov. 9, including the number of beneficiaries enrolled, complaints received and what, if any, prohibitions have been put on upselling. The latest tracker information shows that as of this week more than 14.6 million households have enrolled in ACP, which provides a discount of up to \$30 per month toward internet service for eligible households and up to \$75 per month for households on qualifying Tribal lands. Many have questioned much longer the funding will last for ACP. “We are making assessments at all time about how long the existing funding will last. But that is also an evolving effort because we are also seeing increases in demand and then we also have policies that de-enroll users when they cease to be using the program,” Rosenworcel told reporters after Thursday’s FCC Open Meeting. “We’re mindful that the dollars are not infinite, and we want to make sure that we make whatever efforts necessary so this program continues.”

NO VIX+ UPDATE FROM TELEVISIUNIVISION

It’s been just over three months since TelevisaUnivision launched the ViX SVOD tier ViX+, but analysts on the company’s 3Q22 earnings call were left disappointed as it didn’t disclose early subscriber metrics. “It is too early to really give detailed metrics around ViX,” CEO Wade Davis said. “I know that continues to be disappointing to the analyst community, but I’ll just reiterate that because we have such a unique service in which we’re combining a fully free ad-supported app with a subscription tier inside the same product, there’s just a lot that nobody’s ever really seen in terms of how that works from an audience flow standpoint. And we don’t want to get ahead of ourselves by

Corporate Licenses
Cablefax Daily
WHAT THE INDUSTRY READS FIRST.
Get reduced subscription rates for multiple readers in your organization.
Find out more! Contact Client Services at ClientServices@accessintel.com
www.cablefax.com



Cablefax Daily (ISSN 1069-6644) is published daily by Access Intelligence, LLC | www.cablefax.com | 301.354.2101 | Editorial Director: Amy Maclean, 301.354.1760, amaclean@accessintel.com | VP/Group Publisher, Cablefax and Synopsis: Robbie Caploe, 917.974.0640, rcaploe@accessintel.com | Managing Editor: Sara Winegardner, 301.354.1701, swinegardner@accessintel.com | Associate Editor: Noah Ziegler, 301.354.1704, nziegler@accessintel.com | Director of Business Development, Cablefax: Ellen Kamhi, 917.626.5574, ekamhi@accessintel.com | Dir of Marketing: Kate Schaeffer, kschaeffer@accessintel.com | Production Manager: Joann Fato, jfatto@accessintel.com | Kerry Smith, Divisional President, Marketing & Media Group, ksmith@accessintel.com | Group Subs/Subscription Questions, Client Services: 301.354.2101, clientservices@accessintel.com | Annual subscription price: \$1,799.00/year | Access Intelligence, LLC, 9211 Corporate Blvd., 4th Floor, Rockville, MD 20850

reporting metrics that might not be helpful.” While it does hold its AVOD counterpart ViX—which Davis emphasized its ability to help keep churn levels low—the new streamer on the block will have ad-supported competition in the coming months from **Netflix** and **Disney+**. Davis said the company doesn’t think the rollouts of those tiers will have a significant impact on ViX and ViX+, but potential effects would likely be bigger in the U.S. than in Mexico. “They didn’t go through the upfront, so it’s purely going to impact the scatter market. We think it’s largely going to be a share shift within English language, and frankly Netflix and Disney coming to the market will continue to drive the focus on the importance of premium ad-supported streaming,” Davis said. Consolidated total revenue for TelevisaUnivision grew 5% YOY to \$1.15 billion and total ad revenue increased 6% YOY to \$725.2 million. It saw a bump in subscription and licensing revenue as well, bringing the figure to \$399.5 million. Operating expenses also grew 10% YOY to \$740.6 million as the company prepared for the ViX+ launch.

USDA OKAYS MORE RECONNECT FUNDS

USDA is distributing an additional \$759 million in loans and grants as part of the third funding round of the ReConnect Program. The 49 awards will benefit projects in 24 states as well as three U.S. territories, and also includes awards to the Cheyenne River Sioux Tribe, the Pawnee Nation of Oklahoma and the utility authorities for the Navajo Nation and the Tohono O’odham Nation. Two of the most eye-catching projects were those approved for Guam and Palau. **Teleguam Holdings** is set to receive \$29.77 million for the deployment of a fiber-to-the-premises network to connect two people and **Palau National Communications Corporation** will take home \$35.99 million for the deployment of a similar network that will connect six people and three educational facilities.

AT THE COMMISSION

The **FCC** voted unanimously Thursday to launch a proceeding to explore repurposing up to 550 megahertz in the 12.7 to 13.25 GHz band for next-generation wireless services. “In many ways, this band is a clear candidate for more intensive use. It’s big—550 megahertz is a lot of spectrum—and it already has a primary mobile allocation. It also has important incumbents whose needs we must address, but whose combined use of the band—across dimensions of space, time, and frequency—screams opportunity,” said Commissioner **Geoffrey Starks**. The four commissioners also gave swift approval to three other items, including a proposed rulemaking that would require Emergency Alert System participants, such as cable operators, to report incidents of unauthorized access to their EAS equipment to the Commission within 72 hours and to certify annually that they have a cybersecurity risk management plan in place. The Commission also OK’d a proposal to extend certain USF support to eligible mobile and fixed carriers in Puerto Rico and the U.S. Virgin Islands to ensure consumers have access to services in the face of natural disasters as well as a Notice of Inquiry seeking comment on the prevalence of non-IP technology in the country’s phone networks generally and the impact this technology has on the problem of illegal robocalls.

MEDIACOM TAKES DAA STEP

As **Mediacom** shifts to a distributed access architecture, the company entered an agreement with **CommScope** to provide technology for the migration based on Remote MACPHY. Mediacom will use CommScope’s RD2322 RxDs as Remote MACPHY devices while also upgrading its 1 GHz OM4-100 Optical Nodes to 1.2 GHz Optical Nodes with 204 MHz high-split operation in upstream. This will allow more efficient use of the RF spectrum, leading to lower latency services and nearly symmetrical multi-gig capacity for residential networks.

CALLING FOR BACKUP

Astound Broadband is rolling out its Wireless Internet Backup for its Business Solutions customers across its national footprint. The service comes with a cellular internet network as a backup for when a company’s WAN is down or unavailable, allowing for connected devices to automatically switch in such an event. The service can be used by an unlimited number of devices and customers will only pay for what they use. It also comes with a management portal and dual-cellular carrier capable devices.

RATINGS

Fox News’ “Gutfeld!” enjoyed its best episode in program history Tuesday. It averaged 2.49 million viewers P2+ and 396,000 A25-54, beating late-night broadcast and cable shows like **CBS’** “Late Show with Stephen Colbert” (2.11 million viewers P2+), **NBC’s** “Tonight Show” (1.29 million) and **ABC’s** “Jimmy Kimmel Live!” (1.29 million).

ON THE CIRCUIT

A+E Networks is bringing back AlienCon in 2023. Set for March 4-5 at the Pasadena Convention Center in Pasadena, California, the event will look at unexplained mysteries regarding extraterrestrial life. Select ticket packages—which can be found here—will include a limited-edition commemorative NFT, as well as a ticket to a cocktail event with AlienCon speakers.

PROGRAMMING

“1923,” the next iteration of the “Yellowstone” origin story, will premiere on Dec. 18 on **Paramount+** in the U.S. and Canada and on Dec. 19 in the U.K. and Australia. Release dates for other international markets will be announced at a later date. – **Tennis Channel** will have full coverage of the WTA Finals in Ft. Worth, Texas. The tournament will be available on **Tennis Channel Plus** and the FAST channel **T2** as well, and coverage will begin Monday at 4pm for both singles and doubles round robin before culminating with the singles and doubles finals at 6:30pm on Nov. 7. – **Hallmark Media** signed *Will Kemp* to a multi-picture overall deal. The agreement includes exclusivity on holiday movies, and Kemp will also develop and produce new project for the network. Kemp features in “Jolly Good Christmas,” which premieres Saturday at 8pm. – “Big Freedia Means Business,” a series following artist *Big Freedia* and her music and entrepreneurial endeavors, will premiere in summer 2023 on **Fuse** and **Fuse+**. – **TBS’** “Miracle Workers: End Times” will debut Jan. 16 at 10pm. – **Starz** renewed “The Serpent Queen” for an eight-episode second season. Season 1 wraps up Sunday at 8pm.

PROGRAMMER'S PAGE

Lecky Marries Songwriting with Socials on 'Mood'

Translating stories from the stage to the silver screen or television is always a challenge, but it is one **AMC Networks** is taking on in a big way with upcoming drama "Mood." Premiering on **BBC America** on Nov. 6 and streaming on **AMC+** on the same day, the show is an adaptation of a one-woman show from songwriter *Nicôle Lecky* that sees her play Sasha, a wannabe recording artist that's introduced to the world of influencing after being kicked out of her family home. There are growing pains that come with expanding a story out and casting characters that were previously all portrayed by one artist, and Lecky told audiences at the virtual **TCA Summer Press Tour** that there were characters that were tough to give to other actors. "I really loved playing Kevin... and also Carly. Carly is the kind of antithesis in a weird way to Sasha and she's a lot of fun, bouncing around," Lecky said. "It's hard to give them over, but I feel like we've just got the best, best cast." While Sasha pushes to achieve her dream, challenges from her past, including an ex-boyfriend and fissures within her family, keep holding her back from being able to move into the next stage of her life. It's even harder when she's living online, and Lecky hopes her portrayal strikes a chord with folks that harshly judge others on social media platforms and the like. "I feel like there's a lot of pressure on people my age and younger, specifically who have kind of grown up with these phones, that you kind of have to be perfect and you can't put a foot wrong," she said. "So I suppose for me it's about having grace and humanity and kind of thinking about who is the person behind the screen. We're all sort of there scrolling and we don't really think about what impact it could have on somebody else." – *Sara Winegardner*

REVIEWS

"Louis Armstrong Black and Blues," premiere, Friday, **AppleTV+**. In many ways, the jazz pioneer *Louis Armstrong* is a documentarian's dream. Yes, his vocation was music, yet his avocation was chronicling his life. Though lacking a formal education, Armstrong spent hours filling notebooks with thoughts and arranging scrapbooks of photos and clippings. His collages are shown in the doc. Moreover, Armstrong recorded his thoughts on thousands of reel-to-reel tapes, kept in his Queens, NY, home. The viewer hears excerpts from the reels early in this 90-minute must-see. Quickly, the idea that Armstrong was "an Uncle Tom," as filmmaker *Sacha Jenkins* believed initially, is disproved. That's perhaps the most important historical contribution the film makes, though just a fraction of its worth. For example, the footage, much of it previously unseen, is spectacular, as are extended musical clips. Together they had your reviewer salivating. Yet, Armstrong's trademark gravelly voice is the star, relating stories of his mother's mouth-watering 15-cents meals and other gems from this legend, who rose from the back alleys of New Orleans to become an international ambassador of musical goodwill. – "Frontline: Putin's War at Home," premiere, 10pm, Tuesday, **PBS**. It's against the law in Russia to protest the Ukraine war. As such, only incredibly brave people and journalists do so publicly. Needless to say, their stories are incredibly compelling. – *Seth Arenstein*

BASIC CABLE		
P2+ PRIME RANKINGS*		
(10/17/22-10/23/22)		
MON-SUN	MC	MC
	US	US AA
	AA%	(000)
ESPN	0.994	3104
FNC	0.724	2261
TBS	0.479	1496
TNT	0.399	1245
MSNBC	0.347	1084
HALL	0.312	974
HGTV	0.262	819
TLC	0.238	744
INSP	0.205	641
DISC	0.193	604
FOOD	0.180	562
HIST	0.174	544
USA	0.171	535
CNN	0.163	508
TVLAND	0.154	482
FS1	0.152	475
HMM	0.139	434
BRAVO	0.127	397
ID	0.125	390
A&E	0.121	377
AMC	0.116	361
LIFE	0.112	348
REELZ	0.112	348
GSN	0.106	330
FX	0.103	322
FRFM	0.103	321
WETV	0.103	320
BET	0.102	319
SYFY	0.092	288
NATGEO	0.083	260
TRAVEL	0.082	255
OXY	0.080	250
FXX	0.070	217
PRMNT	0.069	216
COM	0.069	216

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



Congratulations to all the Honorees!

Enjoy the digital issue, read expanded Q&As with our Diversity honorees and order personalized awards at www.CablefaxDiversity.com