

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Heavy Weight: Operators Again Express Digital Discrimination Fears

Broadband industry stakeholders are fighting back against the FCC's proposed definition of digital discrimination, and they continue to be less than shy when voicing the issues that come with trying to measure disparate impact.

In ex partes this week, NCTA VP/Associate General Counsel Pamela Arluk said representatives from Comcast, Charter, Cox Enterprises, and more met with Commissioners Nathan Simington and Geoffrey Starks as well as members of their staffs to share concerns about the definition and questions with putting it into practice. Because of the "remarkably expansive" list of covered entities and covered service elements that would be covered by the digital discrimination draft order should it be adopted.

In particular, the providers took issue with the draft including pricing as a covered service element, particularly when they believe the Infrastructure Act did not mention it as a factor for assessing whether a provider was offering equal access to broadband. It's also hard to imagine how broadband providers would be able to correlate the many parts of their terms and conditions to protected characteristics including race and income. They pointed out that the draft order states that a provider could be liable for disparate impacts relating to anything from installation to customer service, but providers say they don't track the information the FCC would need to determine if digital discrimination had taken place.

"It is far from clear how providers would even respond to an Enforcement Bureau investigation proving potential discrimination based on such terms and conditions of service when they have no idea of a customer's race or income level at the time of installation or when receiving a service inquiry," NCTA said. "Alternatively, forcing broadband providers to begin collecting such sensitive information—just so they can comply with this overly expansive disparate impact standard—would raise a host of serious privacy concerns and undoubtedly offend subscribers."

In its own ex parte, Verizon described its meeting with Commissioner Anna Gomez and her staff, which largely saw the operator express that the scope of the draft doesn't give broadband providers enough guidance for how to comply. It also expressed concerns that the broad and undefined scope of the proposed rules would scare some providers away from innovation and investments in new deployments.

"In order to provide some guidance to broadband internet service providers, the Commission should include language in the order stating that neither the scope of the order nor any of its other provisions or rules is intended to limit a provider's ability to improve its customers' experience, such as through efforts to better understand and respond to particular customer concerns, or to restrict efforts to increase broadband access, including by consumers in the protected classes," Verizon said.

ACA Connects agreed in its ex parte with Verizon's conten-



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MOST POWERFUL WOMEN

DECEMBER 6, 2023

Have You Heard The News?

Emmy Award winning journalist, **Alicia Quarles**, is the 2023 Keynote Speaker for The Most Powerful Women Luncheon.

Where: The Edison Ballroom • 240 W 47th St, New York, NY

When: Wednesday, December 6, 2023

[REGISTER TO ATTEND](#)



tion around the fear that will come with new deployments, saying smaller broadband service providers like many of its members may be afraid to upgrade existing facilities in a portion of the network or expand coverage because the Commission may determine the investment should have gone to another location. It expressed as much during a video conference with Commissioner *Brendan Carr* and FCC Chief of Staff *Ben Arden*.

“Inevitably, BSPs will think twice about such investments if the mere improvement of service or expansion—completely devoid of any discriminatory intent—could result in heavy penalties,” it said. “At the least, ACA Connects members will incur additional costs to collect and retain documentation about their investments and practices.”

STARZ TO EXIT U.K. MARKET

As the split between **Lionsgate** and **Starz** looms when 2024 arrives, Starz saw its OTT subscriber count return to growth by adding 200,000 in 2Q24, bringing the total OTT count to 12.02 million. But there is fine-tuning before that split comes, with Starz laying off more than 10% of its employees while exiting the Australian and U.K. streaming markets by March 31. Lionsgate CFO *Jimmy Barge* said the move will help the company’s media networks segment in fiscal year 2025, but for now, Lionsgate is taking \$876 million in charges related to media networks including a \$212 million restructuring charge from exiting the U.K. and Latin America. “If you look at the domestic business, we continue to look at the business and try to drive up to a 20% steady state long-term margin,” Starz CEO *Jeff Hirsch* said on Lionsgate’s 2Q24 earnings call this week. “What you saw in the company-wide restructuring included the closure of the U.K., but we really focused on moving resources of the business to where we see growth in the industry. And as the industry moves, we’ll move resources around there.” Starz revenue came in at \$339.8 million for the quarter, down from \$357.5 million in the same quarter the prior year. Streamer Lionsgate+—which ended the quarter with 3.77 million subscribers when excluding territories exited or to be exited—checked in with \$76.7 million in revenue. Lionsgate ended the quarter with revenue of \$1 billion, while operating loss was \$817.5 million and net loss attributable to shareholders was \$886.2 million.

TRIO ALSO IN ON NWSL DEAL

It’s not just **ESPN** involved in the **NWSL**’s media rights. The league is working with **CBS Sports**, **Prime Video** and **Scripps Sports** as well, which when including ESPN totals 118 matches across platforms. Each broadcast partner is on a four-year

deal. Each regular-season weekend will begin with Friday night matches on Prime Video in addition to a season-opening and playoff quarterfinal game for 27 total matches on the platform. Saturday nights will have a double-header on Scripps’ OTA network **ION** beginning at 7:30pm and 10:30pm. It’ll have a weekly studio show leading into each Saturday doubleheader starting at 7pm. ION will also air the NWSL Draft in January (date TBD). CBS Sports—which is entering the fourth year of its partnership with the league—will continue broadcasting the NWSL Championship match on **CBS** and **Paramount+**. **CBS Sports Network** will carry a minimum of eight regular-season games per season while CBS and Paramount+ will have a minimum of 10 matches. CBS and Paramount+ will air one quarterfinal and semifinal match per season.

FUBO DISHES NEW DEAL

Fubo is offering a deal that slashes \$20 off each of its plans for the first two months of subscribing. That means the Pro plan is currently available for \$54.99/month for two months after trial, with the Elite plan at \$64.99/month and Premier plan at \$74.99/month. For the Spanish-language Latino plan, Fubo is taking \$8 off for \$24.99 for one month.

FREEWHEEL’S AUDIENCE MANAGER

To help advertisers and publishers match audiences and scale campaigns on premium inventory across screens, **Comcast’s FreeWheel** launched a new solution that’s integrated into the company’s TV platform. Called Audience Manager, it simplifies audience creation and targeting across screens and allows publishers to identify and activate data within the FreeWheel TV platform using third-party segments that are available via new partner integrations. That takes away the need for commercial negotiations and operational setups in order to access audience data. The solution has been adopted by 13 publishers to date and is currently only available in the U.S., but FreeWheel may expand it internationally in the future.

FIBER FRENZY

North Carolina-based provider **Fybe** completed its expansion into Edenton, bringing fiber internet to more than 4,300 homes and businesses in the area. The project began earlier this year and will bring customers speeds of up to 1 Gbps. – **HTC** is bringing its fiber optic service to the city of Conway, South Carolina. The multi-phase project will begin early this month and is slated to wrap up by 2025. The upgrade will bring speeds starting at 500 Mbps and up to 1 Gbps. HTC has invested \$293 million in network up-

grades to date for customers in the region. – **GoNetspeed** is bringing fiber internet to residents and businesses in Glastonbury, Rockville, Vernon and Watertown, Connecticut. Service has already started to deploy beyond the initial service areas, ultimately bringing GoNetspeed’s fiber options to over 1,700 addresses across the communities.

PILOT HELPING SPECTRUM REACH

Charter’s ad sales arm **Spectrum Reach** is partnering with **ShowSeeker** to deploy Pilot, ShowSeeker’s solution to automated workflows in the media sales business. Spectrum Reach has fully deployed Pilot throughout its ad sales footprint that includes 91 DMAs across 36 states. Since launching Pilot, Spectrum Reach has generated over 290,000 orders for local, regional and national clients.

CARRIAGE

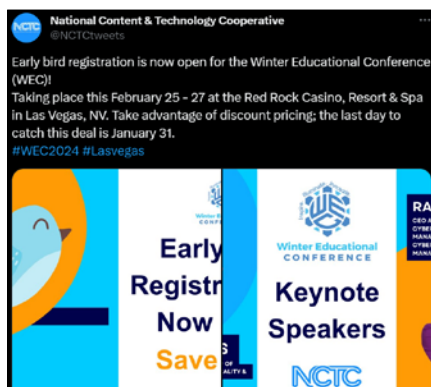
Vizio struck agreements with **BBC Studios**, **Magnolia Pictures** and **Paramount Global Content Distribution** to join its lineup of over 20 studios. The deals mean Vizio now has more than 275 FAST channels and 15,000+ on-demand titles on its WatchFree+ service. Over 400 on-demand episodes across 30 **BBC** shows as well as select **BBC Studios** free channels join the WatchFree+ lineup. Select **Paramount Pictures** titles will be available every month until the end of the year, while **Magnolia Pictures** has 50 movies and 50 episodes that were added. Other lineup additions include the holiday premiere of “**Merry & Bright**” and the newly launched **Free Movie Network**.

PROGRAMMING

ESPN is bringing back the “**NHL Big City Greens Classic**” in the spring, the network announced at its **Edge Conference** on Thursday. The live, animated hockey telecast made its debut in March. – The film “**Blue Beetle**” will make its streaming debut next Friday on **Max**. – **Fox Nation** will have a docudrama hosted by **Rob Lowe** ahead of the 250th anniversary of the **Boston Tea Party**. The four-part “**Liberty or Death: Boston Tea Party**” will premiere Nov. 19. – **Oxygen’s** “**The Pike County Murders: A Family Massacre**” will debut Nov. 24 at 8pm with back-to-back episodes. The third installment will air Nov. 25 at 9pm.

CABLEFAX DASHBOARD

Social Media Hits



Research

(Source: [USC Annenberg School for Communication and Journalism](#))

- > Nationwide, if the ACP income eligibility threshold were lowered to 135% of the federal poverty line (as is done in Lifeline), about 7.4 million households that currently qualify for benefits would become ineligible.
- > Approximately 38% of eligible households that are currently enrolled in ACP. USC’s estimate is that 2.7 million of the approximately 21 million households currently enrolled would lose benefits if the income threshold is lowered.
- > States that would see the largest drop in beneficiaries are Texas (approximately 249,000 households), Florida (about 229,000 households) and California (about 207,000 households).

Up Ahead

- DEC 6:** [Cablefax Most Powerful Women Luncheon](#); NYC
- JAN. 9-12:** [CES 2024](#); Las Vegas
- JAN. 16-18:** [NATPE Global](#); Miami
- FEB. 25-27:** [NCTC Winter Educational Conference](#); Las Vegas

Quotable

“Clearly for some consumers set fixed wireless is attractive. I think it has expanded the market to new areas, but it’s also been the case there’s probably some substitution at the bottom. I don’t think over the long term that is as much of a threat as some perceive, both because of capacity issues from some of the carriers, but also because of demands... Our friends at Amazon... are consuming something like 25% of all the bandwidth in the United States during Thursday Night Football. As you see more of those kind of events being streamed, you’re going to put more and more pressure on these networks. And I don’t think FWA is going to be able to handle it.”

– **Liberty Media CEO Greg Maffei** on **CNBC’s “Squawk on the Street”**