

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## Open Forum: Industry Weighs In on National Spectrum Strategy

In the approximately two months since NTIA and the White House unveiled their National Spectrum Strategy, stakeholders and those watching Capitol Hill have been unabashed in their critiques of a plan that claims to set forth a roadmap for America's spectrum future.

Former **FCC** Commissioner *Michael O'Reilly* held back most of his critical words at a Georgetown Center for Business and Public Policy event last month, but his disappointment surrounding the lack of government-held spectrum being reallocated for commercial use was palpable.

"My point is only that I thought this—folks in this administration spent too much time mocking the previous administration saying 'Oh, they didn't finish their strategy. Oh how terrible.' And they were going to do better," he said. "Knowing the complexities of the issues that were in front of them, it is kind of not surprising where it landed. But... irony is thick, I think."

This week, associations put pen to paper and submitted their own comments to NTIA on how it should implement the spectrum strategy. The **Free State Foundation** was among those to criticize the agency in its comments, also pointing out the lack of a commitment in the strategy to freeing up any MHz of spectrum. It pointed out that no new spectrum has been added to America's spectrum pipeline since NTIA first requested comments on the development and implementation of a national spectrum strategy in March, and Congress has

failed to reinstate the **FCC's** spectrum auction authority. FSF argues that what was a pressing need for more spectrum ten months ago has now dissolved into a real crisis.

"The reality, however, is that NTIA must embrace the challenging work required to identify—and in fact repurpose—government-held spectrum that would better serve our nation's interests were it put to commercial use, whether on a licensed or unlicensed basis. And do so in a timely manner," FSF said. "Unfortunately, the Strategy itself may create the illusion of progress, while merely kicking the can further down the road."

The **Consumer Technology Association** chimed in to applaud NTIA's identification of more than 2,700 MHz of spectrum for near-term studies and possible repurposing, and asked it to increase the transparency around what new spectrum could be available for future commercial use. For example, the publication of a roadmap and a timeline for identifying spectrum bands for repurposing would better inform the industry's investment decisions. It also pushed the agency to continue developing tools that will allow it to measure the use of federal spectrum and maximize efficient spectrum use.

"As bandwidth demand increases, without a process that regularly evaluates whether spectrum is allocated best for innovation, public safety and national security, the United States may continue to face a spectrum shortage that threatens its leadership," CTA said.

**Spectrum for the Future**, a coalition with a list of supporters that includes **Cox**, **Charter** and **Comcast**, focused its letter on how NTIA and federal agencies should prioritize their studies of



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bands to ensure commercial users can quickly gain access to additional spectrum. Among its suggestions were the implementation of a shared, locally licensed spectrum model in the 3.1-3.45 GHz band at power levels similar to CBRS and a quick wrap-up of any additional studies focused on that particular swath of spectrum.

It also argued that the 37 GHz band is ready and waiting for the deployment of a licensed sharing regime, and a multi-year FCC record has already been developed demonstrating how to enable shared use by a broad range of commercial and federal users. Another study is unnecessary, it argued.

“The swift deployment of shared spectrum for low-power, local licensing in the 3.1-3.45 GHz band and the 37 GHz band will help NTIA and its partners build upon their successful track records by prioritizing diversity in spectrum ownership and use cases—not exclusive use by a handful of wireless providers. Consumers win when providers compete, and implementation of the National Spectrum Strategy should focus on maximizing the immediate benefits of America’s finite spectrum resource,” Spectrum for the Future said.

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## PELICANS FLY WITH GRAY TV

Another **Bally Sports** team is testing other waters. The New Orleans Pelicans inked a deal with **Gray Television** to air 10 regular-season games on local OTA stations across Louisiana, Alabama and Mississippi, making games available to over 3 million additional households. Live games in the New Orleans market will be on WVUE-TV and **Bounce**, and simulcasts will be available on stations in Baton Rouge, Shreveport, Lake Charles, Monroe and Alexandria as well as Biloxi, Jackson, Hattiesburg and Meridian, Mississippi, and Mobile, Alabama. Gray is looking to add more distribution deals on stations owned by other broadcasters located in additional Louisiana and Mississippi markets. The first game part of the agreement takes place January 12 at 8pm with the Pelicans facing the Nuggets.

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## CARRIAGE

There are no federal rules for vMVPDs and broadcasters to do retransmission consent deals, but **Nexstar** and **Fubo** found a way to get it done. The agreement gives Fubo carriage of 89 Nexstar-owned local TV stations, and for the first time the service will carry 37 **CW Network** affiliates, 25 **MyNetworkTV** affiliates, and four independent television stations. The agreement also renews Fubo’s carriage of 23 **ABC** affiliates owned by Nexstar as well as national cable news network, **NewsNation**. – **TEGNA** may not have carriage with **DirectTV** right now, but it does have a multi-year renewal with **NBC** that will keep 20 of its stations as NBC affiliates. TEGNA is the largest independent owner of NBC affiliates, and it’s a big year for

## The WHO and the WHY

CFX’s spotlight on recent new hires & promotions



**LUIS Fernández**  
CHAIRMAN  
NBCUNIVERSAL TELEMUNDO ENTERPRISES

### 3 THINGS TO KNOW

- With Beau Ferrari moving into a new senior advisor role under the NBCUniversal umbrella, Luis makes his return to Telemundo as the new head of NBCU Telemundo Enterprises. Luis was previously President of Telemundo’s news arm Noticias Telemundo from 2015-21. His new position will see him report to NBCU News Group Chairman Cesar Conde.
- Luis has been in the media realm for quite some time. He’s held the title of CEO of Spain’s state-owned public radio and TV corporation Radio Television Española, where he oversaw the TV, radio and digital divisions. Luis also orchestrated some of the highest-rated broadcast and social media programs as President of Univision Entertainment and Univision Studios.
- Luis’ career has taken him into the soccer space as well. He spent time as International CEO of Real Madrid, a Beijing-based gig that saw him contribute to the club’s expansion internationally.

that with the Paris Olympics on tap this summer. The 20 stations renewed include WXIA in Atlanta and KING in Seattle.

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## DISH’S MUST CARRY BATTLE

**DISH** is fighting an attempt by **CNZ Communications** to receive mandatory carriage for WGBP in the Columbus, GA/Opelika, AL DMA. DISH already carries the station in the Atlanta DMA and Lee County, the county within the Columbus DMA that contains WGBP’s community of license. In September, CNZ submitted an election notice seeking mandatory carriage in both WGPB’s current Nielsen-assigned DMA of Atlanta as well as its former Nielsen DMA of Columbus for the election cycle that began Jan. 1, 2024. “If the FCC wanted mandatory carriage requirements to extend to two entire DMAs, it would have said so: the rule would have provided that, when the station’s community of license lies outside its Nielsen-assigned DMA, a station’s local market extends to two DMAs. But that is not the rule, nor have mandatory carriage requirements ever extended to two full DMAs,” DISH told the FCC this week. WGBP’s channel line-up includes programming from NBCLX, THIS TV and the Justice Network, as well as home shopping and public affairs programming.

## DISNEY DOINGS

Shares of **The Walt Disney Company** closed up 1% Wednesday after the House of Mouse said it has secured the backing of **ValueAct** and **Blackwells Capital** in its fight against activist investor **Nelson Peltz** and **Triun Fund**, which are trying to push through their own slate of board candidates. Blackwells is nominating three to Disney's board: former **Warner Bros. Discovery** and **NBCUniversal** exec **Jessica Schell**, Tribeca Film Festival cofounder **Craig Hatkoff** and venture capitalist and TaskRabbit founder **Leah Solivan**. "Mr. Peltz would now have shareholders elect him personally, along with a disgruntled former Disney employee. Neither candidate has the skillsets Triun claims the board lacks. Rather, we believe Mr. Peltz's latest effort is driven by animus against [CEO **Bob**] **Iger**, and an ego-driven urge to claim credit for a transformation already underway," Blackwells said in a statement. Disney said it has entered into an agreement with ValueAct that will allow it to advise on strategic matters and has confirmed support of the Disney board's recommended slate of nominees during the 2024 annual meeting.

## DEALS

**Archtop Fiber** made its third acquisition in five months after purchasing the NY-based regional carrier **Warwick Valley Telephone**. Archtop struck a stock purchase agreement in May with **Momentum Telecom**, which has owned WVT since 2015. WVT is being rebranded as WVT Fiber, and Archtop has begun the process of over-lashing fiber onto existing lines to turn on its new network early this year. Archtop will provide services to customers in Orange County and Mid-Hudson Valley in New York as well as northwestern New Jersey. Archtop—which acquired **Hancock Telephone** and **GTel** in late 2023—will also use Momentum's cloud voice solution in its greenfield markets. – **Metronet** is acquiring most of the assets of voice, video, data and Internet service provider **Gigabit Minnesota** (aka **Velocity Telephone**). Customer accounts are expected to transition to Metronet around Jan. 31, subject completion of certain regulatory requirements.

## T-MOBILE PUSHES INTO SPACE, STRIKES HULU DEAL

**T-Mobile** and **SpaceX** marked a significant development in their partnership to improve connectivity in the planet's most remote locations. SpaceX's Falcon 9 rocket successfully launched the first set of **Starlink** satellites with direct to cell capabilities Tuesday night, and field testing tied to messaging in dead zones will begin soon. Initially, the service will focus on text messaging with voice and data coverage to follow. T-Mobile also added another streaming partner to its portfolio, announcing **Hulu** on Us. Starting Jan. 24, new and existing Go5G Next customers will receive access to Hulu at no additional cost.

## RATINGS

The yearly ratings for cable networks are here with 2023 officially in the books. **Fox News** made it eight straight years as the highest-rated network, claiming both the primetime and total-day crowns for 2023. It led the prime category with 1.84 million viewers P2+ with **ESPN** closely following with 1.79 million. **MSNBC** was the only other network to break 1 million in the category at 1.21 million. **TNT** and **Hallmark Channel** closed the top five out with 906,000 and 812,000, respectively. Fox News' total-day ratings checked in at 1.21 million. MSNBC (776,000), ESPN (723,000) and **CNN** (479,000) trailed as Hallmark came in at No. 5 with 464,000. – It was the last year for the current four-team format for the College Football Playoff before it expands to 12 teams, and it was a mixed bag of results for **ESPN's** viewership. The Rose Bowl game between Michigan and Alabama accumulated 27.2 million viewers, according to **Nielsen** Fast Nationals, making it a top-10 cable telecast of all time and the best non-NFL sporting event since 2018. The broadcast peaked at 32.8 million viewers—the best of any CFP semifinal—and the alternate telecast "Field Pass with The Pat McAfee Show" came in with 1.4 million viewers. While that was a classic that ended with a Michigan win in OT, it pushed the Sugar Bowl game between Texas and Washington to a post-9pm kickoff. That led to 18.4 million viewers tuning in, down from the 22.4 million viewers who watched last year's second CFP semifinal game. For context, this year's semifinals were on New Year's Day while last year's fell on New Year's Eve. ESPN averaged 13.3 million viewers for the overall New Year's Six games, its best mark since 2018-19.

## PROGRAMMING

**Fox News** is putting on a pair of town hall events featuring Republican presidential candidates that'll have a specific focus on women's issues. **Bret Baier** and **Martha MacCallum** will co-moderate the events from Des Moines, Iowa. Former South Carolina Gov. **Nikki Haley** will appear in Monday's edition while Florida Gov. **Ron DeSantis** will be on hand for Tuesday's town hall. Both will begin at 6pm and air during "Special Report."

## PEOPLE

Former **NAB** VP, Communications **Zamir Ahmed** is changing his stripes and joining **ACA Connects** as VP, External Affairs. After nearly 13 years at the broadcast association, he'll switch sides and support retransmission consent reform as he advances the independent operator's policies and perspectives to policymakers, industry partners and other stakeholders. Ahmed is one of three new additions to the ACAC team, with President/CEO **Grant Spellmeyer** adding Olivia Shields as VP, Public Affairs and Communications and Max Staloff as VP, Regulatory Affairs. Shields replaces longtime ACAC comms head Ted Hearn, who [parted ways](#) with the organization in late August. She is a 10-year vet of Capitol Hill, most recently serving as comms director for House Commerce. Staloff joins from private practice, but got his start as an FCC attorney.

# Think about that for a minute...

## Convergence

Commentary by Steve Effros

If there's one true constant in the telecommunications universe, it's that we are always in the process of convergence. Policies, business plans, regulations and consumer preferences may come from diametrically different positions, but they all tend to meet at some point and something new and valuable is (hopefully) created.

Think of the "smartphone." Cellular phones came from one direction, computer/internet capability came from another, and then, of course, there were cameras (remember those?) So we have Canon and Nikon, IBM PC's and Compaq, Motorola and Blackberry. Oh, and let's not forget gaming consoles, too! They all smash together and we get the iPhone, the Pixel and Samsung Galaxy devices. Convergence.

Well, it's always been something to watch in the video delivery business. Broadcast TV smashed into Cable TV and both intersected with streaming TV! What did we get? Well, we're not quite sure, to be honest, since unlike the phone example from above, where the "converged technology" spawned some of the most successful, profitable companies the world has ever seen, the current convergence is yielding a lot of debt and very few if any long-term winners.

We can see this because, as I've already outlined in this column, the business plans are changing extremely fast trying to figure out how to succeed, or at least survive. The current estimates are that the major streaming services have lost more than \$5 Billion since engaging in consumer introduction and competitive positioning. Their plans are morphing from low priced subscription to high priced subscription and/or the addition of advertising to try to fill the void.

But there's other stuff coming from different directions that may have a major impact on this particular converging event. We may never find out if the subscription plus advertising business model works if the FCC has its way and introduces what amounts to rate regulation of video program delivery. The intersecting lines of regulation and market forces could result in a convergence that totally distorts the market. Nobody wins.

Think about it; if the Commission adopts rules prohibiting "Cable

and Satellite TV," the only two types of "streaming TV" they have jurisdiction over, from selling program packages on a monthly or yearly basis, it means viewers can opt in and out of various services on an almost daily basis. Watch the program you want, drop the service. Sign up again two weeks later for another program you like, then drop it again. There's no way any aggregator of content could figure out what a consistent (even on a monthly basis, let alone yearly) subscription would yield. Now granted, that's not likely to happen today because consumers would get too tied up in trying to figure out what to do when. But wait...there's more coming!

We'll leave out, for now, the fact that the "edge provider" video delivery services like YouTube TV, Amazon Prime, etc., would not have to adhere to these rules. The next converging technology would create chaos anyway.

AI. While you can already get online programs that tell you when to sign on and sign off various services to optimize your viewing while saving lots of money, the potential new FCC rules would supercharge the race to design an "artificially intelligent" program that would automatically sign you in and out of services on an almost daily, or program by program basis. Why not? Especially if the Commission says the service providers can only charge you for the days you actually use, rather than a set subscription length.

That type of convergence results in regulations that are still being developed based on old technical realities and business realities are moving so fast we don't know what they will yield. We are in serious danger of having all these technologies and policies "converge" and the result is a destructive collision. Stand back.



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(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.)

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