

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Invisible Costs: Small ISPs Grapple With Realities of BEAD Participation

The more time small operators have to examine the BEAD program, the more they develop questions about whether or not the free money is worth the cost it will take for them to participate in NTIA's broadband access and affordability program. Some of the larger concerns are not about construction and those costs, but about the level of manpower and employment levels it will take to ensure providers meet compliance requirements required by NTIA once BEAD subgrantees start building out networks.

"I'm just looking at the recording costs to everybody involved right now to report to [the **Virginia Department of Housing and Community Development**], and those recording factors are minuscule, I think, compared to what we're seeing with BEAD," **Fiberlync** Operations Manager *Nick Hammer* said during a panel hosted by the **Fiber Broadband Association**.

The talk took place at a Regional Fiber Connect held Thursday in Richmond, Virginia. It was the Fiber Broadband Association's largest regional meeting yet, bringing together approximately 350 professionals from ISPs, the vendor community, regulatory bodies and more to discuss tackling more localized issues.

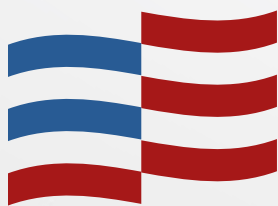
Altice USA VP Federal Affairs *Cristina Chou* said her company is also taking a measured approach, despite its larger size. Ensuring compliance is now an additional part of a number of folks' day jobs, she said, and Altice is taking a hard look at how a program like BEAD fits into the plans it already had for network expansion.

"We're doing a lot of work internally now just to take a look at our network and say here's where we are... here's where our headends sit, where we have different nodes and things like that. Where can we grow and kind of push out from the boundaries that are already existing, and will that match up with how the state programs are built?" she said.

The looming threat for the majority of the providers attending the Richmond Fiber Connect is the pending closure of the Affordable Connectivity Program. The Affordable Connectivity Program was also integrated into BEAD as a key way that the federal grant program would not only fight the accessibility issue, but also the affordability conundrum. The last day for customer sign-ups was Wednesday, and although there is proposed legislation that would allocate another \$7 billion for the program, Chou said estimates only have that lasting through the end of the year or early 2025.

Brightspeed offers customers a \$30 match to the \$30/month ACP subsidy to give customers access to its lowest tier of internet service, and its Government Affairs and Public Policy Director *Chris Dillon* called the program's end an untenable situation in communities where providers want to offer a hand up to residents, not a handout. Dillon's background primarily lies in government service, and he made it clear that pulling back programs like this does nothing to make life easier for providers in impacted communities.

"We're trying to get people to sign up for service. We're trying to get people to allow easements," he said. "We're here to help, and then you cut it off midstream and it erodes that trust to the providers, who they think had something to do with



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it and that we reneged it.”

Brightspeed is going to continue to offer a \$30 discount if the program ends, but at a significant cost. Gary Wood, President/CEO of the **Central Virginia Electric Cooperative** and its broadband subsidiary **Firefly Fiber Broadband**, said the grant programs are great, but they don't subsidize build costs enough to allow providers to give internet away for free. At the same time, when you're serving rural areas, there isn't always much money to be made, let alone enough left over for all providers to create their own subsidy-like programs.

“We're also lobbying, we're asking, we're begging, we're cajoling, we're threatening to get the folks at the state and federal level to look for ways. This is a societal problem,” he said. “We really need the partners at the state and federal level, particularly the federal level, to step up and stand behind the programs they're creating.”

Virginia is seen as a leader when it comes to its state broadband office, but its Volume II proposal has been stuck in a state of limbo at NTIA since October. NTIA Federal Program Officer for Virginia **Cassidy Rasnick** said approximately 95% of Volume II is already approved, but there are tricky issues that continue to be negotiated. Among them is the requirement that subgrantees offer a low-cost internet option to consumers with the state offering guidance on pricing and speed requirements. Virginia's idea is to have providers vying for funding should also submit their own low-cost options as part of their proposals rather than setting its own standard, but NTIA hasn't taken a liking to it just yet.

“We've gone back and forth several times and we are in good shape,” she reassured.

CHARTER SEEKS MILLIONS FROM CPE MAKER UBBE

In December, **Charter** and **Entropic** settled their patent infringement litigation, but there are still more things to iron out. On Wednesday, the cable operator sued **Ubee Interactive**, claiming it failed to uphold contractual obligations to defend Charter against any patent infringement claims that involved Ubee cable modems or to contribute to the settlement. In 2022, Entropic sought damages from Charter in excess of \$1 billion, claiming infringement on patents related to certain functions performed by certain accused cable modems and set-top boxes. Charter said Ubee did not assume defense of the case or retain counsel to represent it, which meant it undertook its own defense and Ubee was obligated to reimburse the operator. Ubee agreed to pay 16.7% of Charter's defense costs because Ubee's cable modems initially represented 16.7% of the accused equipment, according to Charter's lawsuit. But Charter said Ubee made no

payments on any invoices and indicated in May 2023 it didn't have the budget for such payments and sought unsuccessfully to renegotiate its share of defense costs. Ubee also repeatedly refused to participate in or contribute to any effort to settle the cases with Entropic, Charter said. The operator wants \$12.31 million for Ubee's share of the settlement. Entropic filed multiple complaints, with Charter putting Ubee's share of the defense costs for them at more than \$2.2 million.

FCC FINES NEXSTAR FOR HAWAIIAN TELCOM RETRANS VIOLATIONS

The **FCC Media Bureau** has made its decision on **Hawaiian Telcom's** allegations that **Nexstar** failed to negotiate in good faith, and the Commission has given one point to each of the contenders in this bout. In a Memorandum Opinion and Order and Notice of Apparent Liability for Forfeiture, the Bureau determined that Nexstar's refusal to extend the parties' 2020 agreement until the parties reached either a new agreement or an impasse was not a violation of agency rules. However, it did determine that Nexstar had breached its duty to negotiate in good faith by proposing renewal terms that would have blocked Hawaiian Telcom from filing complaints with the Commission relating to the parties' negotiation and final renewal agreement. The Media Bureau found that Nexstar failed to negotiate in good faith with respect to each of the six stations whose carriage was the subject of its negotiations with Hawaiian Telcom, and in light of the broadcaster's prior violations, it is adjusting the base forfeiture amount to \$120,000 per violation. That means, in total, Nexstar will need to pay up \$720,000 for the violation.

'SWIFTIE EFFECT' TAKES NFL VIEWERSHIP UP A NOTCH

Karma is **VAB** studying the **NFL's** viewership across TV. The bureau took a look at the league's record-breaking viewership over the course of the 2023 season, which saw double-digit growth in its three primetime events across both linear and streaming platforms, and how that provides more opportunities for marketers looking to capitalize on viewership trends. “What it comes down to is that it's an event experience unlike any other sport,” VAB EVP **Danielle DeLauro** told **CFX**. “One of the reasons for that is because there is only one game a week for each of the teams, so that makes it seem like something that you want to build up anticipation for all week ... what happens when you have the anticipation is you're going to ultimately have more scale when you have the program coming out because you have that buildup.” Monday Night Football on **ESPN** led in growth with an average of 19.2 mil-

lion viewers P2+, good for a 42% increase YOY. However, that includes viewership from its simulcasts on **ABC**, which may not occur in future seasons. Thursday Night Football on **Prime Video**—which wrapped up its second season since obtaining the package’s rights—came in with a 25% YOY bump with **NBC**’s Sunday Night Football following with an 11% improvement. Within those viewers were boosts in specific demographics and the female group in particular. That may or may not have to do with *Taylor Swift* making frequent appearances at games this year, but the Female 2+ group averaged 12.3 million viewers and had an average audience per minute of 5.6 million when excluding Chiefs games. For Chiefs games, though, those numbers increased to 14.3 million and 7.5 million, respectively. All hype dies down eventually, but while DeLauro knows not every new fan will stick, she thinks the overall experience will keep rookies intrigued. “People might have started watching because of Taylor Swift, but as the season went on, they kept watching other games and they kept watching football in general. It came to the idea that it was this communal experience,” she said.

MONTHLY BROADBAND USAGE EYEING 700 GB IN 2024

With average broadband data consumption surpassing the 600 GB/month mark at the end of 2023, that number could very well reach or exceed 700 GB/month by the end of 2024, according to **OpenVault**’s 4Q23 Broadband Insights report. The monthly average consumption by subscribers during the quarter reached 641 GB, up 9.3% YOY from 586.7 GB. There are growing sectors among those users. The “Super Power Users,” or those who use 2 TB or more per month, increased by 37% YOY. The “Extreme Power User” category—users consuming 5 TB or more each month—increased by 71% YOY. More usage usually comes with improvements in speed tiers. OpenVault found the percentage of subscribers on gigabit speed tiers grew 29% YOY.

GOODWAY GROUP INKS PARTNERSHIP WITH FREEWHEEL

The digital media and marketing services firm **Goodway Group** made its first video-only partnership for premium ad inventory, joining forces with **Comcast**’s **FreeWheel**. The two will work to further scale and open access to premium CTV ad inventory for marketers. The partnership will offer publishers that work with Goodway access to FreeWheel’s array of premium video ad inventory in addition to improved transparency into the ad buying process and increased ability to test new innovations.

TCA NOTEBOOK

It was **National Geographic**’s turn to make a series of announcements at TCA. It began with the renewal of “Limitless

with *Chris Hemsworth*” for a second season. “A Real Bug’s Life,” which recently made its debut on **Disney+**, also got the Season 2 greenlight for a fall debut. Nat Geo also unveiled two new series/specials to come: “Pathological: Chasing a True Crime Con Man,” which tells the story of author *Stéphane Bourgoïn* and the downfall of his career, and “Shark Beach with *Anthony Mackie*.” Mackie will study the balance of humans, ecosystems and sharks. A new Nat Geo documentary is also in the cards. “Sally” will feature never-before-seen archival footage and commentary from trailblazers such as *Billie Jean King*, *Kathy Sullivan* and *Anna Lee Fisher*.

Cablefax Executive Round Up

The most anticipated football game of the year is near, so we asked executives in the industry what their favorite Super Bowl-related memory is. Here’s what they had to say.



Mike Arnold
Lead Director, Super Bowl LVIII
CBS Sports

“I was nervous about directing my first Super Bowl (XLI), which was in Miami (Colts-Bears). I spoke to John Madden the night before and he said, ‘You’ll probably be a little bit nervous. The best thing that can happen is a team runs three or four plays and has to punt on their first possession, and you can get your shorts on straight.’ Devin Hester ran the opening kickoff back for a touchdown. I spoke to Madden later and told him, ‘I never got a chance to get my shorts on straight!’”



Danielle DeLauro
EVP
VAB

“That’s an easy one for me—the Giants-Bills Super Bowl where the Bills missed the field goal to win. Poor Scott Norwood. I feel so bad for him, but I remember sitting there watching it and I thought [the Giants] lost the game. I thought, ‘There’s no way he’s going to miss this.’ I remember where I was when it happened. It’s just one of those core memories you’re never going to forget.”



Kevin Grigsby
Executive Producer/SVP
FanDuel TV

“The most memorable Super Bowl to me was the Superdome power outage delay between the Ravens and the 49ers in Super Bowl XLVII. In television, we try to prepare for the unexpected, but a power outage delaying the biggest television event of the year by over 30 minutes is an unpredicted calamity. As a television executive myself, it stuck with me because it was a crisis in the most high-pressure situation imaginable. And for the team at CBS and they did remarkable job given the circumstances.”



Charlie Yook
Executive Producer
NFL Network

“As a fan? Super Bowl XX when the Bears won it all (I’m from Chicago). Professionally? Super Bowl 50 at Levi’s Stadium. One moment that sticks out—I was stuck behind the pyro during the Carolina Panthers introductions, and as Cam Newton ran onto the field, the flames shot up and almost burned my face. But it was worth it. And the game was incredible, with Von Miller winning MVP and Peyton Manning concluding his career with his 2nd Super Bowl title.”

PROGRAMMER'S PAGE

'Tournament of Champions' Wins Once Again

Food Network's "Tournament of Champions" is a far more delicious version of Marvel's "The Avengers." That's a bold claim, I know, but the linear net has translated the magic of seeing all of your favorite people together and added its own unique flavor for the last four seasons. It's the perfect view for casual fans, quickly showing off the best and up-and-coming chefs from across Food Network franchises, and it officially returns for its fifth edition on Feb. 18 at 8pm ET. Underdog chefs have been able to compete for the 8th seeds in the TOC bracket over the years by winning other Food Network competition shows, but that's all changing this year. The network debuted the first episode of "Tournament of Champions: The Qualifiers" Wednesday at 8pm ET, and if this is just the preseason, viewers are in for a treat. The first batch of chefs not only competed against each other, but against the show's patented randomizer, a nightmarish slot machine that selects the protein, veggies and tools chefs must use to prepare a meal as well as the timeframe in which they must deliver a delicious dish. Envision stew meat and carrots with a spiralizer in 30 minutes, or chefs having to figure out how to use a microwave pressure cooker for the first time. There's something comforting and grounding about seeing the nation's top food artists being flustered or having to think on the fly. It's how so many have to cook to feed their families, and maybe we can trick ourselves into thinking we're just like them. Those that want to get into the early action still have a chance. The second round of The Qualifiers airs tonight on Food Network at 8pm ET. The new season will also be available on Max. – Sara Winegardner

REVIEWS

"Feud: Capote vs The Swans," 10pm, ET, Wednesdays, FX. Is Tom Hollander one of the best actors working today? The prodigious volume of work this short Englishman gets in film and television indicates the answer is a resounding yes. Yet in this new series directed mostly by Gus Van Sant, he's not a screen hog. Instead, like the character he's playing, successful author Truman Capote, he infiltrates high society through symbiosis, creating the gay-man-as-confidante-to-women-neglected-by-their-husbands theme. As such, he gains the confidence of socialites, whose lives and secrets he intends to veil thinly in a novel called "Answered Prayers." His goals included joining Marcel Proust and Edith Wharton as great chroniclers of the aristocracy. Alas, only scraps were published during Capote's lifetime, including a scandalous account of a covered-up murder (Demi Moore plays the alleged killer convincingly). On the other hand, Hollander's Capote is so good you'll forget it's a portrayal. And he's 'just' part of an all-star cast of 'swans' that includes an ageless Naomi Watts as Babe Paley, an equally effective Diane Lane as Slim Keith and the always-terrific Chloë Sevigny inhabiting gardening's C.Z. Guest. Despite this beautifully filmed mini's treasures, Hollander stands out, particularly when Capote's drinking brings his swan song. It's reminiscent of Hollander's portrayal of another inebriated genius, Dylan Thomas, in "A Poet in New York." – Seth Arenstein

BASIC CABLE		
P2+ PRIME RANKINGS*		
(01/29/24-02/04/24)		
MON-SUN	MC	MC
	US	US AA
	AA%	(000)
FNC	0.628	1979
MSNBC	0.403	1270
HGTV	0.273	862
ESPN	0.268	844
HIST	0.223	704
TBSC	0.220	694
HALL	0.214	675
DISC	0.201	632
INSP	0.194	612
USA	0.192	606
FOOD	0.169	532
CNN	0.156	491
TVLAND	0.154	484
TLC	0.152	480
TNT	0.145	458
ID	0.137	431
A&E	0.125	393
HMM	0.122	383
GSN	0.117	370
REELZ	0.114	360
BRAVO	0.109	345
OXY	0.103	325
WETV	0.100	316
FX	0.099	311
AMC	0.098	308
LIFE	0.093	294
COM	0.093	292
BET	0.092	291
SYFY	0.087	273
ADSM	0.077	241
NWSMX	0.074	233
NAN	0.072	228
FS1	0.072	226
TRAVEL	0.070	221
SNDCNE	0.069	219

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

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