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WHAT THE INDUSTRY READS FIRST

Spectrum Plan: Free State Foundation Crowd Unpacks NTIA Roadmap

Spectrum was the word of the day at Tuesday's **Free State Foundation** conference, with **NTIA** releasing its National Spectrum Strategy Implementation Plan just as the think tank's annual gathering was kicking off.

NTIA Senior Spectrum Advisor *Scott Blake Harris* addressed the plan about 20 minutes after it was posted on the agency's website, describing it as a roadmap to reach spectrum strategy goals. "It really describes the nuts and bolts of how government working with the private sector will achieve the goals of the strategy," he told Free State attendees. "For each strategic objective set out in the National Spectrum Strategy, the implementation plan identifies specific results that should be accomplished, the federal agencies responsible for accomplishing those results, identifies contributing stakeholders in both the federal government and the private sector and finally sets out a timeline, both to begin and to complete the actions necessary to reach those goals for those results."

That's not enough for **FCC** Commissioner *Brendan Carr*. It was a year ago when the *Biden* administration released its National Spectrum Strategy, which the Republican criticized for not actually freeing up any spectrum. "It was a real mess. What they were telling us back then was they were going to kick the can down the road," Carr said in an afternoon session at the conference. "Now today, the new implementing plan came out and confirmed that yes, the administration is simply going to

kick the can down the road. There is no commitment in there to free up spectrum in the near term."

Carr instead praised the Spectrum Pipeline bill, introduced this week from Senators Ted Cruz (R-TX) and John Thune (R-SD). The bill would require the NTIA to identify at least 2,500 MHz of midband spectrum that could be reallocated from federal use to non-federal or shared use in the next five years, including at least 1,250 MHz in the next two years.

NTIA's Harris declined to offer comment on the Spectrum Pipeline bill, but did note that it does renew the FCC's auction authority. "I want to underscore how important that is. If we find spectrum that can be auctioned as a result of this whole process and the FCC doesn't have auction authority—I'm just saying," he said.

The FCC's lack of auction authority was brought up several times during the conference. **Public Knowledge** SVP *Harold Feld* said a big part of the reason the FCC has been almost a year without the authority is because the **Department of Defense** was pushed too far on spectrum sharing. **New Street Research's** *Blair Levin* agreed, quipping that it's really hard negotiating with people who have nuclear weapons.

Ultimately, though, Levin doesn't think it really matters until there's going to be an auction again, and right now there's nothing in sight. "When Scott's plan starts getting implemented, then it becomes important again," he said. Levin was careful to clarify that he's not predicting bankruptcy for **DISH Network**, but if it were to go that route, he said the most important spectrum policy in the U.S. in the coming 24 months could



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be determined by what the bankruptcy court does with DISH's sizable spectrum arsenal.

While spectrum is often discussed in terms of wired and wireless usage, Levin noted that there is a huge amount of spectrum tied up in delivering linear television. "The market for that is falling. We could argue about how fast it's falling and where it goes, but eventually the FCC and others will have to think about whether they just want current market forces to drive that or do they want to do something else that either accelerates or decelerates that kind of economic mismatch between the use of spectrum and the economic value," he said. "It's not just broadcasters using spectrum, but cable devotes I think about 40% to the delivery of linear television. If they were simply to say, 'we're streaming everything,' that would be a dramatic change. Would you want that?" The analyst said it's difficult to ascertain whether Congress or the FCC actually want to play a role or just let the markets play it out.

Cable's interest in spectrum policy has ratcheted up over the years. Speaking at the conference was Comcast Public Policy SVP David Don, who joined the company 18 years ago to help with spectrum plans. At the time, he said, no one was clear on what that meant. "But today we look at Comcast and we have over 6 million mobiles subscribers on the Verizon MVNO partnership, but we also look at a variety of other areas of spectrum. We tend to focus a lot of these discussions on mobile services, which are obviously hugely important, but... the unlicensed space was getting not enough attention. And it really is the workhorse of spectrum in this country and it still is today, even with the advent of all the additional mobile spectrum," he said.

SPECTRUM PLAN PARTICULARS

NTIA identified five spectrum bands to study over the next two years for potential repurposing, with the lower 3GHz and the 7-8 GHz bands the focus of most discussion. In addition, as part of the lower 3 GHz studies, NTIA will look at adjacent bands just below 3.1 to see whether additional federal use is possible. The studies for each of these bands will be led by a spectrum study group co-chaired by the most effected agencies, with those study groups to be established this month. The final reports on all of these bands will be due by October of 2026. The 37.0-37.6 GHz band will be first up with a final report. NTIA Senior Spectrum Advisor Scott Blake Harris told Free State Foundation conference attendees that a working group is being set up immediately for the spectrum (as in this week). A study plan will be ready within a month, and the final report is due around November. NTIA has more time when it comes to the other two spectrum bands it is investigating. The 18.1-18.6 GHz spectrum study group will begin in May and a final report will be released in May 2025, and the 5030-5091 MHz band's group won't come together until March 2025. The final report for that spectrum will come in March 2026. So why all the varying milestones? "This stuff is really easy for me to say. It's actually really, really difficult and time consuming for the engineers. This is a lot of hands-on work. We and our federal colleagues simply don't have the resources to do everything at once," he said. "But as you can see there will be a lot of parallel processes. We wanted to make sure that the two most difficult bands would be completed within our two-year timeframe." The implementation plan also lays out how NTIA and the FCC will work together to create a long-term spectrum planning process that

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allows all stakeholders, federal and non-federal, to collaborate and have their voices heard. The agencies are going to formally outline a collaboration framework that lays out existing advisory and working groups and include a mechanism for establishing new, integrated working groups and allow the creation for band- or issue-specific multi-stakeholder groups that could consider repurposing possibilities. The FCC and NTIA will also work together to conduct a historical review of the bands already repurposed from federal to non-federal use, looking at both the benefits and how federal users have been impacted by those changes. All of that work, and more surrounding spectrum management and data surrounding spectrum use, should be done by November 2027.

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CHARTER BETTING ON MOBILE TO BE MAJOR ARPU, EBITDA DRIVER

The stagnation of broadband growth for cable companies at the turn of the year raised plenty of questions of how folks will think outside of the box to keep revenue and ARPU growing. **Charter** CFO *Jessica Fischer* told attendees of an investor conference Tuesday that she continues to believe the best way to generate the most revenue from the operator's network is to encourage the most customers to subscribe to the most products. Of course, that means Charter has to have high-quality products set at the right price point. "But I do think, on the other side of that, we haven't been afraid to push through inflationary price increases where that's appropriate. Because of our long-term philosophy around pricing, I think that we have more space than some of our peers and competitors to be able to push through inflationary adjustments where it's necessary," she said. "And from the mix perspective, we haven't gone after some of those higher tier indexed customers to the extent of some of our peers and competitors, and I think there's some space there as well, from our perspective." She also said Charter's growth opportunity with Spectrum Mobile is large. She's confident that mobile can make up a meaningful portion of Charter's EBITDA growth over the next 5-6 years. "If you think about it, there are 130 million mobile lines in our footprint. We currently have around eight million of those lines. The share of gross additions that we're taking in the market is much larger than our share of those mobile lines," she said. "Even in the setup we have today, I think we don't yet have the full brand acceptance of people believing we're a real mobile carrier. So as that brand acceptance increases, the value message becomes stronger."

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DESROCHES CONSIDERING BEAD, FURTHER COST CUTTING FOR AT&T

AT&T is aggressively pushing forward with both its fiber product and fixed wireless offerings, but how is the operator thinking about the BEAD program and its participation? What CFO *Pascal Desroches* is taking a hard look at is what the cost to pass locations will look like when the subsidy is applied to areas in need of broadband and whether that makes sense for AT&T as

a company. "Until the rules get set, it's hard to quantify what that opportunity is," he said during an investor conference appearance Tuesday. "But importantly, our cost to build is lower than anybody else's and we are pretty good at it. So I would suggest that we are in the best shape to take advantage of it, but it has to be sensible." Desroches has been focused on cutting costs at AT&T since his first day as CFO in 2021. AT&T is on track to achieve an additional \$2 billion in run-rate cost savings by mid-2026, and he said steps the company has already taken to become more efficient include shutting down certain retail stores and revamping its approach to customer service. There's still room to optimize when it comes to those areas as well as in field dispatch, but Desroches is also passionate about driving more online sales and building customer relationships there. "When you think about your own purchasing relationships, most of them happen digitally now, I would guess. We still have a lot of opportunity to drive more digital sales," he said. "We said \$2 billion-plus by the middle of 2026, and all that is part of how we're going to continue to manage the overall decline in business wireline..."

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BIGGEST BEAD CONCERNS

A **Free State Foundation** conference panel delved into their biggest concerns with the \$42.5 billion BEAD program, with rate regulation mentioned several times. But that's not the only worry. **Comcast** Public Policy SVP *David Don* is spending a lot of time talking to state and local officials about thinking beyond the build. "When you look at the NOFO, they present this like a construction project—and a lot of states, especially localities, not as much states maybe—are viewing this as a construction project and how do you allocate resources to build this network," he said. "Maintaining a broadband network is really a multi-decade commitment to communities. You've got to figure out who has the resources beyond the build." Don questioned picking an entity with 2-3 employees that can hire a contracting crew to construct a network, but may not be able to get it back up and running quickly if there's a weather emergency. "That's getting lost a little bit in these 19-point checklists on the NOFO that look at things like who's the labor that was used to build this or we're getting into fights over middle-class affordability or lower income rates," he said. As for rate regulation, Duke University professor *Michelle Connolly* pointed to concerns in Virginia over BEAD's low-cost option and the government's attempt to reintroduce Title II as evidence of a desire by the government to potentially intervene on rates. "It's one thing to say that for a given market, an internet service provider is providing a low-cost option for that market, but when the NTIA is trying to push the states and territories to give them the exact numbers as to what the low-cost plan would be ahead of time... that is totally moving into establishing rate regulation," she said. **Public Knowledge** SVP *Harold Feld* said his biggest concern is enforcement. "There's a lot of money going out to a lot of states that have the initial oversight. NTIA is tasked

with a kind of general oversight, but this is not a situation where with RUS or the FCC running programs that are federal programs where the federal government has a direct oversight role," he said. "This is going to be very complicated to make sure that this money actually gets used in the right way."

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BENTON ARGUES ACP BENEFIT IS MORE THAN WORTH THE COST

Every dollar spent in Affordable Connectivity Fund subsidies returns nearly \$2 in impacts to those using the program, according to the **Benton Institute for Broadband & Society's** latest [research](#). It claims the ACP generates \$16.2 billion in annual benefits, roughly twice the yearly cost of the service subsidy. Those benefits fall into two categories: employment effects that boost household income, and convenience effects. Examples of that include time spent shopping online as well as having access to a greater variety or quality of goods. Other connectivity benefits that are harder to quantify are day-to-day conveniences, access to telehealth and other healthcare-related information and economic benefits from mobile broadband. Benton's study broke down ACP households into three categories: 22% were newly-connected, 23% were connected households that had seen their service lapse and 55% were using ACP to sustain their level of broadband service.

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NEXSTAR LIKING THE RESULTS FROM OTA DEALS

As the RSN business remains contentious, **Nexstar** President/COO *Michael Biard* remains a staunch believer in the power of broadcast platforms. It's evident in Nexstar's deal to air 15 LA Clippers games on the local station KTLA-TV this season. While Biard knows it's a "vacation spot" for the Clippers in the grand scheme of an 82-game season, the ratings compared to games on its usual RSN **Bally Sports West** have indicated the recent trend of **NBA** teams putting games over the air could be one to stay. "When those games air, we do a rating on KTLA that's about 100% bigger than what they do on the RSN," Biard said Tuesday at **Deutsche Bank's** 32nd Annual Media, Internet & Telecom Conference. "Why does it do that? Well, because broadcast continues to be the destination of choice for sports fans. That's where they go more often for big events. It makes perfect sense for the Clippers to do it because they're reaching an audience significantly greater both in terms of potential audience and actual audience than what they're getting on the RSN." To further prove his point, Biard brought up the **NFL's** deal to air Thursday Night Football on **Prime Video**. Although that deal is popularly described as "exclusive," the games still air in the local market of each team playing. When looking at the ratings in those specific markets, the eyes skew toward the more traditional platform. "When you look at the ratings in the local markets, people tend to vote significantly greater with their eyes to go to broadcast as opposed to Amazon Prime to watch

that game," Biard said. "On average, about 60% of viewers will choose broadcast over Amazon Prime. Notwithstanding the fact that if you're a football fan, all you've seen in terms of advertising on Sunday morning and Sunday night and Monday night is that Amazon Prime is the home of that Thursday night game, and yet more than half of [local] people will watch it on broadcast."

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APOLLO PONDERES PARAMOUNT

Add another player to the **Paramount Global** M&A talks. *Axios* [reports](#) that **Apollo Global Management** reached out to the special committee created by Paramount regarding a potential takeover or asset acquisition. The report, which cites two sources familiar with the situation, states Apollo is pondering a deal with Paramount only. However, Apollo could end up only bidding on select assets. It has competition from **Skydance Media**—which has the private equity firms **KKR** and **RedBird Capital** in its arsenal—but the group is looking at an all-cash bid for Paramount's parent company National Amusements Inc.

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CARRIAGE

MASN is making moves since re-upping its carriage deal with **Comcast**. The RSN added **Fubo** to its distributor lineup on Tuesday, making it available to subscribers across Pennsylvania, Maryland, Delaware, Virginia, West Virginia, North Carolina and D.C. MASN carries local broadcasts for the MLB's Baltimore Orioles and Washington Nationals. It's a big step for MASN as it expands its carriage on digital platforms. However, it still lacks distribution on popular vMVPDs including **YouTube TV** and **Hulu + Live TV**. - **Fox Nation** is expanding to **DISH TV** and **Sling TV** soon. Starting in mid-March, DISH customers can add the SVOD for \$5.99/month through the MyDISH app, online or via phone. Sling TV and **Sling Freestream** users can also subscribe to Fox Nation for the same price.

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FAXIES DEADLINE IS NEAR

Ten days remain until the **2024 FAXIES' extended deadline** arrives on March 22. The FAXIES have celebrated excellence in marketing and PR for more than two decades, honoring the best of the best across 40+ categories like Use of Video or VR/AR, Retail Store Experience & Engagement and Wireless/Mobile Sales Campaign.

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PEOPLE

Outdoor Sportsman Group is getting a familiar face with its next President/CEO. *Mike Carney* will step into the role after previously serving as COO. He replaces *Matt Hutchings*, who departed to spend more time with family. Carney will oversee Outdoor Channel, **Sportsman Channel** and **World Fishing Network** as well as **MyOutdoorTV** and OSG's portfolio of brand publications. Carney has been with the company for over two decades, holding roles across editorial, sales, brand marketing and consumer product sales management.