

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Title II Returns: Same Show, Different Cast

The slow march to the FCC's Title II vote came to an end Thursday as commissioners voted 3-2 to reclassify broadband as a common carrier service with no real surprises along the way. Now, a new procession begins that Title II opponents believe will end with the U.S. Supreme Court throwing out the order.

Republican Commissioner *Brendan Carr* spoke for 33 minutes against the measure during Thursday's open meeting, detailing the issue's long history, accusing the executive branch of overstepping and decrying the uncertainty the move could have on broadband investment. "The administration wants ISPs to opt into federal support programs, like BEAD, so they can bring broadband to underserved communities," he said. "But who will take that financial risk when an ISP's returns can be wiped away with the stroke of a bureaucratic pen?"

By contrast, his GOP colleague *Nathan Simington* uttered just nine words: "I dissent and I will publish my statement. Thanks." Given the years that both sides have devoted to hashing out well-established arguments, the lack of a speech was a statement in and of itself. Indeed, several organizations sent reporters statements on the vote before it even happened and a press call with Sen. *Ed Markey* (D-MA) and former FCC Chair *Tom Wheeler* solicited no questions from the media.

The public was also pretty subdued. No one rushed the dais to unfurl a "Reclassify Now" banner as they did a 2014 open meeting—a move that resulted in the agency positioning se-

curity on both sides of the dais for all meetings going forward. *Comm Daily's Matt Daneman* reported that there were about a dozen Title II supporters milling outside the agency with "Victory for the Net" T-shirts. That spurred NCTA's Strategic Communications SVP *Brian Dietz* to respond on X with: "75 Title II opponents are having a peaceful sit-in at @NCTAitv world HQ."

His boss, NCTA President/CEO *Michael Powell*, is among those predicting a court victory—though he laments the time it will take. "Instead of clearing obstacles to speed broadband deployment where it is most needed, this ill-timed and unlawful order threatens to hinder progress. This will not deliver net neutrality; it will risk a net fatality," he said in a statement. "The good news is that the FCC's action will be overturned in court. Congress has always been the appropriate forum to resolve these issues. We can only hope that the damage done to our vibrant internet ecosystem in the meantime will be limited."

Opponents of the order believe the legal system will find the FCC has run afoul of the major questions doctrine, the principle that courts should not presume Congress turned over major political and economic decisions to agencies. Commissioner *Geoffrey Starks* doesn't think it's an issue. "Those cases are reserved for only extraordinary cases, and I believe this does not come close to that. There is no unheralded power that we are reporting just now to have discovered in the annals of an old, dusty statute. We have been classifying communications for decades and the 1996 Act expressly codified our ability to continue that practice," he said.



JUST RELEASED: The Cablefax 100

It's time to celebrate the trailblazers who have propelled the media, cable, and broadband industry to unprecedented heights. We're thrilled to unveil the distinguished individuals who have earned a coveted spot in the 2024 Cablefax 100.

[VIEW HONOREES](#)

FCC Chairwoman *Jessica Rosenworcel* echoed that sentiment, declaring that the rules are court tested and approved. “They are very consistent with the rules adopted in 2015 that were upheld by the D.C. Circuit in 2016 and I’m confident that these rules will also be upheld,” she said during a press conference after the vote.

There were some tweaks made to the order, including a clarification that speeding up content indiscriminately would be in violation of the no throttling provision. Rosenworcel stressed that the rules give the FCC the ability to require ISPs to provide data on broadband outages and provide better national security.

No one has said who they expect to file the first legal challenge, but there are plenty of possibilities beyond NCTA. **ACA Connects** President/CEO *Grant Spellmeyer* referred to the vote as the “FCC’s internet takeover,” and **U.S. Chamber of Commerce** Technology Engagement Center SVP *Jordan Crenshaw* said the decision to “micromanage the internet through Title II regulations will only deter the investments and innovation necessary to connect all Americans.”

Among those cheering Thursday’s vote is Sen. Markey, who noted on a call with reporters that it has taken 2,321 days to get to this point with the FCC rolling back Title II on Dec. 17, 2017. He was joined by Wheeler, who praised Rosenworcel for focusing the discussion on national security: “If you don’t have jurisdiction over the broadband network to determine that it is behaving in a non-discriminatory but also just and reasonable manner, how can you deal with security issues that are inherent in the network because we know that every single hack attack at some point in its life traverses a public network that ought to be the responsibility of the FCC?”

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COMCAST HOPEFUL AROUND NOW PRODUCT PORTFOLIO

Competition for high-end broadband customers is tighter than ever, so **Comcast** is doubling down on a segmentation strategy that it hopes will attract value-conscious subscribers. Comcast launched the NOW product portfolio last week, revamping its prepaid broadband service and introducing a new prepaid mobile option with unlimited 5G data. The WiFi equipment for the broadband service is included in the package for free, but it is a specific model that supports the NOW speed tiers and unlimited data. The WiFi equipment available for lease to other Xfinity subscribers supports faster speed tiers, enhanced security features and more. NOW TV also lives under this new umbrella, and the hope is it appeals to customers benefiting from the **FCC’s** Affordable Connectivity Program. “There’s currently a lot of activity at the low end of the market, and we’ve not been as competitive in this space. We’ve

had great products and several options, but in the prepaid area in particular, we believe there is an opportunity to improve our effectiveness there,” President/CEO, Connectivity and Platforms *Dave Watson* said on Thursday’s 1Q24 earnings call. “Obviously, it’s a good alternative to ACP and where that goes. It’s early to talk about any progress, but we’re real pleased with the positioning of the NOW product for the income-constrained segment of the market.” Comcast has more than 1.4 million ACP customers in its base that it will need to manage as the program comes to a close, but CFO *Jason Armstrong* said the team’s perspective continues to be that this is no different than that of a promotional roll-off period. Total domestic broadband customer net losses were 65,000 and total customer relationships in the Connectivity & Platforms segment fell by 166,000 to 52 million. Despite that, domestic broadband ARPU rose 4.2% and revenue growth rose 3.9% YOY to \$6.6 billion. Usage on the network increased double digits YOY, and more than 70% of residential subscribers are receiving speeds of 500 Mbps or higher. Approximately one-third are receiving at least gigabit speeds. Comcast is also keeping steady with its schedule of network upgrades and its deployment of mid-splits doubled YOY, now reaching 40% of the operator’s footprint. Xfinity Mobile continues to win customers though, recording domestic line net additions of 289,000. That’s a 21% increase YOY and brings the total lines to 6.9 million.

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COMCAST ENTERING CARRIAGE RENEWALS WITH OPEN MIND

Comcast’s domestic video customer net losses were 487,000 during 1Q24. Leadership didn’t have much to say when it came to the Xumo streaming platform, but President/CEO, Connectivity & Platforms *Dave Watson* did comment during Thursday’s earnings call on how the company is preparing for renewals with programmers in the challenged video marketplace. He said each deal is evaluated primarily through three lenses: the overall cost relative to the content, flexibility and the overall consumer value. As Comcast moves through this ongoing transition on the video side of the business, Watson said it will continue to live in both the linear and streaming worlds. “We have a unique platform that is positioned well to be able to handle everything that video can handle—linear channels, on-demand DVR and streaming,” he said. “We can build bridges as these things come up but our goal consistently has been to find win-win opportunities as we examine each and every specific renewal.” At **Peacock**, paid subscribers increased 55% YOY to 34 million with three million net additions coming in the first quarter. Peacock revenue rose 54% to \$1.1 billion, and the service beat retention expectations following its exclusive **NFL** wild card showdown between the Miami Dolphins and the Kansas City Chiefs.



A Cablefax feature highlighting marketing and media efforts spotted in the real world.

The state of Montana puts the “big” in Big Sky Country, but that’s not stopping **TDS** from trying to conquer it. The company marked its fiber expansion in the state with the opening of a new office and warehouse facility in Butte. On hand were not only folks from TDS like President/CEO *Jim Butman*, but also Montana Gov. *Greg Gianforte*.



The facility represents a \$21 million investment in Butte from TDS. The warehouse will facilitate TDS’ fiber network that powers its internet, digital TV and phone products to Butte and other Montana communities. It’ll also be crucial as TDS builds out its network to over 15,000 homes and businesses in the Butte community.

“We’re creating an environment where businesses like TDS can thrive, supported by Montanans’ unparalleled work ethic and an unmatched quality of life,” Gianforte said. “TDS’ investment underscores the importance of expanding broadband access to all Montanans in order to increase access to healthcare, education, and career opportunities and to create more good-paying jobs.”



To commemorate its ribbon-cutting ceremony for the facility, TDS donated \$5,000 to the Hungry Hill Center for Art, Education and Outreach. The organization helps fight hunger and provides educational programming in Butte.



The new warehouse is another chapter in TDS’ \$160 million investment in Montana. TDS currently serves seven different areas throughout the state including Billings, Great Falls, Helena, Helena Valley, Lolo and Missoula. On top of providing internet options for many, TDS has so far created over 100 jobs across the state and will have more opportunities as its new facility gets into swing.

T-MOBILE DIVES DEEPER INTO FIBER WITH JV AND LUMOS BUY

T-Mobile is teaming up with investment firm **EQT** on a JV to acquire FTTH platform **Lumos**. Lumos currently reaches 320,000 over 7,500 route miles with fiber internet and WiFi in the Mid-Atlantic region. T-Mobile will put up \$950 million in the JV when the deal closes to acquire a 50% equity stake in Lumos as well as all existing fiber customers. It will be the anchor tenant on Lumos’ fiber network. T-Mobile will own the customer relationships and the JV will focus on market identification and selection, network engineering and deployment and customer installation. “It is tough to extract valuation metrics from what has been reported, given that T-Mobile is buying an equity stake and all the subscribers, and they know their capital is going towards building more locations. We also don’t know whether EQT has committed further capital,” **New Street Research** said in a note to clients. “Nevertheless, the \$950MM for a 50% stake equates to an equity value of \$1.9BN and an EV of \$3BN (we think there is \$1.1BN of debt at Lumos). That equates to over \$9,000 per existing location. This suggests a very healthy outlook for fiber assets that have a strong growth trajectory.” New Street Research also said it would view the agreement as a smart move by T-Mobile, but this JV is only going to reach 2-3% of U.S. households by 2028, not enough to make a major difference. If convergence proves to be critical for T-Mobile, the firm expects bigger deals in the future.

SOO KIM FILES DISCRIMINATION LAWSUIT AGAINST FCC

It’s been just under a year since **Standard General’s** bid to purchase **TEGNA** collapsed, but the action isn’t quite done yet. Standard General Managing Partner *Soo Kim* filed a lawsuit against the **FCC**, its Media Bureau and Chairwoman *Jessica Rosenworcel* on Wednesday, accusing the Commission of impeding the TEGNA acquisition because of racial discrimination. Before being nixed, the deal’s process of approval was long, and some steps by the FCC drew criticism from some. Rosenworcel submitted the review of the TEGNA-Standard General merger to an administrative law judge in February 2023, which many viewed as effectively ending the deal since it gave little time to review before a key funding deadline in May of that year. The news of Kim’s lawsuit made its way into the Commission’s presser Thursday. “I have shared this filing with the Office of General Counsel,” Rosenworcel said briefly. Commissioner *Brendan Carr*, while admitting he hadn’t fully investigated the news yet, reiterated his disapproval of the FCC’s process. “I have made my voice clear. I disagree with the process the FCC laid out there. I thought it should have been handled differently as far as full statements laid out. Without having a click-through beyond the headline, I have

nothing more to add at this point,” Carr said.

CABLEFAX 100 IS NOW OUT

The latest edition of our annual **Cablefax 100** magazine has arrived. The two lists part of the Cablefax 100 recognize power players in Operations working for fiber providers, MVPDs, vendors, industry associations and more, and also those in Content who've influenced powerhouse programmers that are in the thick of the ever-growing world of streaming. We also pay tribute to those who have risen “Above it All” like industry mainstays **Liberty Media's John Malone** or **NBCU's Bonnie Hammer**. You can read through the digital version of the print magazine [here](#) to see the profiles of each honoree as well as their answers to our famous Cablefax 100 Q&A. Check out [Cablefax100.com](#) for shareable, individual profiles and even more Q&A content.

TELEVISION UNIVISION CONFIDENT IN DTC PROFITABILITY

TelevisaUnivision continued to invest more into its **ViX** streaming product during 1Q24, but that commitment comes at a cost. The company saw operating expenses grow 16% YOY to \$821 million driven by those investments, investments in the expansion of its third-party ad sales business in Mexico and the comp of a non-recurring bad debt reversal last year. While TU didn't offer any subscriber numbers, CEO *Wade Davis* reiterated the company is on track to turn its DTC business profitable “in a few short months.” Early 3Q24 seems to be the specific target per Davis during TU's [previous earnings call](#). Davis did disclose that 70% of its DTC subscribers are coming from TU's free funnel, which is prompting them to introduce a new ad-supported tier. It'll be priced below the current premium tier (\$6.99/month) and carry a limited ad load. TU's total revenue grew 7% to \$1.15 billion, but total revenue in the U.S. remained flat at \$739.9 for the quarter. The subscription and licensing segment also grew 9% to \$473.4 million overall, but also remained flat in the U.S. with \$326.5 million. TU saw a 34% rise in subscription and licensing revenue in Mexico from \$110 million to \$146.9 million. U.S. advertising revenue stayed even YOY at \$399.4 million due to growth in DTC that was offset by softness in linear networks. However, in Mexico, ad revenue jumped 19% to \$248.5 million thanks to private sector growth from new and existing clients across both linear and DTC. In TU's non-earnings news, the company is partnering with Shopsense AI to implement its retail media platform into key programming and events across TU's portfolio. It'll begin with the Latin American Music Awards that air tonight at 7pm across **Univision**, **UNIMÁS**, **Galavision** and **ViX**, and viewers will be able to see curated collections with items inspired by the hosts and talent throughout the night. Shopsense will use QR codes and dedicated URLs to direct viewers to a show-specific digital store.

WBD'S NEW FRIEND, OLLI

Warner Bros. Discovery is pulling together its data, audience intelligence and ad tech solutions to create a new proprietary first-party data platform dubbed Olli. The platform allows for campaign planning, activation and measurement across WBD's portfolio of content and brands. Olli is also used to fuel the company's converged Data-Driven Video offering, which is able to identify one audience across all endpoints. Data-Driven Video helps clients exclude heavy linear TV viewers early in the planning process, which then redistributes the focus to a target audience across WBD's linear and digital platforms. Olli also enables in-flight optimizations that reduce unnecessary exposures across an audience segment. Other features for the new platform entail in-depth insights into user behaviors and preferences, streamlined ad tech processes with unified planning and ad analytics and measurement strategies.

MAINE STATIONS ADD NEXTGEN TV

Five TV stations in the Portland, Maine, market have started broadcasting with NextGen TV. That includes WMTW (**ABC**), WGME-TV (**CBS**), WPFO (**Fox**), WCBB (PBS) and WMEA-TV (Maine Public). All programming of the aforementioned stations will continue to be available in a DTV format, which can be received on all modern TV sets. NextGen TV allows broadcasters to reach viewers with new emergency alerts in addition to image, video and audio enhancements. Features will vary by device and station.

NONPROFITS WORKING WITH EERO TO BRIDGE DIGITAL DIVIDE

Connected Nation is partnering with a trio of nonprofits to send 5,000 **Amazon** eero Pro mesh WiFi devices to households, families and individuals who are in need of a fast and reliable connection. CN worked with Digitunity to identify the three organizations (Human-I-T, E2D and National Digital Inclusion Alliance) that will work directly with communities and households. Those three will also receive and distribute the devices based on each community's needs. The target demographics for the initiative include low-income families, students and rural households.

PROGRAMMING

Reba McEntire is set to return as host of the 59th Academy of Country Music Awards on May 16. The show will begin at 8pm and stream exclusively on **Prime Video** from Frisco, Texas, but a Prime membership will not be required to watch. Before the event begins, fans can view “ACM Red Carpet” on Prime Video, the Amazon Music Channel on **Twitch** and Amazon Live starting at 7pm. A full replay of the stream will be available on Prime Video immediately after the stream and on **Amazon Freevee** the next day. – **History** is rolling out two-part docuseries “The Great War” on May 28. Executive produced by “Good Morning America” host *Robin Roberts*, the doc explores the years 1917-18 and how three different groups have separate yet intertwined experiences with World War I.

PROGRAMMER'S PAGE

'Catfish: The TV Show' Running it Back for Season 9

It's no secret how revolutionary the internet has been. It's altered an endless number of areas in everyday life, and dating isn't immune to that influence. However, dating on the internet can be deceptive, which has been highlighted since the beginnings of MTV's "Catfish: The TV Show" in 2012. The show is ready to kick off its ninth season Tuesday at 8pm. Not many shows can say they've made it that far, but with Catfish, every episode tells its own unique (and oftentimes shocking) stories of those portraying themselves in a different light in the search of love. "At its core, the show is a little bit of a different documentary every episode. So in a way, we've made hundreds of little mini-documentaries," Executive Producer *David Metzler*, who's been with the show since the start, told **CFX**. "Every once in a while there's love, sometimes there's really deep deception and oftentimes we get to some level of understanding and reconciliation. So that journey to me always feels fresh, because it's always unique to the participants who are in it." Just because the premise of the show has remained the same doesn't mean it hasn't undergone a shift of its own. Host *Nev Schulman* remains in his post alongside *Kamie Crawford*, who replaced the original co-host *Max Joseph* in Season 8. Metzler said Schulman and Crawford are wiser as the seasons go on, making them more aware of the emotions and motivations behind each Catfish story. One theme that's resonated with the entire production team is that each story is as real as those that would be considered to have happened under "normal" circumstances. "You can't discount somebody's feelings for somebody else because they haven't met in real life. We've learned that those experiences they've had online are just as real and just as important as a lot of their real-life relationships. So the intensity is always there," he said. Nine seasons may not be enough as Metzler added the team has "many, many, many" more episodes to shoot. – *Noah Ziegler*

REVIEWS

"Franklin," streaming on **Apple TV+**, new eps Fridays. Most people will come to "Franklin" for *Michael Douglas*, who plays Benjamin Franklin and is an exec prod, along with heavies like former **HBO** honcho *Richard Plepler*, *Tim Van Patten*, who also directs, and *Kirk Ellis*, a producer and writer on "John Adams" and *Howard Korder* (a writer on "Boardwalk Empire"). Ellis and Korder are credited with writing, based on *Stacy Schiff's* book, "A Great Improvisation." And while Douglas has his moments as a founding father, the supporting cast outshines him, as do hair and costumes, though not on Douglas. He apes Franklin's hairstyle and hobbles periodically, befitting a gout sufferer, but that's it. Franklin's corpulence isn't apparent, for instance. Perhaps the series' highlight is its story, which brings an aspect of the American Revolution to life. The plot has Franklin and grandson William Temple in France on an unofficial mission. The 70-year-old polymath is seeking funds (Congress was nearly broke), men, ships and arms for what many considered a scraggly U.S. military. Its contest against formidable Great Britain parallels today's David and Goliath scenario, as Ukraine struggles against Putin's Russia. While the series plods at times – it's a diplomatic procedural – the combination of entertainment and education is compelling as Franklin does America's bidding with a mix of charm, seduction, smarts and perseverance. – *Seth Arenstein*

BASIC CABLE		
P2+ PRIME RANKINGS*		
(04/15/24-04/21/24)		
MON-SUN	MC	MC
	US	US AA
	AA%	(000)
FNC	0.617	1947
TNT	0.465	1467
MSNBC	0.429	1354
ESPN	0.324	1021
HGTV	0.250	787
HALL	0.248	783
HIST	0.193	608
CNN	0.187	591
INSP	0.173	545
USA	0.171	539
TBSC	0.167	525
DISC	0.162	510
TLC	0.157	494
FOOD	0.152	478
ID	0.146	459
TVLAND	0.132	417
GSN	0.116	366
WETV	0.103	323
REELZ	0.099	313
FX	0.094	297
A&E	0.094	295
ESPN2	0.092	289
BRAVO	0.085	268
OXY	0.085	266
AMC	0.084	265
HALLMYS	0.082	257
NATGEO	0.078	246
LIFE	0.078	246
NWSMX	0.074	235
ADSM	0.074	234
SNDNCE	0.073	232
COM	0.072	226
SYFY	0.067	211
BET	0.067	210
FETV	0.065	205

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



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