

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Come Together: Verizon Confirms Rumors, Announces Frontier Buy

Verizon made its purchase of **Frontier Communications** official Thursday, announcing it would acquire the company in an all-cash transaction valued at \$20 billion.

The two companies currently have approximately 10 million fiber customers across 31 states and Washington, D.C. with more than 25 million passings. Verizon CEO *Hans Vestberg* said during an investor call that adding Frontier's assets to the fiber network of Fios is a no-brainer of a combination. Ultimately, it was a decision between continuing to build fiber or purchasing a network that has already been built out and improved through significant financial investment. The economics of the deal and the time to market were too good to pass up in the end.

Additionally, Verizon has already been able to see massive success when pairing mobile and Fios together into packages for customers, and it believes it could achieve the same results in Frontier's footprint. That includes a 50% drop in mobility churn and a 40% reduction in fiber churn when fiber broadband and mobility are taken together.

"In markets where we have Fios today, our wireless share tends to be 400 to 500 basis points higher than when we don't have Fios in the market. Over a period of time, once we close, we expect our wireless share in the Frontier markets to grow up to that level as we bring our two bases together," **Verizon Consumer Group** EVP/CEO *Sampath Sowmyanarayan* said.

Comcast CFO *Jason Armstrong* chimed in on the deal dur-

ing his appearance at the **Citi** Global TMT Conference, calling his company the original innovators around convergence. He sees Verizon's acquisition of Frontier and the investment in converged experiences as a validation of what Comcast has already been doing.

"If you take the totality of the big three wireless operators and include the company that was acquired today, so take the four of them, the fiber footprint of all four of them is substantially smaller than our 63 million," *Armstrong* said. "If you take their plans for the next several years that they've articulated through jvs, through acquisitions and organic plans to build, it adds up to roughly on par with where we are in the next several years. So I think we've got an incredible hand to play in convergence."

Moody's affirmed Verizon's Baa1 long-term issuer and senior unsecured ratings and said the outlook on the wireless provider is stable. It expects Verizon to maintain a strong market position, find stability in its wireless subscriber trends, improve profitability and steadily reduce its leverage in 2025. "We believe the acquisition of Frontier with more than 7 million fiber passings across 25 states will complement Verizon's wireless footprint and augment its capabilities to offer converged services across a much larger footprint further enhancing its revenue growth profile," *Moody's* said in a report. "Pro forma for Frontier, we project Verizon will have around 30 million fiber passings by year-end 2026."

As for whether the deal will earn regulatory approval, **New Street Research** believes the ultimate outcome won't be heavily impacted by the results of the presidential election. It also

NAMIC

CONFERENCE.NAMIC.COM

38TH ANNUAL CONFERENCE

DIVERSE VOICES!
DEFINING THE FUTURE...

OCTOBER 22-23, 2024
NEW YORK

doesn't expect the deal to get any particular special attention, but there could be a question over how the government will view the overlap between Verizon mobile services and fixed wireless broadband with Frontier's footprint.

"Here, if the **DOJ** says the Verizon fixed wireless product competes with Frontier in Frontier's territory, it is possible that TMUS also offers such a service, making the negative competitive impact small. It is also likely that the number of customers is small, so that the competitive impact would be small, if any," NSR said in a note to clients. "If the DOJ decides that Verizon's mobile service is in the same product market as Frontier's broadband service, then so is **AT&T's** and **T-Mobile's**, reducing a five-competitor market (if there is Cable) to four. Generally, antitrust officials have allowed five to four deals. If there is no Cable, then the four to three analysis is more difficult."

NEXSTAR SAYS SCOTUS CASES HELP ITS RETRANS FINE APPEAL

Nexstar is pointing the **FCC** to two recent U.S. Supreme Court decisions in its arguments for the agency to rescind its proposed forfeiture of \$720,000 for its handling of retransmission consent negotiations with **Hawaiian Telecom** last year. The first case is **SEC v. Jarkesy**, where the court ruled that the Securities and Exchange Commission violates the Seventh Amendment right of trial by jury when it seeks civil penalties from defendants for securities fraud through administrative proceedings. "In Jarkesy, the Supreme Court found the SEC's chosen remedy of 'civil penalties' to be 'all but dispositive' because such penalties are 'designed to punish or deter the wrongdoer' rather than to 'restore the status quo,'" Nexstar said in a recent filing at the FCC. "The same is true with respect to the forfeiture contained in the [FCC Notice of Apparent Liability]; indeed, the Bureau adjusted its civil penalty amount upward expressly to ensure that the forfeiture would 'act as a meaningful sanction and deterrent against future misconduct.'" It's also invoking *Loper Bright Enterprises v. Raimondo*, which threw out the Chevron doctrine. The broadcaster argues that the legality of the FCC Media Bureau's decision presents a relevant question of law that a reviewing court, not the FCC, should decide based on its own independent judgment. In February, the Media Bureau [found](#) that Nexstar had breached its duty to negotiate retransmission consent in good faith by proposing renewal terms that would have blocked Hawaiian Telecom from filing complaints with the Commission relating to the parties' negotiation and final renewal agreement. Nexstar is challenging the ruling, which would fine it \$120,000 per each of the six stations involved in the negotiations.

DIRECTV LOOKS TO SEC FOR HELP

DirecTV is looking for more help with its ongoing carriage dispute with Disney, and it's turning to the **Big Ten**, **Big 12** and **SEC** for a boost. DirecTV Head of State & Local Affairs *Hamlin Wade* submitted a letter to the conferences' commissioners as well as university chancellors and presidents, urging them to advocate for Disney to lower its price points. "We're asking you to please work with your Chancellors and Presidents, and your elected officials to empower fans and push for flexibility in the marketplace," Wade wrote in the letter obtained by **CFX**. "This will help guarantee the public, whose taxes and tuitions help pay for the public universities in your conference, access to the content they love and deserve." It's unclear how much the letter will move the needle in negotiations, but SEC Commissioner *Greg Sankey* did offer his take on the carriage dispute Sunday in a post on **X**. "This is why I have @YouTubeTV," he [wrote](#).

NBCU TINKERING MONETIZATION MODELS FOR SHOWS

As viewership trends continue to split the linear TV and streaming chasm, companies like **NBCUniversal** are trying to find the perfect formula for how to roll out new shows. In NBCU's instance, it has options with several linear networks and **Peacock**, but in most cases the company knows where a new program should first debut. *Donna Langley*, Chairman, NBCU Studio Group & Chief Content Officer, said NBC's primary audience lies in the 50-60-year-old range while Peacock's demographic is broader and more diverse, giving it the flexibility to tinker with different strategies. But is there a perfect system that maximizes monetization? "I think that's the golden question, and I think that's something that the entire industry is trying to figure out at the moment," Langley said at Thursday's Bank of America Securities Media, Communications and Entertainment conference. "Looking at not just how we're going to monetize in the first window, but also library value, long-term library value and things like that ... It really is trying to actually figure out that monetization model that certainly keeps me up at night." On the horizon for NBCU is the **NBA** programming it'll begin airing once the league's new media deal kicks in. Langley said she's primarily optimistic because the NBA's audience is different from the **NFL's**, which means more new audience members that NBCU can't direct to its other properties.

ESPN, TENNIS CHANNEL TAKE LEAPS USING AI

ESPN announced it plans to start using generative AI for text game recap stories of select events across the **Premier Lacrosse**

League and **National Women's Soccer League**. The network is anticipating to begin using the technology Friday for the NWSL and Saturday for the PLL, with stories set to appear on ESPN's website and app. However, an article posted Monday recapping the PLL's Whipsnakes' win against the Outlaws has the byline "ESPN Generative AI Services." ESPN said each AI-generated article will be indicated by ESPN Generative AI Services in the byline, and it will be seen by a human editor. It also said the AI recaps will "augment existing coverage—not replace it." It's not surprising to see ESPN take a leap with AI considering Chairman *Jimmy Pitaro's* positive comments on its use, also saying he doesn't think AI will be the "disruptor that many people think it will be." "I personally believe that AI will be very helpful and beneficial to the sports industry and the sports fan, and we're starting to see that," he said at ESPN's Media Day last week. **Tennis Channel** is another network that made an AI announcement Thursday, revealing it'll soon enable viewers in Spain to watch live matches with original English commentary dubbed into Spanish in real time. It's partnering with the AI-translation platform *Lingopal.AI* to use it as a beta test for the Guadalajara Open Akron that'll run Monday-Sept. 15. Commentary will be translated into Spanish in Spain for the entire tournament. Tennis Channel will have a series of on-screen alerts whenever it shows content translated from its original language by AI.

NEWSMAX FILES TO SEC FOR IPO

Newsmax has filed an offering statement with the **SEC** to conduct an initial public offering, with the network expecting to go public later this year or in early 2025. It applied to be listed on the NYSE under the ticker moniker "NMAX" and seeks to raise up to \$75 million in its public offering under Regulation A+. Newsmax said last month that more than 40,000 investors indicated interest in the IPO.

PERMIT HELP, PLEASE

A coalition of industry associations that includes **NCTA, USTelecom** and the **Wireless Infrastructure Association** are urging House leadership to prioritize a bill to remove barriers to broadband deployment by streamlining permitting measures. The American Broadband Deployment Act, sponsored by Rep *Buddy Carter* (R-GA), passed out of House Commerce in May 2023. The bill codifies **FCC** orders on broadband deployment and takes steps to improve siting on federal lands and reduce unnecessary red tape for applications to deploy or improve communications networks. "Congress's historic investment could quickly fall short without permitting reform. This is particularly true in small and rural communities that could see a substantial increase in applications following the release of these funds," the groups wrote in a letter Thursday to Speaker of the House *Mike Johnson* and Minority Leader *Hakeem Jeffries*.

FIBER FRENZY

TDS completed its fiber network project in the Chippewa Falls,

Wisconsin, area. The project was originally announced in April 2022 before beginning construction in July of last year. The project includes around 5,500 homes and businesses and offers up to 8 Gig symmetrical speeds, with commercial customers able to get up to 10 Gigs with a service level agreement. Additionally, to accompany the milestone, TDS donated \$1,000 to the local Family Support Center.

QUICKPLAY NOW AVAILABLE ON AWS MARKETPLACE

Quickplay's full solutions portfolio has been added to **Amazon Web Services' Marketplace**. Customers can use the online portal to find, buy and deploy software that runs on AWS. AWS Marketplace allows Tier 1 sports, telco and media OTT providers to enable solutions that use Quickplay's products, such as its CMS and generative AI tools designed for content recommendations, dynamic ad placements and automated production of highlight reels.

RATINGS

The Week 1 edition of **ESPN's** "College Gameday" brought in 2.5 million viewers, up 47% from last season's first-week show. That's also good for the most-watched regular-season episode since November 2016 and the third most-watched regular-season episode in the show's history. The final hour recorded 3.2 million viewers.

PROGRAMMING

Hulu renewed "Only Murders in the Building" for a fifth season. Season 5 will have 10 episodes. – **Cozi TV** will premiere a one-hour "Little House on the Prairie" documentary to commemorate the show's 50th anniversary. The original doc will feature interviews with cast members, a showcase of Simi Valley, California, where the show was filmed and footage of the April 2024 cast reunion. "Loving Little House: The 50th Anniversary Celebration" will debut Saturday at 7 pm, with encore showings on Monday and Wednesday at noon. – **HGTV** announced a new series, "Bargain Block New Orleans," premiering Oct. 9. A spinoff of the Detroit-based "Bargain Block," the series will take place in New Orleans and will be hosted by *Keith Bynum* and *Evan Thomas*. – **ESPN Films** greenlit a new 30 for 30 documentary highlighting the story of tennis legend and advocate *Billie Jean King*. The series is in production and a premiere date will be announced later. – **UPtv** announced 50 days of Christmas programming to celebrate the "Most Uplifting Christmas Ever." During the campaign, UPtv will air nearly 100 titles and 12 new movie premieres. This includes a new Gaither music Christmas special, "Gaither Vocal Band: New Star Shining." Additionally, UPtv will run a "Most Uplifting Christmas Ever" sweepstakes, with a grand prize of \$10,000 and another \$10,000 to be donated to a charity of the winner's choice. Streaming service **UP Faith & Family** will also launch a "Cozy UP to Christmas" offering, adding 32 titles for subscribers beginning Nov. 1.

PROGRAMMER'S PAGE

Emotional Learning, Music Star in Disney Jr. Series

This fall, toddlers and parents will step into the world of “Kindergarten: The Musical,” **Disney Jr.**’s new preschool musical series. The show follows five-year-old Berti and her experiences navigating the new and unknown challenges of attending kindergarten, whether it be interactions with friends, family or teachers. Kindergarten: The Musical captures it all, with a melodic twist. The show’s creator and executive producer, *Michelle Lewis*, explained that music was the best way to convey the emotional curiosity that children experience. “With little kids, every transition is a production. It’s like you have to have a song and dance for every transition. Sitting on the floor playing a game. Doing something in a chair. [It] is such a big deal to a little kid. Let’s make a song about it,” she told **CFX**. “So, the songs kind of write themselves. And that’s the premise behind any musical: it has to be important enough to burst into song about.” The show features about three songs per episode, each with different themes, lyrics and styles. Interestingly, many lyrics tend to be above the learning level of potential viewers, with more complex and abstract themes introduced in various songs in certain episodes. “The songs are so fun, and they’re poppy. They can kind of sing along until they get it. Maybe it’ll soak in later. But it’s not being done in a way like ‘you must learn this now,’” Lewis said. “We had teachers who were advising us on what language to use and where words were a little above the learning level that we’re writing for. But we really got away with so much more because of the lyrics.” Lewis, a longtime musical contributor for shows such as **PBS**’ “Sesame Street,” **Disney**’s “Doc McStuffins,” and **Nickelodeon**’s “Bubble Guppies,” is stepping into her first stint as an executive producer with this series. Kindergarten: The Musical began airing on Disney Jr. on Tuesday. New episodes will air daily Monday through Friday at 8 a.m. and be available to stream the next day on **Disney+**. – *Noah Odige*

REVIEWS

“Industry,” Season 3, new episodes Sundays, streaming on **Max**. The third season of London-based investment banking series “Industry” has received rave reviews, with several critics hailing it as the summer’s best. While that’s a relative statement, we were among its few advocates during Seasons 1 and 2. Those shows centered on NY-born Harper Stern (*Myha’la*), a young, Black woman attempting to navigate the British class system at the office and the bro culture that at times overwhelms women and men on the cross-product sales desk at fictional firm Pierpoint. During this season’s first four episodes, however, Harper isn’t quite on the story’s margins (pun not intended), though she’s close. For starters, she’s not at Pierpoint, where much of the series’ action occurs, including a storyline incorporating (again, pun unintentional) *Kit “Jon Snow” Harington*’s flakey entrepreneurial character. In last season’s closer, Harper was fired for fabricating her undergraduate degree from SUNY Binghamton. As Season 3 opens, she’s underemployed as an executive secretary at a tiny venture capital firm, though her determination hasn’t faded. Hedging (finally, no pun here either) whether you should sample Industry? Begin by streaming S3’s fourth ep, “White Mischief.” It halts most storylines, centering instead on Rishi Ramdani (an excellent *Sagar Radia*), a 15-year Pierpoint vet whose messy professional and personal lives rise and fall like the market. – *Seth Arenstein*

BASIC CABLE		
P2+ PRIME RANKINGS*		
(08/26/24-09/01/24)		
MON-SUN	MC	MC
	US	US AA
	AA%	(000)
FNC	0.716	2272
ESPN	0.652	2069
MSNBC	0.396	1257
CNN	0.319	1011
HALL	0.206	653
HGTV	0.193	611
ESPN2	0.177	562
INSP	0.168	533
TBSC	0.146	464
USA	0.146	463
DISC	0.141	449
ID	0.127	403
HIST	0.127	401
FOOD	0.125	396
TVLAND	0.122	388
PRMNT	0.105	334
TLC	0.104	329
WETV	0.101	322
HALLMYS	0.098	310
GSN	0.093	295
LIFE	0.090	284
TNT	0.089	281
A&E	0.085	270
FX	0.080	254
NWSMX	0.079	252
OXY	0.078	249
FS1	0.069	220
AMC	0.065	205
NAN	0.065	205
SYFY	0.065	205
BRAVO	0.062	198
BET	0.061	193
TRAVEL	0.059	186
ADSM	0.058	184
NFL	0.057	180

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



December 4, 2024 | City Winery, NYC

**EXTENDED DEADLINE:
SEPTEMBER 16TH**

NOMINATE NOW