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WHAT THE INDUSTRY READS FIRST

To Be Or Not to Be: Analysts Ponder Latest DirecTV-DISH Reports

As **DirecTV** and **Disney** were in the final hours of their negotiations to restore the programmer's content to the distributor's lineup, chatter erupted over whether now is finally the time for a long-awaited **DISH-DirecTV** merger.

Bloomberg reported [Friday](#) that **AT&T** and **TPG Capital**, its jv partner in DirecTV, are in talks with **EchoStar** about a potential merger of the two satellite providers. The investor community was quick to chime in on this round of rumors, and the general consensus is there may be some merit to them this time.

Of course, this isn't the first time anybody in the industry has read such a headline. **DISH** Co-founder/Chairman *Charlie Ergen* said back in 2021 that it was his belief that a merger with DirecTV was [inevitable](#) with the only question being how much interest AT&T and TPG would have in engaging in those discussions. **Citi Research** told clients, unsurprisingly, that there is still a strong industry argument as to why DirecTV and DISH should become one as they individually try to manage the decline in linear television.

New Street Research took a deep dive into whether a deal would pass regulatory muster should it arrive now or after the election, and its major questions surround the company's ownership structure post-merger. There are questions about if the **DOJ** could impose conditions that prevent the companies from having an interlocking directorate, meaning a member of one company's board of directors could not also serve on the

other company's board or within its management structure. There could also be restrictions on AT&T or Ergen serving as an officer or director of two corporations that are competitors due to Clayton Act-related concerns.

"Putting aside the interlocking directorate issues, there is an argument that if T has some control over the combined entity, it will control a competitor to both its fixed and wireless network in delivering video," NSR said. "Similarly, there is an argument that if Ergen has some control over the combined entity, it will control a competitor to both its 5G wireless network in delivering videos."

NSR doesn't believe the DOJ will be that bothered by some degree of AT&T ownership and control except for in a scenario where AT&T and DISH co-own and share control of the combined company. "That will raise a concern about the owners of two of the four national facilities based wireless providers being able to collude to lessen competition in the wireless market," it said.

MoffettNathanson Senior Analyst *Craig Moffett* told clients it is hard to imagine that regulators would step in to try to block the deal, as it's ultimately better to have one strong player than two failing companies. But overall, the synergies seem to be pretty limited with the most notable benefit being the elimination of customer churn from subscribers that move back and forth between the two distributors.

But no matter the terms of the merger or the benefits on either side, Moffett believes it is important to be realistic about the aftermath of the deal for stakeholders in the video ecosystem.

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“It’s hard to argue that a merger shouldn’t happen; it clearly should. Consolidation during a period of secular decline is always to be expected. But it would be a mistake to overestimate its importance,” Moffett said. “Adding a year or so to the expected life of satellite TV isn’t going to change the narrative for programmers, distributors, or even for satellite TV.”

The stock prices of both AT&T and EchoStar rose on the back of the reports, increasing nearly 3% and 9%, respectively, at market close.

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CHARTER TAKES CONVERGENCE TO NEXT LEVEL

It used to be all about the bundles, baby. Now, the industry is focused on convergence with **Charter** taking a big step forward in bringing it all together. On Monday, the operator unveiled several new commitments under the brand platform “Life Unlimited” that unites several of its initiatives—from mobile to onshoring customer service to its most recent DTC deals with programmers. Life Unlimited includes a 500 Mbps Spectrum internet plan that starts at \$30/month when bundled with two lines of Spectrum Mobile and/or Spectrum video service. Customers can get Spectrum Gig for \$40/month when combined with mobile and/or video. Charter’s making several customer service pledges, including the promise to dispatch a tech the same day if a customer requests it prior to 5pm, crediting customers for a full day if a neighborhood outage lasts more than two hours and giving customers their money back if they’re unhappy with any services within the first 30 days. On the video side, look for Charter to leverage some of its recent DTC deals, particularly with its **Xumo** device. The new pricing takes effect Tuesday, with the company promising guaranteed pricing for up to three years. Additionally, all current Spectrum Internet and Spectrum Internet Ultra customers will have their speeds automatically increased for free to 400 and 600 Mbps, respectively. “How much any of this will move the needle for broadband is unclear,” mused a **MoffettNathanson** note. “And while Charter’s video offering will indeed be differentiated—it is interesting to consider the success Verizon has had with their myPlan bundles of different DTC video services as add-ons to wireless, for example—it is hard to imagine that anything will slow the decline of linear video packages all that much. We would imagine, however, that Spectrum Mobile will get a boost, as the company leans into the fact that its broadband + mobile (ahem, converged connectivity) bundles are priced below any converged alternative.”

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DISNEY-DIRECTV DEAL DETAILS

Disney and **DirecTV** put an end to nearly two weeks of fighting over the weekend, reaching an agreement in principle Saturday.

The multi-year deal that is being finalized returns Disney’s entire linear slate to DirecTV satellite, DirecTV Stream and U-verse customers. The two are continuing to work out the details around allowing DirecTV to launch genre-based packages for customers that combine linear networks as well as streaming offerings. Disney earned a rate increase as part of the negotiation, and **Disney+**, **Hulu** and **ESPN+** will be included in select DirecTV packages. DirecTV will also be able to offer the ESPN flagship DTC when it officially launches. “Through this first-of-its-kind collaboration, DirecTV and Disney are giving customers the ability to tailor their video experience through more flexible options. DirecTV and Disney have a long-standing history of connecting consumers to the best entertainment, and this agreement furthers that commitment by recognizing both the tremendous value of Disney’s content and the evolving preferences of DirecTV’s customers,” the companies said. Watchers are still waiting to see if DirecTV will withdraw its **FCC** complaint that argued Disney did not negotiate in good faith. Notably, DirecTV will continue carrying the entire Disney portfolio, while **Charter’s** renewal last fall saw the operator drop several linear nets, including **Freeform** and **Disney Junior**.

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NECTA’S WOMEN’S LEADERSHIP & INNOVATION FORUM

The New England Connectivity and Telecommunications Association’s (NECTA) inaugural Women’s Leadership & Innovation Forum in Boston was an impressive warm-up for the association’s November [convention](#) in Newport, Rhode Island. The forum served as **Toni Murphy’s** first public appearance since being named COO of **Astound Broadband** in August. “Astound is the collection of several acquisitions, namely RCN... But there’s assets from WOW!, Wave Broadband, Grande Communications enTouch. One of the first things I’m working on is bringing all of those assets together. Certainly, they’re under the Astound umbrella, but in some of the things we do in terms of operating the business, they feel like separate companies,” said Murphy, who joined the company just days ago after more than 15 years at **Comcast**. In fact, the gathering at NECTA’s office in downtown Boston was the first chance Murphy had to meet some of her new colleagues, who came out in strong numbers to show their support. “One reason why I’m at Astound is because they deliver an incredible customer experience... They just have an incredible workforce. Our teammates are here, and I’m really glad to be a part of that fabric,” she said. Murphy was joined by SVP, Region Manager for **Cox Communications** **JD Myers** and longtime **Mediacom** EVP, Operations **John Pascarelli** during a panel where they discussed launching mobile—something all three operators began offering recently—and the state of competition today. Pascarelli

said one of the benefits that he didn't expect from Mediacom's mobile launch is how excited employees got about the offering. "All of a sudden they feel like, Oh, we've got a new fight to fight. We have a new product. We have an opportunity," he said. "Because they're facing the competition. They're seeing the new competition, and they like the fact that they have new weapons and new ammunition. It's great because you're always trying to excite your employee base." The day-long event featured panels on leadership and advocacy, capped off with **Strong Women Alliance's** Diversity Spotlight Awards, which were bestowed on Myers, Murphy, Mediacom's *Glenn Goldsmith* (who was just upped to SVP, Programming), and **TV One/CLEO TV** Director of Content Distribution *Johnny Miles*. Capping off the day was a surprise appearance by Sen. *Ed Markey* (D-MA), who took a moment to speak about his long-standing commitment to telecommunications and technology, which includes introducing the E-Rate program. "We still have a lot of work to do in order to make sure that everyone is allowed to maximize their God-given abilities to be able to realize their place inside of this digital cornucopia which we have. So the work is never going to end," he said.

FUBO-VENU MEDIATION

As per court rules, the Second Circuit Court of Appeals has scheduled mediation in **Fubo's** challenge of **Disney, Fox Corp.** and **Warner Bros. Discovery's** sports streamer **Venu**. The parties are set to meet with Chief Circuit Mediator *Kathleen Scanlon* on Oct. 29 at 10:30 am and have been instructed to be prepared to discuss the legal merits of each issue on appeal, settlement possibilities and the narrowing or clarification of issues. No one is allowed to discuss what happens during mediation. The programmers were granted an expedited appeal of the temporary injunction awarded by the Southern District of New York. Their opening brief is due Friday, with Fubo's response due Nov. 4 and the reply brief due Nov. 25.

EVERPASS SETS COMMERCIAL DEAL FOR THURSDAY NIGHT FOOTBALL

Everpass Media, which provides live sports streaming for bars and restaurants, reached a commercial distribution agreement with **Amazon Prime Video** for Thursday Night Football. All Everpass customers will be able to access and stream the programming via the company's platform, and the agreement will begin with this week's **NFL** games.

RATINGS

The numbers are in for **NBCUniversal's** coverage of the Paralympic Games in Paris, and the event set a new record with 15.4 million total viewers across **NBC, Peacock, USA, CNBC** and **Telemundo**. The 12-day event averaged a total audience delivery of 1.2 million viewers on NBC and Peacock, up 31% compared to the 888,000 recorded in 2021's Tokyo games. Live coverage on USA averaged

162,000 viewers—a 113% improvement compared to Tokyo—and Peacock had 207 million total minutes streamed.

PROGRAMMING

Acorn TV greenlit its first unscripted original series. "Relative Secrets" will be hosted by actress *Jane Seymour* and investigate participants' family histories. – **FX's** "American Horror Stories" will have a Huluween event come Oct. 15. Five new episodes will premiere that day on **Hulu** and **Disney+** for bundle subscribers. Disney+ will have the episodes in Canada in addition to other international markets in the future. – **Fox Nation** will have former Republican presidential candidate *Vivek Ramaswamy* host a new series on the streamer beginning Sept 22. For the debut, a condensed version of "Truths with Vivek Ramaswamy" will air at 10pm on **Fox News** that same day. – **Great American Media** revealed its fourth Great American Christmas slate, with the festivities getting underway well before Halloween. It'll premiere an original Christmas movie each week on **Great American Family** beginning Oct 19 and on **Pure Flix** beginning Oct 17. First up for Great American Family is "A Paris Christmas Waltz," while Pure Flix kicks off the holidays with "Christmas in Scotland."

AWARDS

FX came out on top in the Primetime Emmys, with "Sho gun" nabbing 18 wins and "The Bear" snagging 11. No other programs scored double-digit victories, with the closest being **Netflix's** "Baby Reindeer" at 6. It's not surprising then that FX had the most Emmy wins at 36 (9 for Prime and 18 in Creative Arts). It was followed by Netflix (24) and **HBO/Max** (14). HBO/Max's "Hacks" took home the win for Outstanding Comedy, while "Sho gun" won the top honors for a drama. **Comedy Central's** "The Daily Show" won the talk show category, HBO/Max's "Last Week Tonight with John Oliver" won Outstanding Scripted Variety Series and **Peacock's** "The Traitors" took home the win for reality competition series. – **NAMIC** received the Brandon Hall Group Silver Medal for Excellence in the category of Best Leadership Development for Racial/Ethnic Minorities. It earned the award for its Executive Leadership Development Program, developed in collaboration with the University of Virginia's Darden School of Business Executive Education & Lifelong Learning. The program was designed to advance high-potential leaders of color, educating and equipping them with the tools to succeed in leadership roles.

PEOPLE

Pam Gillies has joined **Harmonic** as VP, Marketing. She most recently was VP, Marketing & Communications for **NCTC**, a post she's held since 2019. She helped guide the co-op through its rebranding as the National Content & Technology Cooperative in 2022 and most recently assisted with its annual Independent Show gathering in Nashville with partner **ACA Connects**. Look for Gillies in her new role at next week's **SCTE Tech Expo** in Atlanta.