

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Changing Times: Cogeco Addresses Potential Breezeline Cuts, BEAD

Cogeco's 1Q25 earnings call Tuesday was an opportunity to get a better understanding of Breezeline's operations under the company's unified operating structure. The business is in a state of transition.

Some of that can be seen on the commercial side as Cogeco works to de-emphasize video. Because it isn't focused on selling video to business customers, Breezeline is losing some contracts that are not attractive financially, management said. That is currently playing against the growth of the company's broadband products, and the profitability of those plans should improve over time. CFO *Patrice Ouimet* also teased a price increase impacting both broadband and video customers in the U.S. that will come next month.

Breezeline revenue fell 3.4% in constant currency, and although subscriber trends are starting to show improvement, Ouimet said the cumulative decline in subscribers, particularly for entry-level services and video cord-cutting, more than offset the improving product mix.

Those customers that tend to subscribe to entry-level packages are continuing to choose fixed wireless access, Cogeco President/CEO *Frédéric Perron* told investors. But he characterized the overall U.S. market as stable and sees some upside for those competing with fiber and other technologies with better speed and capacity.

"The good news that we're seeing is some of the players

building fiber are actually taking steps recently to differentiate on service and other features other than price. That, we saw as good news. But overall, the U.S. competitive environment is still elevated, but stable," he said.

Cogeco is continuing its U.S. fiber network extension program, adding 3,200 homes passed in the quarter. In total, it has passed more than 124,000 homes since the start of FY22. Gigabit speeds are available across much of Breezeline's footprint, and Perron said those plans make up a significant share of new sales.

Cogeco has a history of expanding rural connectivity, in recent years working with the Canadian and provincial governments on major network expansion projects across Quebec and Ontario. Now that it has Breezeline under its umbrella, is it considering getting involved in the BEAD program? The answer to that question is a little more complicated.

"What we're seeing is the topography of homes in the BEAD program is even more rural and even more remote, at least in our areas, than the Canadian programs were and with everything in the political environment in the U.S. and the evolution of the BEAD program, I would say, generally, we're going to be very careful about that one," Perron said. "The more time goes by, the more cautious and the less interested, frankly, we are about different aspects of that program. But we'll keep an eye on it anyways."

Cogeco's executive team has been taking a careful look at the company's U.S. footprint, particularly since it [combined](#) the

Corporate Licenses

Cablefax Daily

WHAT THE INDUSTRY READS FIRST.

Get reduced subscription rates for multiple readers in your organization.

Find out more! Contact Client Services at ClientServices@accessintel.com

www.cablefax.com



commercial, operational and technical functions of its Canadian and Breezeline businesses into one structure centered on North America. When asked about if leadership needs to see another significant cable deal take place in the U.S. to feel confident about any Breezeline-related sales, the answer was a clear no.

“We are reviewing our portfolio of assets, and to the extent some assets would make sense operationally, strategically and financially... this is something we could do, and it's something we're taking a look at,” Ouimet said. “It doesn't necessarily mean we would need to point to a particular recent transaction to do something, and I think that's pretty much what we could say at this point.”

.....

DIRECTV DEBUTS FIRST GENRE-SPECIFIC BUNDLE WITH MYSPORTS

With Venu's [grave](#) not even cold yet, **DirecTV** has launched its own skinny sports bundle, dubbed MySports through its vMVPD offering DirecTV Stream. The \$70/month package, available for a monthly fee of \$50 for the first three months for those who sign up for before Feb. 28, includes **ACC Network, Big Ten Network, DIRECTV 4K Live, ESPN, ESPN2, ESPNNews, ESPNU, Fox Sports 1, Fox Sports 2, Golf Channel, SEC Network, TBS, TNT, TruTV** and **USA Network** as well as the **NBA, NFL, MLB** and **NHL** networks. There is currently a five-day free trial for the offering. The contract-free MySports comes in below DirecTV Stream's lowest-priced streaming package, currently on promotion for \$75/month for two years. RSNs aren't included, but DirecTV said they can be added for an additional fee. The broadcast nets get a little tricky. It has deals to stream the **ABC, FOX** and **NBC** O&Os. But it still needs to get a deal done for the CBS O&Os as well as for broadcast stations owned by affiliate groups such as **Nexstar** and **Sinclair**. The O&O deals are why DirecTV's press release said MySports is initially available in 24 markets, including New York, L.A., and Philadelphia. However, any customer could sign up nationwide if they're OK not having broadcast channels (for now). The provider has committed to adding more networks to the bundle as well as DTC services, such as **ESPN+**. This is the first of the genre-specific bundles DirecTV promised to launch following its deal with **Disney** in September. More genre-specific packages are to be announced in 2025.

.....

OPTIMUM REACHES \$119M SETTLEMENT OVER WV COMPLAINTS

Optimum owner **Altice USA** agreed to a \$119.5 million settlement with West Virginia Attorney General *Patrick Morrisey* over thousands of consumer complaints about the operator's quality of service. The company entered into an Assurance of

Voluntary Compliance with the state on Friday without admitting that any of its prior practices violated West Virginia's Consumer Credit and Protection Act. The settlement comes on top of a \$2.2 million fine from the state Public Service Commission in 2022. The AG's Office has been investigating the company since 2021, receiving more than 2,300 complaints about a variety of issues from 2020-2023. The \$119.5 million settlement includes the \$75 million Altice has invested in West Virginia since 2021, along with \$40 million in investments for 2025-27 to improve internet across its entire service area to 1 Gig download/100Mbps upload. It will also issue \$4 million in consumer credits and make a \$500,000 payment to the state. Current customers will get credits on their accounts in the amount of \$25, while former customers can submit claims for a refund. “Optimum is committed to delivering superior service and support in West Virginia, and we are excited to invest further in our network and infrastructure in the state to provide even faster internet services for local residents and businesses,” the company said in a statement. Under the settlement, Optimum must complete the upgrades and build out by December 2027 or face an additional \$40 million fine.

.....

NO DEAL FOR OPTIMUM, NEXSTAR

The squabbling continues between **Altice USA's Optimum** and **Nexstar** as their retransmission consent blackout entered its fifth day. Nexstar called Altice's letter to the **FCC** [accusing](#) the broadcaster of violating the 39% broadcast national ownership cap through its management of **Mission**-owned **WPIX** an “intentional distraction from Altice's unprecedented and anticompetitive demands designed to benefit Altice-owned News12 at the expense of PIX11's proprietary news product.” Optimum has complained about Nexstar seeking expanded carriage for its cable network **NewsNation**. “Altice's claims strain credulity considering their unilateral decision to walk away from negotiations and put their subscribers in the middle, just as they have done with their recent drop of MSG Network,” Nexstar said in a statement. Optimum is telling customers that they can watch the broadcaster's content through **Fubo**, saying it has partnered with the vMVPD for a free trial and then 30% off the first two months of service. Curious if this spat triggers the FCC's new retrans blackout notification requirement? Not yet. The order, released Jan. 3, doesn't take effect until 30 days after publication in the Federal Register.

.....

FUSE STANDS BY ITS CONCERNS OVER PARAMOUNT-SKYDANCE

Fuse took issue with **Paramount** and **Skydance's** claims that

its concerns about their proposed merger aren't germane to the proceeding since the Commission lacks authority over online streaming platforms like **Pluto TV**. Fuse pointed to how the **FCC** imposed conditions protecting the then-emerging Online Video Distribution market in the 2011 **Comcast-NBCU** merger. The agency constrained the combined company's involvement in **Hulu** given that it held a 33% stake in the entity then. The **DOJ** also independently adopted conditions, prohibiting Comcast-NBCU from discriminating or retaliating against any programmer for providing its programming to any OVD or MVPD, and vice versa. "The problems of vertical integration in programming production and distribution have been central to the Commission's merger reviews for decades, including in broadcasting," Fuse said in reply comments due to the FCC Monday. "Given the massive consolidation in the subscription streaming market, marked by consistent decisions to exclude independently-produced content, a transaction that will bring together two content production companies into a single already vertically integrated entity that has begun to capture one of the few emerging competitors to subscription streaming—free advertiser-supported streaming television (FAST)—deserves significant scrutiny and conditions protecting independent programming." Fuse didn't submit a formal petition to deny the deal, but did submit concerns, including how it saw a big drop in audience for **Shades of Black**, a streaming channel aimed at African American audiences, that it suggested was due to Pluto scheduling similar programming for its better positioned proprietary channels. The **Center for American Rights**, which has called on the FCC to condition the merger, said new information from the Department of Defense demonstrates the need for the FCC to conduct a thorough review of the combined company's investor Chinese-owned **Tencent Holdings**. It points to the DOD's newly issued revised list of the [names](#) of 'Chinese military companies' operating directly or indirectly in the U.S., with Tencent added to the list. "The company's inclusion should be a red flag to this Commission," the Center said, pointing to the FCC's designation several years ago of **Huawei** as a national security threat.

NEW YORK LOW-COST BROADBAND LAW TAKING EFFECT

New York's Affordable Broadband Act is set to become enforceable tomorrow after surviving several legal challenges. The law requires ISPs operating within the state to offer qualifying households broadband for \$15/month or \$20/month for higher speed tiers. It was initially set to go into effect in June 2021 before a federal district court stepped in, issuing an injunction at the wishes of industry associations and other petitioners. The Second Circuit reversed that decision in April and the **Supreme Court** ultimately declined to consider arguments from **ACA Connects**, **USTelecom** and the other ISP groups. There are exceptions to the rule for small providers that would experience significant financial hardship under the rule. ISPs with fewer than 20,000 subscribers can file temporary exemption requests with the **NY Department of**

Public Service. It is still considering whether it should grant permanent exemptions on a provider-by-provider basis.

HT SAYS HAWAII WILL BE FIRST FULLY FIBER STATE

Hawaii is poised to become the first fully fiber enabled state in the nation thanks to a \$1.7 billion investment from **Hawaiian Telcom**. The provider's fiber initiative began in the state more than a decade ago, with it announcing Friday that it's on track to deliver a 100% fiber network statewide by the end of 2026. The public-private partnership includes about \$107 million in federal and state funding from various broadband infrastructure programs. "This investment is an exciting new chapter in our 140 year-history, and it enables us to transform not just our company but the entire state. We thank our federal, state, and county partners for their support in realizing our shared vision for Hawaii's future," *Su Shin*, Hawaiian Telcom president, said in a statement. The company's fiber network currently reaches over 400,000 homes and businesses, representing 60% of the state. Kauai is expected to be completed in February, and Maui is expected to be fully connected by the end of this year. O'ahu and Hawai'i Island will follow by late 2026.

WILDFIRES: CHARTER HELPS, SCTE FOUNDATION SEEKS DONATIONS

Industry wildfire relief efforts continue, with **Charter** committing \$2.5 million to help in Southern California. That includes \$500,000 in total cash contributions to be split between the Los Angeles Fire Department Foundation, American Red Cross Los Angeles Region, and the California Fire Foundation as well as \$1 million committed to support small businesses in the L.A. area through the Spectrum Community Investment Loan Fund and \$1 million in in-kind PSA airtime to support nonprofit organizations in their wildfire relief efforts. It has also established a microsite to facilitate employee donations to the American Red Cross and has activated the Charter Employee Disaster Assistance Policy to help impacted employees. – If you're looking to help industry employees impacted by the fires, consider **The SCTE Foundation's** Disaster Relief Fund. Last year, the Foundation received more than 350 applications in the final months of 2025 and distributed more than \$107,000. The Foundation said the application process for disaster relief is currently closed and it's fundraising for 2025, with funds urgently needed to assist wildfire victims. "There have been many industry employees impacted by the hurricanes and wildfires, and some of these same colleagues are supporting disaster recovery while navigating personal tragedy at home," said SCTE Foundation President/Chair **Mark Dzuban**. Those interested in donating should select disaster support fund on the Foundation's [website](#). Meanwhile, **Viamedia** put together a free PSA campaign titled "Let's Rebuild Together After the LA Wildfires" in an effort to help those impacted by the wildfires. The campaign encourages donations

to three organizations helping out the L.A. area: American Red Cross, Los Angeles Fire Department Foundation and California Community Foundation's Wildfire Recovery Fund. PSAs are running on nearly 100 video providers across the U.S., but it's available to everyone to use.

.....

BIDEN SIGNS AI INFRASTRUCTURE EXECUTIVE ORDER

President Biden has signed one last executive order relating to AI before his term ends next week. This order is largely meant to accelerate AI infrastructure development, directing the **Department of Defense** and the **Department of Energy** to lease out select sites where the private sector can build AI data centers and clean power facilities. The agencies will also dedicate staff toward permitting the infrastructure in a timely manner, and they'll work together with the **Department of Commerce** to support producers of transformers and other grid components critical for AI infrastructure.

.....

JONES DEPARTS MSNBC

Rashida Jones, the first Black executive to lead a major cable news network, is stepping down as President of **MSNBC** after a four-year run. Filling in her seat on an interim basis will be the network's SVP, Content *Rebecca Kutler*, who's spent time at **CNN** in the past as SVP and Head of Programming for **CNN+** and as VP, Content Development and Contributors before joining MSNBC in 2022. Jones will remain with the network in an advisory role through March before she explores new opportunities. The timing of the news is notable with President-elect *Donald Trump's* inauguration being less than a week away. Jones will have missed both of Trump's terms as she took the job following President Biden's inauguration in early 2021. There's also the imminent move of MSNBC's parent company **Comcast** [spinning off its portfolio of cable networks](#) into a new company (**SpinCo**) later this year. During Jones' tenure, she created the "MSNBC Live" event series, re-launched its mobile app and grew the network's podcast presence in addition to helping bring in new hosts such as former White House Press Secretary *Jen Psaki*. MSNBC finished 2024 as the second most-watched news net in primetime and total day, having achieved its most-viewed year in the latter category since 2021 and being the only top-20 cable network with two consecutive years of audience gains.

.....

SINCLAIR RECAPITALIZES DEBT, EYEING GROWTH

As **Sinclair** looks to bolster its balance sheet and position itself for long-term growth, the company is entering a Transaction Support Agreement with certain secured creditors for new money financings and a debt recapitalization. The lenders cover approximately 80% of Sinclair's outstanding loans under

its existing credit facilities and 75% of the amount of existing secured notes. Once the transactions are finalized—which is conditioned on the satisfaction or waiver of certain conditions present—Sinclair will enter into an up to \$650 million revolving credit facility and offer refinancing options for different term loans. Sinclair CEO *Chris Ripley* said the company expects the refinancings to push the closest meaningful maturity to December 2029 and extend all maturities to a weighted average of 6.6 years.

.....

RATINGS

ESPN's sweep of both the weekly primetime and total-day cable ratings came to a close. Though the sports net kept its spot at the top of the prime chart with 6.18 million viewers P2+ thanks to the **College Football Playoff**, **Fox News** reclaimed the No. 1 slot in total day with 1.8 million. ESPN wasn't too far behind with 1.44 million, and news nets **MSNBC** and **CNN** battled it out for 540,000 and 455,000 viewers, respectively, as coverage of the L.A. Wildfires and looming presidential inauguration continues. **HGTV** took fifth with 357,000 viewers after getting help from last Tuesday's season debut of "Fixer to Fabulous," which became HGTV's highest-rated premiere episode in the past six months with nearly 2.1 million total viewers and had a .52 live plus three-day rating among A25-54. In prime, Fox News came second to ESPN with 2.55 million viewers, followed by MSNBC (721,000), HGTV (636,000) and **Hallmark Channel** (632,000). – The NFL Playoffs got underway this weekend, and Saturday night's Wild Card game that saw the Ravens defeat the Steelers drew an average audience of 22.07 million viewers on **Prime Video** per **Nielsen**. The game saw Prime Video set its record for most concurrent viewers after the game soared to 24.66 million viewers during the 9-9:15pm window. However, viewership came in at 3% below last year's Saturday night Wild Card game between the Dolphins and Chiefs that was on **Peacock**.

.....

PEOPLE

ACA Connects promoted *Brian Hurley* to SVP, Legal and Regulatory Affairs. He's been with the association since 2018. – **NCTC** named *Christy Drummond* as its new VP, Marketing and Communications. She joins from **Windstream**, where she spent four years as the Senior Director of Brand Strategy, Communications, and Agency Management. The role was previously occupied by *Pam Gillies*, who joined **Harmonic** in September as VP, Marketing. – **SoFi Technologies** CEO *Anthony Noto* has joined **Warner Bros. Discovery's** board. **IAC** CEO *Joey Levin* is joining the board on Feb. 1. Levin is stepping down as CEO of **IAC** as part of the company's upcoming spinoff of home improvement asset **Angi**. IAC announced the spinoff and leadership change Monday, with Levin to serve as Angi's Executive Chairman. The board will now be composed of 13 directors, 12 of whom are independent. **Howl** CEO *Li Haslett Chen* previously announced plans to resign from the board Jan 31.