

# Cablefax Daily™

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What the Industry Reads First

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## CTO Chatter: Gigabit, Wireless Dominate Cable-Tec Expo Panel

While questions persist about just how much bandwidth consumers really need right now, Charter's evp, engineering and IT *Jim Blackley* says it's like a garage: "If you build it, it will get filled." And cable's definitely in construction mode. Liberty Global CTO *Balan Nair* predicted at SCTE/ISBE's Cable-Tec Expo that gigabit service will be mainstream by 2018 or 2019. While Liberty has customers all over the world, there's one thing that's the same, he said. "They all want it cheap, and they all want it fast," said Nair. Blackley isn't sure consumers really need gigabit speeds right now and believes that as the Internet of Things takes hold and machine-to-machine communications proliferate, it will be used. "Charter, and I think the industry, have a long history of anticipating the need and grooming the network in advance," he said at the Expo general session, adding that latency is as important as speed. As far as monetizing gigabit speeds, Nair thinks it will have a premium attached at launch. But he warned it likely won't last long as competitors who can't offer it will fight on price when they can't match it. And operators have to be careful because they can quickly get to the point of diminishing returns, noted Shaw CTO *Zoran Stakic*, pointing to Google Fiber and its \$50 for 100Mbps offering/\$70 for 1Gbps pricing. With all this gig talk, it's important to tackle getting to a gigabit in the home via WiFi. "That is probably the more challenging thing for us. WiFi increases CPE costs," Bair said, describing how the early strategy of putting a cheap WiFi chip in didn't work, and now Liberty Global spends as much as it can. He pegged the cost on WiFi now as more expensive on a per customer basis than DOCSIS. But it has to be done because, "at the end of the day, customers don't distinguish between wireless and wireline," Charter's Blackley said. With Comcast gearing up next year to launch wireless phone through its MVNO with Verizon, it was interesting to hear Bair's take on Liberty Global's forays into the market. "Every operator, if you don't have a mobile plan, you should start working on one," he said. Liberty's been on the road for about 5 years and has about 12mln mobile subs. Bair's order of preference for offering wireless is to have a full MVNO (where operators can control the SIM and thus change network providers if need be), with acquisitions coming in 2nd place. The worst is to build your own network, with a light MVNO agreement the 2nd worst, he said. Charter is working to trigger its MVNO, but as Blackley noted, it won't be a full-control agreement. That means building out the network. "We have a really nice collection of assets... It's not scary. It's not crazy costs," he said. "We're already pushing fiber

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deep,” and a lot of the necessary assets are already in place to create an unbeatable network. The CTO panel closed with the moderator, **Arris’ Bob Stanzione**, polling panelists on the biggest technical challenges. “The biggest fear I have is that the irrational behavior in the market will drive irrational technical decisions,” Stacic said. Blackley complained that people don’t understand how well the industry navigates between the legacy environment and greenfield. It’s a special challenge that requires a special skillset. “You give me greenfield, and we can innovate as fast as anyone out there,” he said. Balan identified platforms as a challenge, saying the industry needs vendors that can “transition themselves to be software-driven.”

**Age of Automation:** When it comes to true technological revolutions, there haven’t been many. Yes, there’s the Industrial Revolution and the current Information Age, but we are headed toward a new one—the Automation of Everything. That’s the gospel according to **Nokia CTO, Bell Labs pres Marcus Weldon**. For a revolution to occur, you have to not only invent the technology, but then connect it using networks and then the tech actually change society and economies. His CableTec-Expo keynote was all about how we are on the verge of such change—an insight from his book “The Future X Networks.” “The winners will win big. The losers will lose or be consumed by winners,” he said. The good news is that cable is in a good place because it’s local, and it can federate with other cable operators to be pseudo global, Weldon said. “We think the future is nothing like today,” he said, forecasting a world where all mundane tasks can be automated. Which applications are going to matter in the future? “The ones that save people time,” he said. To do all this, you have to think about the speed of light... In one millisecond, it can go 100 kilometers per second. Today, networks are built for 100 milliseconds, but that has to change for the latency of tomorrow, said Weldon. The only way to achieve the future is to build networks within 100 kilometers of the end user, the exec said. And that’s where the local power of cable comes in, with its network in the neighborhoods it serves.

**Expo Notebook:** **Altice USA** evp, CTO **Terry Cordova** and **Charter’s Jim Blackley** will co-chair next year’s CableTec Expo, set for Oct 17-20 in Denver. -- **SCTE/ISBE** took the wraps off new workforce education tool **CORTEX**, a patent-pending, intelligent system that stimulates multiple parts of the brain and ensures deeper knowledge retention. The system has been specifically designed to align workforce training needs with organizational performance goals using the latest cognition and learning methodologies, allowing organizations to demonstrate impact and to maximize the ROI of training by drawing a direct line between learning and performance. CORTEX includes a web-based portal as well as access to SCTE/ISBE’s library of resources. There’s also a mobile app, developed in conjunction with Infosys, that uses resources from SCTE/ISBE and technology partners such as **Alpha Technologies, ARRIS, CommScope, and ComSonics** to extend learning and knowledge recall through interaction on the job site. The tool is currently being tested by operator partners and will be available to cable op members of the SCTE/ISBE Corporate Alliance Partner program next year. -- And the winner of the SCTE/ISBE Ip Challenge is Cable One’s **Alexander Morong**, who beat out 8 other contestants by winning a “Jeopardy”-style quiz on Internet Protocol technologies and IPv6. Morong, a senior IP specialist in Phoenix, also solved the most **Cisco** hands-on activities.

**Set-Top Plan Cheerleaders:** With **FCC** chmn **Wheeler’s** latest set-top box proposal up for a vote on Thurs, Sen **Ed Markey** (D-MA) and Rep. **Anna Eshoo** (D-CA) led a press conference Tues in favor of the Commission’s latest plan. “We want to unleash the same Darwinian, paranoia-inducing competitive forces that have given us the Galaxies, Ellipses, Surfaces and Pavilions that we can choose from today. After all it’s the 20th century,” Markey told reporters. What about a letter sent last week signed by 63 House Dems requesting that the FCC issue a notice of proposed rulemaking on the STB issue? Markey insisted that the agency has listened to stakeholders and made adjustments. And Eshoo pointed to an ex parte by the major content studios last week that she said “really moves the ball down the road” (the companies still expressed serious concern about the licensing construct in the ex parte, though). Tues’ news conference included **RLJ Ent** chmn and **BET** founder **Robert Johnson**, who focused on the STB plan’s potential to create programming diversity. BET would never have existed if the FCC hadn’t broken up the broadcast network monopoly, he said, and in order to allow minority programming to be found easily today “the stranglehold of the set-top box” must be eliminated. Networks like **TV One, Revolt** and even **BET** fear going a la carte and being dropped by cable operators because of costs, Johnson said. “To me the answer is, you can’t choose winners and losers by regulation, even based on ethnicity. You’ve got to let the marketplace play out,” he said.

**Debate Ratings:** **Fox News** won the night on cable in primetime for the 1st presidential debate, averaging 9mln viewers and 2.7mln in the key A25-54 demo, according to early **Nielsen** data. FNC's **Facebook Live** of the debate drew 7.1mln Live+VOD video views and was the most-watched Facebook Live of the day, according to social analytics firm **Shareablee**. **CNN** delivered 7.6mln and bested Fox in the so-called "news demo" with 3.39mln 25-54s. CNN Digital had 2.4mln live streams. **MSNBC** pulled 3.9mln total in primetime and 1.2mln in A25-54. Looking at business nets, **Fox Business Network** beat **CNBC** in primetime with 532K total viewers versus CNBC's 407K. FBN's telecast was the highest-rated presidential debate in its 9-year history. **Univision** delivered 1.3mln A25-34 in prime. Overall, this one goes down in the history books: the debate raked in 81.4mln people in total across the 4 broadcast networks, Univision, **Telemundo**, FNC, CNN, MSNBC, FBN and CNBC. -- Meanwhile, **ESPN's** Monday Night Football game still won the night among men 18-34 despite much of the Falcons-Saints matchup coinciding with the debate. It garnered a total live audience (TV + Streaming) of 8,289,000 average viewers. On TV (ESPN and **ESPN Deportes**), the game delivered 8,080,000 average viewers, with the game averaging a 4.9 US HH rating on ESPN.

**IP Video:** **Evolution Digital** has signed deals with 5 **NCTC** members—**Advanced Cable Communications, Vast Broadband, Click! Cable TV, Schurz Communications** and **Westman Communications**—to distribute its eVUE-TV on the NCTC's VU-IT Platform. They are the 1st ops in the coop to begin integration of eVUE-TV to deliver IP video on demand to consumers, following a July '16 agreement the company made with NCTC to make that option available. eVUE-TV, an IP video solution to assist operators with the transition to IP video distribution, plans to add delivery of IP linear channels, network DVR and TV Everywhere capabilities. More deals to come, the company said.

**Charter's Wireless Plans:** **Charter** chmn/CEO *Tom Rutledge* indicated at the **Goldman Sachs** 25th Annual Communacopia Conference last week that the company had requested to activate its MVNO agreement with Verizon. Tues morning Charter CFO *Chris Winfrey*, speaking at the **Deutsche Bank** Leveraged Finance Conference, elaborated further. To start, the product will be a reseller agreement at first, and so it "won't be capex intensive at all," said **Wells Fargo** sr analyst *Marci Ryvicker* in a research note. Other additional points, according to Ryvicker: "There is over \$100/month of wireless revenue/household and cable sees none of it despite carrying 80% of the traffic... and CHTR believes an eventual wireless product will increase profitability per passing."

**Nielsen Digital:** **Nielsen** announced Tues that this week it's starting full syndication of Digital Content Ratings, part of the company's Total Audience Measurement Framework. Beginning Sept 30, publishers, agencies and advertisers can see a daily measurement of audiences across digital platforms, which provide a like-for-like comparisons with Nielsen's TV ratings, the company said. Clients will be able to access daily comparative reporting across desktop and mobile devices in a single platform.

**FOX Sports Go:** **FOX Sports Go** has extended its distribution platform once again. FOX Sports' live events and programming is now available on **Chromecast** and **XBOX One**, the latest connected devices to carry the TV Everywhere service.

**Debate in Chinese:** NYC-based Chinese-language TV network **New Tang Dynasty** (NTD) is providing live Chinese translation of the presidential debates, starting with last night's (Sept 26). NTD began simultaneous translation of the presidential debates in 2004, featuring President *George W. Bush* vs. *John Kerry*. It will translate the 2nd and 3rd debates as well.

**Fan TV:** **TiVo** launched new personalization and discovery features for next gen TV experience Fan TV across TV, tablet and mobile devices. The enhanced features include recommendations, a smart grid guide to enable users to find content quickly through delivering visual cues to alert users of favorites airing on broadcast, and the ability to learn from user activity. Fan TV is now available on **Apple TV** and **Roku**, in addition to **Android TV** and **Amazon Fire TV**.

**100 Best:** **Discovery Comm** was named 1 of the 100 Best Companies by *Working Mother's* magazine for the 17th consecutive year for leading the workforce in the areas of advancement of women, flexibility, child care and paid parental leave. This announcement follows Discovery Comm's recent enhancement to its paid leave policy for US employees, as well as an additional number of family-focused benefits.

**Programming:** **FX** renewed "The Strain" for its 4th and final season to air in summer 2017. New eps will air on Oct 2 at 10pm on FX. -- **ELEAGUE** will host the 2017 Counter-Strike: Global Offensive Major Championship to be held Jan 22-29 in Atlanta at the historic Fox Theatre. **TBS** will live broadcast while **Twitch** will simulcast the Grand Final on Jan 29. -- Season 4 of **Bounce TV's** "Family Time" will premiere Oct 4 at 9pm, with new eps airing every

# BUSINESS & FINANCE

Tues. The series follows the lives of the Stallworth family as they navigate friends, family and neighbors. -- **Amazon Studios** greenlit 3 new series to premiere exclusively on Amazon Prime Video in 2017 in the US, UK, Germany, Austrian and Japan. Amazon Prime members can watch via the Amazon Video app for TVs, connected devices including Fire TV, mobile devices or online. Based on the renowned feminist novel "I Love Dick," the series follows a couple's marital struggles in the colorful town of Marfa, TX. "Jean-Claude Van Johnson" stars global martial arts and film sensation *Jean-Claude Van Damme* as he operates as a dangerous undercover private contractor. Based on the acclaimed comic, "The Tick" chronicles the superhero tale in a world where superheroes have been real for decades.

**People:** **AMC** and **SundanceTV** created an international programming group to be headed by *Kristin Jones*, svp of international programming, who will oversee programming and production for both AMC and SundanceTV. Reporting to Jones, *Chris Loveall* was named vp of international programming where he will be responsible for the development and acquisition of international programming for both nets. -- Co-founder of **true[X]** *David Levy* was appointed evp, non-linear revenue for **Fox Networks Group**.

## Cablefax Daily Stockwatch

Company	09/27 Close	1-Day Ch	Company	09/27 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
DISH:	54.35	0.38	INTEL:	37.18	0.53
ENTRAVISION:	7.27	0.01	INTERACTIVE CORP:	62.62	0.53
GRAY TELEVISION:	10.16	(0.01)	LEVEL 3:	47.06	0.03
MEDIA GENERAL:	17.88	(0.02)	MICROSOFT:	57.95	1.05
NEXSTAR:	53.50	(0.23)	NETFLIX:	97.07	2.51
SINCLAIR:	28.05	0.40	NIELSEN:	53.49	0.34
TEGNA:	21.29	(0.06)	SEACHANGE:	2.96	0.07
<b>MSOS</b>					
CABLE ONE:	578.87	(0.37)	SONY:	33.47	0.01
CHARTER:	275.40	1.58	SPRINT NEXTEL:	6.73	0.08
COMCAST:	66.17	0.36	SYNACOR:	2.97	(0.01)
GCI:	13.70	0.40	UNIVERSAL ELEC:	76.19	0.49
LIBERTY BROADBAND:	71.35	0.52	VONAGE:	6.64	0.17
LIBERTY GLOBAL:	33.45	0.20	YAHOO:	43.37	1.08
SHAW COMM:	19.78	0.05	<b>TELCOS</b>		
SHENTEL:	27.19	0.22	AT&T:	41.46	0.32
<b>PROGRAMMING</b>					
21ST CENTURY FOX:	24.20	0.41	CENTURYLINK:	27.35	0.04
AMC NETWORKS:	50.95	(1.06)	FRONTIER :	4.34	(0.02)
CBS:	52.05	0.92	TDS:	27.15	(0.08)
DISCOVERY:	26.37	0.21	VERIZON:	52.49	0.34
DISNEY:	91.72	(0.24)	<b>MARKET INDICES</b>		
GRUPO TELEVISA:	25.79	0.45	DOW:	18228.30	133.47
HSN:	39.24	0.14	NASDAQ:	5305.71	48.22
LIONSGATE:	20.42	0.31	S&P 500:	2159.93	13.83
MSG NETWORKS:	18.15	0.12			
SCRIPPS INT:	62.00	(0.1)			
STARZ:	31.38	0.31			
TIME WARNER:	77.88	1.78			
VIACOM:	39.86	0.76			
WWE:	20.68	0.11			
<b>TECHNOLOGY</b>					
ADVANTAGE:	1.76	0.03			
AMDOCS:	58.08	0.02			
AMPHENOL:	64.50	0.46			
APPLE:	113.09	0.21			
ARRIS GROUP:	28.41	0.08			
AVID TECH:	7.87	(0.11)			
BLNDER TONGUE:	0.59	(0.01)			
CISCO:	31.48	0.41			
COMMSCOPE:	30.51	0.26			
CONCURRENT:	6.45	0.35			
CONVERGYS:	29.73	0.16			
CSG SYSTEMS:	41.46	(0.17)			
ECHOSTAR:	41.52	0.29			
GOOGLE:	783.01	8.80			
HARMONIC:	4.66	0.06			

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