

# Cablefax Daily™

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What the Industry Reads First

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## Commission Moves: GOP Says Don't Worry, While Clyburn Looks to 2020

Questions about when the FCC's enhancements to the Open Internet Transparency requirements will go into effect have been answered, with OMB giving final approval of the rule on Dec 15. That means Jan 17 is the effective date for the enhanced disclosures. Smaller providers had an exemption to the Title II order's transparency rule, but it expired last Thurs. ACA and rural broadband assn NTCA have expressed their disappointment. On Mon, the FCC's Republican commissioners sent the heads of those groups and other key players a letter telling them not to worry. "We want to assure you and your members that we would not support any adverse actions against small business providers for supposed non-compliance with the 'enhanced transparency' rules after that date, and we will seek to revisit those particular requirements, and the Title II net neutrality proceeding more broadly, as soon as possible," commissioners Ajit Pai and Mike O'Rielly wrote. The duo said they had put an offer on the table that would have extended relief to providers serving 250K or fewer subs, but no agreement has been reached on it or any related proposal. The just-expired exemption only applied to those with 100K or fewer subs and an item on circulation also had a 100K limit (CFX, 12/9). In other FCC news, Mignon Clyburn, the only Democratic commissioner currently expected to be around for the new administration, released a draft of her #Solutions2020 Call to Action plan Mon. Clyburn's draft described it as "an agenda we feel that if acted upon in a timely manner, could deliver robust, affordable connectivity within the next four years." Comments and suggestions should be sent to solutions2020@fcc.gov by Jan 11, with a final report to be released during 1Q. This is a follow-up to the Oct #Solutions2020 Policy Forum at Georgetown Law in which academics and thought leaders tackled challenges facing the communications sector. Clyburn's draft agenda includes ensuring affordable communications, which includes a host of topics, from reforming pole attachment rules to streamlining access to Lifeline service. Other topics she's highlighted including promoting a more diverse media landscape, with the commish proposing adoption of a final order on independent programming (the FCC is currently seeking comment to an NPRM on the topic) and establishing a pilot incubator program to increase female and minority ownership.

**Altice Beat:** Moody's Investor Service changed the outlook for Cequel to "positive" from "stable" and affirmed its

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**B3 corporate family rating.** Altice purchased a 70% equity stake in Cequel late last year for \$9.1bln. Moody's said the outlook change reflects the cost reductions made over the last 9 months, which have resulted in a decline in leverage to 6.7x for the 12 months ended in Sept. Progress has exceeded Moody's expectations, with the firm noting it could upgrade Cequel to B2 if the company maintains its strong performance for the year. Separately, *Multi* broke the news Mon that **Altice USA** is creating a new entity for its technical workers, under the name **Altice Technical Services USA**, and that **CWA** has expressed some concern about the new structure. Altice confirmed the creation of Altice Technical, saying it will continue to honor regulatory commitments—including a pledge to the **NY PSC** not to eliminate any customer facing jobs for 4 years. The spinoff of the technical side fits with Altice's business plan in other parts of the world, including France and Portugal. "As we embark on our mission to build a next-generation fiber-to-the-home network capable of incredibly fast broadband speeds and superior service quality, we are excited to establish Altice Technical Services USA. This dedicated U.S. company comprised of our skilled technical workforce will provide Altice USA with the support and technical expertise required as we accelerate our investments in our networks and customer experience," Altice USA said. Optimum technical workers can choose to stay with Altice USA, move to Altice Technical Services to support fiber deployment with the same compensation or move to the new unit to support fiber with more of an incentive-based comp structure. Unrelated, Optimum has notified customers that it will no longer offer free web hosting services to HSD customers. It was previously included with the Optimum 60, 100, 200 and 300 packages. Vendor **Hostaway** is offering impacted customers the ability to keep their domain, website and email addresses active for \$6.95/month (65% off retail price).

**5G NOI:** Noting that 5G has the potential to be an enormous driver of economic activity, the **FCC's** Public Safety and Homeland Security Bureau released a Notice of Inquiry on 5G and device security. Comments are due 90 days after publication in the Federal Register. The NOI seeks comments on 5G security threats and the current state of security planning for 5G networks. It also delves into end-to-end security for the network and devices.

**Ovation + NCTC:** **Ovation** scored a renewal with **NCTC**, making the net available to the coop's members nationwide. The arts net is currently available in nearly 50mln homes.

**Auction Alert:** The **FCC** Incentive Auction Task Force, in conjunction with the Office of the Managing Director and the Media Bureau, released a tutorial for incentive auction-eligible broadcast licensees and MVPDs that anticipate receiving either winning reverse auction bid payments or reimbursement of post-auction relocation-related expenses. It walks entities through how to make changes in the Commission Registration System in order to have appropriate point of contact for payment and banking inquiries. All entities doing business with the FCC are required to update their information in CORES.

**DirecTV Now Glitch:** **AT&T** confirmed that some **DirecTV Now** customers may have been unable to stream portions of Sun's Lions-Giants game on their respective local **Fox** stations, but declined to elaborate on the cause of the hiccups. "We quickly resolved the issue and we thank our customers for their patience," a spokesperson said.

**Retrans Blip:** Not much to see here. **Cox** briefly lost **MidWest Television's KFMB/Channel 8** in San Diego Fri, but the 2 reached a deal later in the day, with the CBS affiliate returning to the lineup long before Sun's Charters-Raiders game.

**A+E Intl Co-heads:** **A+E Nets** appointed *Patrick Vien* and *Edward Sabin* as executive managing directors of international. Both report to A+E Networks International and Digital Media pres *Sean Cohan*. Vien will oversee A+E's businesses throughout Europe, Middle East and Africa (EMEA), while Sabin has Latin America, Canada, Asia, Australia and New Zealand. Vien, who joins from **Pulse Films**, will also lead the programming strategy, acquisitions and production for channels outside the US and oversee all aspects relating to the company's international content sales across 220 territories. Sabin, who was elevated from managing dir, Americas & Head of Commercial Ops, also leads the company's global strategic and operational teams; and heads up format programming and production.

**Programming:** **RLTV** has rolled out a new logo that puts greater emphasis on the RL in its name, and it's made some more acquisitions for its programming lineup. "P. Allen Smith's Garden Style" debuts this week at 7pm ET, weeknights. Also new is "Style In Steel," Wed, 10pm ET, which looks at classic cars through each decade. -- **Nat**

# BUSINESS & FINANCE

Geo will commemorate President Obama's legacy with a night of special programming Jan 15. "Sea of Hope: America's Underwater Treasures," a 1-hour doc, debuts at 8pm (the Obama tie-in is that the president created the world's largest marine preserve in the northwestern Hawaiian Islands and the net has footage of him diving underwater), followed by 2-hour special "Obama: The Price of Hope." -- **A&E** debuts new doc series "Generation KKK," following 4 Ku Klux Klan families, Jan 10. -- **LMN** set Jan 31 for the premiere of "Babies Behind Bars," a series examining a program that allows pregnant inmates to raise their babies inside a maximum security prison.

**People:** Kids programming guru *Margaret Loesch* joined **Kid Genius Cartoon Channel** as exec chmn, where she'll provide counsel to newly elevated pres *Deb Pierson*. Kid Genius is available on **Comcast** VOD as well as OTT platforms. Loesch was the founding pres/CEO of **Fox Kids**, former pres/CEO of **Hub TV** and pres of TV worldwide for **The Jim Henson Company**. -- Health entertainment content provider **Z Living** hired *Karen Bressner* as svp of ad sales and partnerships. The 25-year industry vet was most recently head of ad sales at **AccuWeather Digital Media**. Previously, she served as svp, national advertising sales at **MTV Networks**.

## Cablefax Daily Stockwatch

Company	12/19 Close	1-Day Ch	Company	12/19 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
DISH:	58.07	(0.33)	LEVEL 3:	56.70	(0.01)
ENTRAVISION:	6.60	(0.1)	MICROSOFT:	63.62	1.32
GRAY TELEVISION:	10.45	(0.1)	NETFLIX:	125.45	1.23
MEDIA GENERAL:	18.56	(0.06)	NIELSEN:	43.29	0.15
NEXSTAR:	62.10	0.15	SEACHANGE:	2.49	0.04
SINCLAIR:	33.05	(0.2)	SONY:	28.84	0.40
TEGNA:	22.05	(0.08)	SPRINT NEXTEL:	8.44	0.20
<b>MSOS</b>					
CABLE ONE:	616.70	(6.83)	SYNACOR:	3.15	(0.1)
CHARTER:	288.91	0.47	UNIVERSAL ELEC:	66.10	0.15
COMCAST:	70.15	0.29	VONAGE:	6.92	0.26
GCI:	18.48	0.46	YAHOO:	38.42	(0.19)
LIBERTY BROADBAND:	72.38	(0.06)	<b>TELCOS</b>		
LIBERTY GLOBAL:	30.33	(0.15)	AT&T:	42.12	0.45
SHAW COMM:	20.17	(0.06)	CENTURYLINK:	24.19	0.02
SHENTEL:	27.65	UNCH	FRONTIER:	3.57	0.01
<b>PROGRAMMING</b>					
21ST CENTURY FOX:	28.12	0.09	TDS:	29.45	0.25
AMC NETWORKS:	51.19	(0.05)	VERIZON:	52.91	0.64
CBS:	64.34	(0.2)	<b>MARKET INDICES</b>		
DISCOVERY:	28.17	(0.22)	DOW:	19883.06	39.65
DISNEY:	105.30	1.39	NASDAQ:	5457.44	20.28
GRUPO TELEVISA:	20.63	0.39	S&P 500:	2262.53	4.46
HSN:	36.10	0.50			
MSG NETWORKS:	21.30	0.10			
SCRIPPS INT:	70.75	0.45			
TIME WARNER:	95.08	0.28			
VIACOM:	38.25	(1.25)			
WWE:	18.93	0.39			
<b>TECHNOLOGY</b>					
ADVANTAGE:	1.67	0.02			
AMDOCS:	60.25	0.69			
AMPHENOL:	68.00	0.60			
APPLE:	116.64	0.67			
ARRIS GROUP:	31.16	0.28			
AVID TECH:	4.34	0.02			
BLNDER TONGUE:	0.53	UNCH			
CISCO:	30.76	0.17			
COMMSCOPE:	37.02	0.56			
CONCURRENT:	5.20	0.10			
CONVERGYS:	25.29	0.77			
CSG SYSTEMS:	49.11	0.09			
EHOSTAR:	52.66	0.28			
GOOGLE:	794.20	3.40			
HARMONIC:	5.30	(0.05)			
INTEL:	36.89	0.58			
INTERACTIVE CORP:	66.37	0.45			



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# CFX TECH

by Joyce Wang

## CES Preview

Another year, another **CES**. While things like IoT, virtual reality, DOCSIS 3.1, 4K/HDR stole much of the spotlight last year, they are expected to continue to shine in 2017. The world's biggest tech show (Jan 5-8 in Las Vegas) set a record last year with more than 177K attendees. Will the demise of **INTX** boost it even more? International attendance is already shaping up strongly. The show is expected to draw 50K industry professionals from outside the U.S. representing 150 countries, up 9% from 2016, according to **Consumer Technology Association**. Reinforcing its global reach, CES 2017 has several areas designed specifically to highlight the international aspects of the show. The Global Technology Marketplace will host nearly 900 international exhibitors.

Inevitably, some will be in the always hot virtual reality space. Companies like **Microsoft**, which is making VR a key part of its Windows 10 Creator Update, will be battling for the spotlight alongside **Oculus** and **HTC**. Senior executives are set to discuss how brands can use VR to entertain and engage consumers, what are the greatest application of VR, beyond narrative content and video games, and how VR is impacting the creative and business sides of the entertainment industry. Speakers include *Jake Zim*, svp of VR at **Sony Pictures Entertainment**, *Jenna Seiden*, head of content acquisition and partnerships at **HTC** and *Jason Alejandro*, founder of **konVRge entertainment**, which specializes in bringing interactive games, movies, sports, and educational experiences to VR.

The 2017 CES also includes a dedicated conference on everything connected devices. **The Connections Summit**, hosted by **Parks Associates**, features commentary, insight, and debate on hot topics such as IoT and smart home partnership opportunities, best business models, new technologies (including connected cars and digital health), and cybersecurity. Companies

speaking at the event include **Amazon**, **Comcast**, **Ericsson**, **Alarm.com** and **Nest**, among others. It's not **CES** without the TV experience. Manufacturers like **Sony** and **Samsung** are expected to continue to showcase their expanded 4K/HDR lineup as the latest display technology becomes more mainstream. Another buzzword for TV would be "slim." There would be more super skinny TVs this year, some of which were demonstrated at CES last year. For example, the purportedly super-slim **Panasonic** OLED prototype model is expected to draw a big crowd. The model was on display at the IFA 2016 show in Berlin. Perhaps as a feature that will essentially be integrated in everything connected, voice control is gaining significant traction. Think **Comcast's** voice control-enabled X1 platform and **Amazon's** Echo smart speakers. Vendors will showcase how voice control will gradually replace traditional user interfaces as the consumer electronics industry moves to a world of vocal computing. The upcoming CES will be the last show that *Tom Wheeler* attends at head of **FCC**. The chmn hasn't announced when he will depart. Wheeler will join **FTC** chairwoman *Edith Ramirez* and **CTA** pres/CEO *Gary Shapiro* for 2 candid, 30-min conversations as part of the show's supersessions, about the challenges they face as their agencies navigate the rapidly changing technological landscape.

**Cox's WiFi Launch:** **Cox** launched more than 130 WiFi hotspots in Oklahoma City, Edmond, Midwest City, Norman and Yukon with addition hotspots coming in early next year. The hotspots are located in high-traffic areas. With the latest launch, Cox now has more than 20K WiFi hotspots nationwide. The MSO is also part of CableWiFi, the industry's WiFi initiative that allows participants' subs to access WiFi networks from other providers.

Got tech news? Reach out to Cablefax Tech editor Joyce Wang at [jwang@accessintel.com](mailto:jwang@accessintel.com)



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