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What the Industry Reads First

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Room to Grow: Comcast's Smit Sees Broadband Opportunity in Penetration

So much is made these days about skinny bundles and OTT, it was refreshing to see **Comcast** asked early on at an investor conference Monday about broadband. "I think there is continued room for growth in the broadband space... We are growing share in all the DSL markets as well as some of the fiber markets," said Comcast Cable CEO *Neil Smit*. Comcast had 1.4mln net broadband adds last year, the strongest growth in nine years. It's, of course, seen as a product with significant potential for cable operators, witnessed by the growing number of gigabit speed rollouts and efforts to boost and extend WiFi. Comcast has rolled out DOCSIS 3.1 in a few markets, including Atlanta, Chicago and Detroit, and expects it to be available to the majority of households by year-end. The company has previously given some info on the advanced wireless gateway XB6, but Smit used Monday's **Deutsche Bank** conference to give some more examples of how it will work—such as hitting "pause" on the WiFi network at dinner time so you can get the kids to eat with you or connecting new smart devices automatically as you bring them into the home. "It will hit 11mln homes on day one and it will be included in the service and cost. So we think it is more than just about speed and reliability; we think it is the experience as well," Smit said. "And this will be a new interface—cloud-based interface that will help make Wi-Fi management easy in the household." He feels pretty good about where Comcast is at as 5G rolls out. The company has the backhaul experience that will be necessary for 5G. And Comcast has looked at how its network overlays with 5G and believes there is excellent compatibility. Of course, OTT competition did come up during the conversation, and there was no indication from Smit that a nationwide OTT offering from Comcast is on the horizon. "I think that what we offer is unprecedented quality of service. There have been some problems with the releases of some of the OTT technology, and our technology is well developed and established," he said. "We have been competing for year. We know how to compete." And with the X1 platform, Comcast can bring in different packages, even if it's not traditional programming (ie, **Netflix**). Not a lot of new details on wireless and the **Verizon** MVNO, with Smit indicating it will be initially sold to existing customers as part of the bundle. Verizon doesn't have a whole lot of info on what Charter and Comcast plan to do, but evp, president of ops *John Stratton*, who also spoke at the conference, said there's room for everyone. "Competition generally is good for an industry... I think this has been a pretty dynamic market already," he said. "Bring it on."



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Retrans Watch: **Morris Multimedia**, which owns stations in Chattanooga and Wilmington, NC, faces a possible retrans spat with **AT&T**. **U-verse** customers could lose the channels as of 5pm today (March 7) if a new deal is not reached. Meanwhile, **Hearst** stations remain dark on **DISH**.

The President & the Chairman: Tongues inside the Beltway were flapping over **FCC** chair **Ajit Pai's** meeting with **President Trump** Monday. "Chairman Pai had a warm meeting with President Trump this afternoon, in which they reconnected for the first time since Chairman Pai was elevated to head the FCC. No proceedings pending at the FCC were discussed," a rep said. The meeting, which was part of Trump's daily schedule, comes ahead of Pai's day on the Hill. The FCC's three commissioners are slated to appear before the Senate Commerce Committee for an oversight hearing on Wednesday.

Everyone under the Spectrum: Speaking at an investor conference Monday, **Charter** CEO **Tom Rutledge** said integration is really the biggest value opportunity for the company. Integration of pricing and packaging will be completed next week in **Time Warner Cable** and **Bright House** (at least in the continental US, Hawaii may still have some work to do). Some of the integration challenges that remain include taking 40% of the company all-digital, scaling down 10 billing systems (by the end of this year, Charter will be down to 3, Rutledge said). "Getting to a uniform instance across the entire company will take through next year," the CEO said. So far, no huge surprises, he said, noting that some of the TWC assets are actually in better shape than expected. "They were very good at allocating capital into infrastructure projects. The one thing I would fault them for is they never sort of got it to the end user very well from a service perspective or even a product perspective," Rutledge said. "The Bright House properties are better than we thought, but we knew they were good... That area has been very responsive to our marketing." That's partly because Bright House was focused more on service than customer creation, he said. One part of the integration process is moving Time Warner Cable and Bright House customers to the Spectrum TV app. Basically, it is combining the best features of all the offerings into one app. Legacy TWC and Bright House customers still have all of the current app features they had on their former app, though it is the first time Bright House has the app on **Roku**, **Xbox One** and **Samsung** Smart TV platforms (it also has more channels). Legacy Charter customers will see a new features and enhancements like the addition of VOD & search and discovery capabilities on Roku, new platforms (Xbox One and Samsung Smart TV) and content has significantly increased—double the amount of live channels and VOD titles. There are up to 120 live channels and 17,000 On Demand titles available outside the home.

Cable Podcast: The **Cable Center** launched podcast series "Stories from the Headend" curating thousands of hours of video footage from its archives into thematic segments, such as women in cable and innovation and entrepreneurship. It's a natural evolution of the Center's oral history program. Two new eps will be released each week on Mondays and Thursdays at 5pm. The first will cover a main topic with a deeper dive in the second podcast. Ep one features **NBCU** digital enterprises evp **Evan Shapiro** with TV 101. The first season will last six weeks and consist of 12 episodes featuring names such as **John Malone**, **Brian Lamb** and **Sheila Nevins**. Subscribe through iTunes, Google Play, RSS feeds or at cablecenter.org.

ESPN's Talent Pool: A **Sports Illustrated** piece about **ESPN** looking to possibly trim its 1000+ talent pool was making the rounds Monday. Said the net: "Today's fans consume content in many different ways and we are in a continuous process of adapting to change and improving what we do. Inevitably that has consequences for how we utilize our talent. We are confident that ESPN will continue to have a roster of talent that is unequalled in sports," the company said.

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