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What the Industry Reads First

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5G Ahead: Roses and Thorns for Cable

As expected, one of the hottest topics at the recent **Mobile World Congress** in Barcelona was 5G as service providers and their vendors looked to stake their claims by announcing trials and deployment plans. Cable operators are keenly aware of the increased speeds and lower latencies that 5G promises, but the early launches aren't always apples-to-apples since they are a blend of home grown technologies mixed with the 3rd Generation Partnership Project (3GPP) New Radio standard. "To me 5G has become more of a marketing term than a specification," said *Chris Bastian*, svp, CTO, engineering at **SCTE**. "It's sort of a grab bag of different technologies. It doesn't surprise me that the marketing gamesmanship is out there with saying they're the first one to offer 5G." Bastian said some of the announcements were more along the lines of 4G Plus and not true 5G. "A particular operator has paired with a particular vendor and they have a vendor specific solution out there," he said. "They'll offer greater speeds, lower latencies, the things that 5G promises, but it's not necessarily completely through the stack." But make no mistake that the wider rollouts of 5G services will be game changers, for the telecom industry, businesses and consumers. *Belal Hamzeh*, vp, wireless technologies at **CableLabs**, said that 5G changes the dynamics of the wireless ecosystem because—unlike 3G and 4G—it's the first technology from the mobile side that is targeting multiple applications, including fixed wireless. For the near-term, fixed wireless 5G services to homes and apartment buildings would seem to pose a more direct threat to cable operators' broadband services. Verizon announced it would offer a fixed wireless 5G service in three-to-five US cities this year. "So, fixed wireless—either using 5G technologies or even WiGig in the 60GHz range—is going to pose an interesting challenge to incumbent fixed broadband providers," said *Jeff Heynen*, director, sectors and technology, **SNL Kagan Consulting**. "If you look at some of the early 5G fixed wireless trials, they are in markets where the provider is not the fixed broadband incumbent." Fixed wireless faces challenges with line of sight requirements and inclement weather impacting the signals and throughput, Heynen said. Speaking at the **Deutsche Bank** investor conference earlier this month, **Comcast** CFO *Michael Cavanagh* cited some of the same known challenges for fixed wireless as Heynen. Comcast has conducted its own fixed wireless pilots but Cavanagh said the investment that needed to be made in small cells and fiber installs "starts to look a lot a cable plant." "We've seen overbuilders before, right? And this would be just another flavor," he said. "So we know how to com-



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Questions: Mary-Lou French 301-354-1851 • mfrench@accessintel.com

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pete, and we know what areas would be most likely targeted—because of density and income—and we'll respond accordingly. We have a playbook." Cable has a muddled history of offering wireless cell services to its subscribers, but now Comcast, **Charter** and **Altice USA**, among others, have MVNOs in place with telcos to offer them as part of their service bundles. As for 5G opportunities, cable operators are well-placed to leverage their infrastructures for backhaul services for multiple telcos in their respective footprints. **Sprint** pres/CFO *Michel Combes* said at the Deutsche Bank conference that his company planned on rolling out thousands of small cells on Altice's infrastructure. CableLabs has partnered with the Telecom Infra Project (TIP) to develop cable specific virtualized RAN, which splits the RAN architecture and is a key element of 5G. CableLabs is working with its partners on developing a fronthaul interface using DOCSIS that would enable wireless radio networks to work with wired infrastructures. "vRAN highlights the importance of leveraging the fixed infrastructure to deliver a mobile solution by virtualizing part of the network," CableLabs' Hamzeh said. "Having unlicensed 5G is a huge benefit to industry as a whole and the cable industry in particular. It opens up the ways you can deliver services to your end customers." - *Mike Robuck*

Set-Top Savings: **NCTA** and **CTA** announced a four-year extension of their voluntary agreement aimed at improving the efficiency of set-tops. The pact, initially signed in 2012, will have the two continue and intensify technical studies and efforts to lay a foundation for more rigorous energy efficiency levels. It also includes new reporting on the availability and use of apps that offer consumers an alternative to using set-top boxes for every screen. The groups estimate the agreement will save consumers \$1.6bln in energy costs and avoid 9.3mln metric tons of CO2 emissions each year once the benefits are fully realized. An independent report from D+R International estimates that the deal already has saved consumers \$2.1bln and avoided 11.8 metric tons of CO2 emissions.

WOW! 4Q: **WOW!** added 2700 internet RGUs in 4Q, projecting HSD net additions will total between 5K-15K for 2018. Total revenue for the quarter fell to \$292.8mln, down about 7% from 4Q16. For the year, rev was down \$48.9mln to \$1.188bln (4%). Total subs for 2017 rose to 777,300 from 772,300 in 2016. For 2018, **WOW!** expects total rev between \$1.15bln-\$1.17bln, adjusted EBITDA to be between \$410mln-\$420mln and cap ex to be between \$225mln-\$235mln. Those projections were below **Evercore ISI's** expectations, with the analysts dropping **WOW!**'s price target to \$13. "While we do believe the company has multiple avenues to profitably invest resources (churn reduction, edge-outs, edge-ins), the costs of those investments are visible upfront, while the benefits are deferred," they told clients.

Fubo Functionality: Sports-rich vMVPD **fuboTV** launched a "Startover" feature that allows viewers turning in late to a game or show to catch up from the beginning. It's available now for select channels, with more to come. As promised, **AMC Networks'** channels are now live on fuboTV, just in time for the weekend's new ep of "The Walking Dead."

Programming: **Fox News** re-signed chief news anchor *Shepard Smith* to a multi-year deal. Smith was one of the net's original hires in 1996. -- **Lifetime** set Sept 9 as the premiere date for its newest scripted series, "You," a 21st Century love story based on *Caroline Kepnes'* novel of the same name. The net has production deals in place with *Queen Latifah* and *Toni Braxton*, with the first Braxton movie to be a holiday film in its "It's a Wonderful Lifetime" programming block. Latifah's projects include "U.N.I.T.Y.," which chronicles her attempt to remake her hit song with top female artists. -- **Disney Junior** ordered a third season of "Mickey and the Roadster Racers" ahead of its Season 2 premiere on April 13. -- **History** took the wraps off "History 100" (wt), comprised of 100 films focusing on the most compelling historical events of the last 100 years. The first eight films tackle subjects such as the attempted Delta Force mission to end the Iran Hostage Crisis, the "Cola Wars" between Coca Cola and Pepsi and 9/11 from the unique vantage of Air Force One.

March Madness Stats: **ESPN** collected 17.3mln Men's brackets, second only to last year's 18.8mln. It received 5mln brackets in a single day, setting a new record. Virginia, Villanova, North Carolina and Duke received the most votes for the Final Four.

On the Circuit: **MSNBC** anchor *Stephanie Ruhle* will host **WICT's** Signature Luncheon April 4 at the NY Hilton Midtown. **E!'s** marketing evp *Jen Neal* is the honorary chair of the event, which recognizes companies leading the way in fostering inclusive workplace cultures, based on the 2017 PAR Workplace Diversity survey.

PROGRAMMER'S PAGE

Seeing Red...

Susanne Daniels is a household name within Hollywood and television circles, having worked everywhere from **ABC** and **Fox** to **Lifetime** and **MTV** over the years. But her current gig as **YouTube's** global head of original programming means that she looks at everything through a slightly different lens—including the fledgling **YouTube Red**, which relies on subscription fees rather than advertising. As **Showtime** chief *David Nevins* joked at **TCA** in January, Hollywood is up against “invaders from the North” whose big Silicon Valley coffers mean more competition for talent and consumer eyeballs. But Daniels feels right at home. “I definitely feel more a part of Hollywood because it’s my background,” Daniels told **Cablefax** in a recent interview. “I’m still getting used to the Silicon Valley of it all. And I think they’re still getting used to Hollywood. I think there’s a lot of work that has to be done on both sides.” That interplay has certainly created an environment of anxiety for those developing new content—and fighting for resources. But Daniels said YouTube Red isn’t about to abandon its roots, which continues to be its association to a platform that emphasized user-generated content and its creators whose online fame can drive huge audiences. “I think it’s important that we continue working with YouTube stars,” she said. “That’s always going to resonate with viewers, and that’s always going to be an important part of YouTube Red’s brand.” She notes that every YouTube star with a show on YouTube Red has seen traffic to their ad-supported channel increase by a minimum of 25%, “but I think it’s also important that we broaden our audience, that we broaden our subscriber base and broaden that appeal.” The drive for “non-endemic” original content will ramp up in 2018, she said. So how does today’s “peak TV” compare with the old days of four broadcast nets? “Life was easier, but the bar was so high,” she said. “You could have a really good show that didn’t cut the mustard, and now you can have these cool niche shows that find their audiences and explore different voices, and to me that’s the good news.” — *Michael Grebb*

Reviews: “Portlandia,” series finale, 10pm, Thursday, **IFC**. It is little surprise the finale of “Portlandia” is a bit like “Saturday Night Live,” also a *Lorne Michaels* production. Similar to SNL, Portlandia mixes pretty good skits with occasionally excellent ones and a few stinkers. Fortunately, co-creators *Fred Armisen* and *Carrie Brownstein* know the quirky humor Portlandia fans crave and this finale is loaded with requisite silliness. Perhaps a metaphor for showrunning a series for eight seasons, the Portland Marathon is the background for this final ep. Large kudos to *Kyle MacLachlan's* perfectly odd mayor of Portland. -- “Krypton,” series premiere, 10pm, Wednesday, **Syfy**. Farewell to “Portlandia” hello to “Krypton,” where Seg-El is battling for his life, facing, oddly enough, some of the same issues that made life complicated in modern-day Portland: ridiculous government regulations and regulators, obnoxious personalities, etc. Thing is, Seg, who’s far more impetuous than your garden-variety Portlander, much survive so he can become grandfather to Kal-El (aka Superman). The production is gorgeous; ditto the music and actors, particularly *Cameron Cuffe* as Seg and *Georgina Campbell* and *Wallis Day*. — *Seth Arenstein*

Basic Cable P2+ Prime Rankings* (03/05/18-03/11/18)		
Mon-Sun	MC US AA%	MC US AA (000)
FNC	0.73	2,232
MSNBC	0.60	1,837
ESPN	0.54	1,639
HGTV	0.49	1,479
USA	0.45	1,370
HIST	0.42	1,269
DISC	0.41	1,244
TBS	0.36	1,101
ID	0.35	1,054
TNT	0.34	1,046
CNN	0.34	1,022
A&E	0.32	988
AMC	0.31	956
TLC	0.30	915
FOOD	0.30	899
ADSM	0.29	880
NICK	0.28	851
DIS	0.27	836
HALL	0.27	824
NAN	0.24	738
TVLAND	0.23	708
FX	0.23	696
CRN	0.23	689
BRAVO	0.22	664
DSJR	0.19	575
NATGEO	0.19	567
INSP	0.19	564
VH1	0.18	559
LIFE	0.18	553
AP	0.18	547
ESPN2	0.17	518
SYFY	0.16	497
HMM	0.16	489
TRAV	0.16	479
OWN	0.16	478
GSN	0.15	472
NICK JR	0.15	443
FREE	0.14	439
CMDY	0.13	406
E!	0.13	398
PARA	0.13	397

*P2+ L+SD rankers are based on national Nielsen numbers, not coverage.



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