

# Cablefax Daily™

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What the Industry Reads First

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## Speed Demon: Reliability Now Top Dog for Cable Ops

Operators big and small have long competed to become the fastest broadband provider within their footprints, placing it front and center in ad campaigns and marketing materials. But now, “the race for speed is over,” **Cable ONE** svp, technology services, *Ken Johnson* said during Monday’s general session at **NCTC’s Winter Educational Conference**. “What they are looking for today is reliability, available 100% of the time. Embrace the video trend, recognize that we’re delivering. We’ve won the speed battle. Now it’s about reliability.” Noting that 97% of cable homes now offer 1 Gig service, Johnson said Cable ONE is staying ahead of the competition by de-emphasizing its video offerings and rebranding itself to match its new identity when it becomes Sparklight this summer. “Having cable in the name doesn’t make a whole lot of sense,” he said. “We want to be thought of as a connectivity company versus a cable company.” Cable ONE’s not the only one seeing video in a different light. When **North State Communications** looked to dive into the world of video a decade ago, current evp/CMO *Scott Watts* was clear that the additional service would primarily act as part of a broadband retention strategy. “If you want a broadband relationship with the customer, you’ve got to have the video to go along with it,” Watts said. “We’re in a place where consumer behaviors are changing. They’re consuming content from multiple sources, they want to do it on their own terms.” North State is now looking at app-based offerings that don’t require a traditional set-top box. It’s offered services like **HBO Now** before, but the growing number of OTT options is only making it harder for North State to envision a future as an aggregator of content. “There’s just so many different offerings, it’s tough to get in the middle of that,” Watts said. “It’s so complex—the different offerings, the different levels of service, trying to bill for a lot of different partners and be that aggregator. I don’t know the value we could bring to that.” Cable ONE’s also taking a gander at some of the app-based options. Even with video not its top priority, Cable ONE still wants to support the customers it does have. “We are trialing things like **Sling TV** and **MOBITV**. We’re looking at all the OTT partners and seeing what makes sense to bring in and comparing that to an in-house solution,” Johnson said. “Ultimately, that is an ROI decision that will drive us one way or the other. Other than a hosted TV Everywhere product that we offer today, we are not actively providing OTT content.”

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**Broadband Deployment:** The **FCC** offered an additional \$67mln in annual support to certain rural broadband providers in order to bring improved service to nearly 110K homes and businesses in rural communities across 43 states. Carriers that accept the offer are required to expand the availability of broadband service delivering at least 25 Mbps downloads/3 Mbps uploads to their rural customers. They have 30 days to decide whether to accept the additional funding.

**C-Band Battles:** Charter wants the **FCC** to auction the midband satellite spectrum it wants to make available for broadband, instead of the **C-Band Alliance** of satellite operators (CBA) proposal to allow for marketplace deals. The company filed a letter to the Commission Feb 22 proposing a straight auction over a two-sided incentive auction. The FCC plans to free up a portion of the C-Band (3.7-4.2 GHz) for next-gen wireless but had been seeking comments on how to do that. The CBA had argued that waiting for the FCC to complete an auction would take more time than marketplace deals, which Charter disagrees with. “The CBA’s plan would artificially limit the amount of mid-band spectrum made available for 5G and plunge the Commission into a legal quagmire that would delay the availability of 5G,” a portion of the letter reads. “Instead of ignoring the potential national security, economic, and timing risks, the Commission should avoid this quagmire, reject the C-Band’s proposal, and foster the most widespread deployment of 5G by repurposing the C-Band using the tools provided in the Commission Act.” Charter also suggested that the only beneficiaries of the CBA are its “foreign satellite” company members including **Intelsat, SES, Eutelsat** and **Telesat**, and that the CBA plan is a “radical proposal to give incumbents with misaligned incentives free rein to allocate and regulate spectrum as they see fit.” **NCTA** previously expressed concern that the CBA plan is more about maximizing member’s profits, and the **ACA** declared that a coalition of satellite ops will have price setting as its core mission.

**Verizon Lockdown:** Verizon asked the **FCC** for permission to lock its phones for 60 days after purchase to deter fraud. Verizon is the only major US mobile carrier that sells unlocked 4G LTE phones, due to open-access rules the FCC applied to 700MHz spectrum that Verizon bought at auction in 2008. Verizon told the FCC in a filing that fraudsters “use a stolen identity or other fraudulent means to obtain a new handset on an existing customer’s account or to open a new wireless service account, and then immediately turn around and sell the handset on the black market without ever paying for the device or the service.” The company claims that about 7K customers are affected each month. Verizon says that a 60-day lock would enable the company to determine whether a new device was obtained by a legitimate customer who makes the first payment on that device, and they would unlock the device automati-

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cally at the end of the 60-day period.

**Academy Awards:** The awards season ended Sunday night with the 2019 Oscars, which aired on **ABC**. The 91st Academy Awards were seen by 3.9mln out-of-home (OOH) viewers, according to **Tunity Analytics**. The company calculated the metric by combining its app usage with near real-time audience demographics and location data, and differs from other OOH metrics because it captures a program's video stream vs audio, especially in places like bars, gyms and airport lounges. Overall, the host-less 2019 awards show saw a rise in ratings from the all-time low of 2018, with 29.6mln viewers compared to last year's 26.5mln.

**Cisco 5G:** **Verizon** and **Cisco** announced a partnership to build a mobile SD-WAN offering in order to accelerate development of Verizon's future 5G network. Verizon's Visual Network Services will support 5G devices on Cisco's SD-WAN platform, making it easier to manage network traffic and application performance. This is also the first time Cisco brought a mobile component on the cellular side to SD-WAN. The partnership will leverage the future 5G network to extend Verizon's campus and branch infrastructure and will enable businesses to have more control over application performance on mobile and IoT devices.

**Business Ladies:** **Cheddar Business** is kicking off Women's History Month with #chedHER on March 1. The day is devoted to celebrating women in business and shining a light on women making strides in their industries, including business, tech, entertainment, politics, science, the media and sports. Programming all day, including anchors and guests, is focused on women. Cheddar partnered up with **JPMorgan Chase** for the second annual event, and confirmed guests include *Gwyneth Paltrow*.

**Veteran Skills:** **Comcast** Washington and **Bunker Labs Seattle** teamed up to launch a new pilot program to increase digital business skills and aptitude for military veterans and military spouses. Bunker Labs Digital Boot Camps will empower veteran entrepreneurs by teaching them how to use digital tools and technology to start, run and grow a business. The pilot program in the Seattle market will run from now through April 2019. In October 2018, Comcast committed a \$20K grant and additional resources to support the launch of Bunker Labs Digital Boot Camps after Comcast announced the expansion of its Internet Essentials program in Washington.

**Google It:** **Sprint** and **Google** are expanding their MVNO partnership to include 5G, the pair revealed during Mobile World Congress Barcelona. The deal will bring 5G capabilities to Google Fi customers, meaning major increases in network capacity and density. With the rollout, Google Fi customers with Spring 5G compatible phones in a coverage area will automatically be connected to the new network. Spring 5G is launching in nine cities within the first half of 2019: Atlanta, Chicago, Dallas, Houston, Kansas City, Los Angeles, NYC, Phoenix and Washington, DC.

**Press Start:** **SK Telecom** and **Comcast Spectacor** are about to play a two-player game, reaching a deal to form a global esports joint venture. T1 Entertainment & Sports will include competitive teams in popular games including "League of Legends" and "Fortnite," but will not include Comcast Spectacor's Philadelphia Fusion **Overwatch** League franchise.

**Children and Media:** *Sen Edward J. Markey* (D-MA) and *Sen Roy Blunt* (D-MO) will hold a bipartisan Congressional roundtable discussion titled "How Do Technology and Media Affect Children?" on Tuesday. The discussion will include experts from industry, academia and advocacy organizations to discuss the cognitive, physical and socio-emotional effects of the internet, computers, VR and video games for children.

**Game Time:** **NBC Sports Group** acquired the exclusive rights to the All-American Bowl. The company is now the owner, operator and multi-platform media rights holder of the annual high school football game featuring the country's top 100 players. NBC Sports broadcast the Bowl annually since 2004, and will air the 20th annual event on Jan 4, 2020.

**Programming:** **ESPN** and **ESPN+** will now be the exclusive home of the **Professional Fighters League (PFL)** in the US. All 10 PFL events will air live across **ESPN2**, **ESPN Deportes** and **ESPN+**, kicking off May 9. -- **Smithsonian Channel** and the **BBC** teamed up to create back-to-back hour long specials on Brexit and the migrant crisis. "Europe in Chaos" premieres on Smithsonian Channel on March 28 at 8pm, just as the UK enters the March 29 deadline for withdrawal from the EU.

**People:** **FreeWheel** tapped *Yuling Ma* as svp, engineering and gm of its Beijing office. Ma joined the company last month, and most recently served as a division head overseeing data products, platforms and business development at **JingDong.com**.

## CFX TECH

### New Kid On The Block

Video is no longer the star at the center of anyone's bundle. Between cord-cutters, cord-nevers and their ever-growing collection of connected devices, broadband has grown more important by the day.

Now, greater numbers of operators are investigating the idea of using an app-based approach to launch their own pay TV offerings with devices like **Roku**, **Apple TV** and **Amazon Fire Sticks**. A Monday session at **NCTC's Winter Educational Conference** served as a space for member operators who were early adopters of app-based services to share their learnings and struggles with the new pay TV model.

Since taking the chance on an app-based solution, **All West Communications** president *Matt Weller* has seen infinite benefits from the flexibility offered by the platform. He's been able to tell his customers that they're able to connect whichever device they prefer to access their favorite content, and they've responded better than he could have expected.

"It's not been a hard sell for a certain demographic," Weller said.

That certain demographic tends to skew younger, including folks moving from apartment to apartment and often not looking to sign up to the traditional cable package. Older generations who may not be as familiar with the newest technologies instead tend to stick to the service they know, love and have probably had for years. Even the smallest things matter. For instance, younger demos are fine with the simplistic remotes that come with devices like an Amazon Fire Stick while older folks gravitate towards the traditional remote with buttons galore.

"If their idea of a Fire Stick is a Bic lighter, this is not for them," **ATMC** vp, marketing & customer care, *Jody Heustess* joked.

Heustess, who's preparing for the launch of ATMC's own app-based offering launch, hit on a huge obstacle for

mid-size or small operators looking to make any sort of switch away from the traditional cable package: customers don't like to accept change, even if it's for the better.

"The biggest challenge for us is it's different," Heustess said, adding that everyone from ATMC's technicians to customer service reps were nervous about the move. "We've offered traditional cable for 25 years and now here's something different. We don't know whether to treat this as cable or do we treat this as a different service?"

It's part of the risk, there's no doubt about that. But the first step in minimizing any potential problems is to make sure that the customer service team understands the product and can convey its value to the customer, according to **Fidelity Communications** video product manager *Loren King*.

Fidelity launched its app-based offering using the **MOBITV** Connect platform in November, and King now doesn't see a real need for the box that has found its way into most living rooms.

"To me, it's hard for me to understand why we're still in a set-top arena," King said, especially with technology moving at such a fast pace that would see boxes becoming obsolete far quicker than any cloud-based solution.

For Weller, set-top boxes were still a source of good money for All West when it was looking to launch its app-based offering. Ultimately, there was enough benefit to justify giving customers the option to still have the box.

"Do I think we'll sell as many set-top boxes to the customer? Absolutely not," Weller said. "I think the kids are going to get a Fire Stick for \$29.95 and maybe the main TV in the living room where the parents use it will have a remote and have a box that is customized for them."

-- Sara Winegardner

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