

Cablefax Daily™

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What the Industry Reads First

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In the States: NC Bill for Public-Private Broadband Ventures Still Kicking

North Carolina lawmakers have tried a few times over the years to pass the FIBER NC Act, which would let local governments form partnerships with ISPs to offer broadband service. The bill's been introduced yet again, with some wondering if it has a better shot this go-round despite opposition from **Charter** and **AT&T**. What's different? For starters, the NC General Assembly recently passed the Electric Co-Op Rural Broadband Services bill. The measure overwhelmingly passed in the House 114-1 and was signed into law by the governor on May 30. It would allow electric cooperatives to offer high-speed internet access through their infrastructure in rural parts of North Carolina. It also removes regulations that impeded co-ops from receiving federal grant funds for connecting underserved areas. The FIBER NC Act is a bit narrower, but also is intended to help get broadband to rural areas. It would allow towns to partner up with ISPs to build and lease broadband facilities. What may help it gain traction this year is a real-world example in the North Carolina town of Salisbury. Last May, Salisbury residents approved leasing the town's existing, money-losing broadband system to **Hotwire Communications**. Hotwire has been lobbying in support of the FIBER NC bill, using Salisbury as an example and arguing that such a partnership could be even more successful if an ISP is in on the project right from the beginning. "The lack of broadband across North Carolina has reached a critical point where it is harming children seeking a competitive education and suffocating the state's local economies," said *Jonathan Bullock*, Hotwire's evp of corporate development and government. "It is frustrating to see certain operators blocking the FIBER NC Act, at the expense of North Carolina's future, in an effort to defend a monopoly where they don't even have service." The FIBER NC Act has garnered the attention of **Consumer Reports**, which recently issued an action alert encouraging the public to tell their state reps to vote yes. "Not only are the big internet service providers like Charter, **CenturyLink** and AT&T laser-focused on providing internet to densely populated areas where they can make the most profit, they also want to block smaller companies from creating high-speed internet access in rural areas. Simply put, they have a control over your internet access and want to keep it that way," reads the Consumer Reports missive. Traditional ISPs have been skeptical over the years of municipal offerings, supporting a bill that passed in NC in 2011 that sets "level playing field" ground rules for when cities compete against private providers. Their concerns include whether city officials would be promoting city services over those provided by



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private companies, who are often times some of the largest taxpayers in the state. With the NC General Assembly's current session expected to wrap soon, time is running out. But Salisbury may prove to be the testbed that helps keep this bill alive next session. The city borrowed more than \$30mln to build out its Fibrant fiber network, which launched in 2010. Since then, it's lost more than \$3mln a year on average. Hotwire's lease began Sept 21, 2018, with Salisbury receiving \$235K in gross revenue for the 1Q of Hotwire's operations (the net payment was \$161K due to credits Hotwire was allowed for drops, dark fiber and capital improvements). The city projects receiving \$600K from Hotwire in 2020, the first full year of Hotwire contributions. Salisbury approved its FY20 budget on June 18, noting that the first year of the lease with Hotwire "has been challenging, but we remain positive that as Hotwire Communications completes transition of the utility, the revenue will continue to improve." Bullock said transitioning to Hotwire services from a system with little documentation provided a lot of challenges, but also enabled deployment of new technology, like **Nokia's** XGS PON, putting a 10 Gigabit connection at every Hotwire home in Salisbury. The city was able to reduce its general fund contribution to the broadband fund by \$600K to \$2.4mln for FY 2019-20 and anticipates the contribution to be reduced each year until it reaches \$1.5mln where it is anticipated to remain flat until the debt for Fibrant matures in 2029.

MobiTV Raises \$50mln in Funding Round: **MobiTV** has closed more than \$50mln in funding from its latest round. The IP video vendor will use the funds from **Oak Investment Partners, Ally Financial** and **Cedar Grove Partners** to fuel the company's international growth and strengthen the **MobiTV Connect** platform. It's the first funding round **MobiTV** has done in two years, and it comes when the idea of offering an IP-based video solution is more widely-accepted. "We were a little bit of an outlier in terms of providing this type of service to a cable operator," **MobiTV** chmn/CEO **Charlie Nooney** told **Cablefax**. "It's more than just the platform. It's a whole mindset change in terms of the way you market, the way you track data, the way you communicate to your customers, the way you do advertising." Many small- and mid-size operators are weighing the costs and benefits of continuing to offer video, but Nooney believes it's critical to maintain that relationship with the customer in this transition period for pay TV. The next 18-24 months will be critical, he said, mimicking the transition of people to favoring and using their wireless cellphones rather than their wireline telephones. **NCTC** selected **MobiTV** as a partner to provide IP-based video to its members.

Nielsen Dives Into 'Streaming Conundrum': The newest edition of the **Nielsen** Total Audience Report found that streaming users tend to gravitate back to their traditional TV preferences when they're not sure what to watch. The research found that 58% of users said they were more likely to go back to their favorite traditional channels if they were unsure, and only one-third of adult respondents say they browse their SVOD content menus for more content. Another

Cablefax: What's Happening... August, September & October

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		Awards	Events
AUGUST	Woodstock 50th Anniversary We'll celebrate peace, love and music with a special report that looks at how programmers are recognizing this historic music festival, as well as how the event helped shape the entertainment industry.		
SEPTEMBER	Cablefax: The Magazine – September Issue Most Influential Minorities Our annual magazine will salute the men and women who are shaping the industry for years to come. SCTE Cable-Tec Expo Daily coverage from the Expo show floor along with a pre-show special report. We'll look at the technology and standards development that you need to know about right now, including the progress with the Energy 2020 initiative. Our pre-show issue also highlights SCTE, WICT and Cablefax's Woman in Technology award winner.		Cablefax & NAMIC Diversity Breakfast September 17 NYC
OCTOBER	CTHRA In addition to shining a spotlight on Excellence in HR honorees, Cablefax will present the latest developments in HR and how they are impacting business results.		The FAXIES Awards Luncheon NYC

21% said they wouldn't watch any more content all together if they couldn't choose. According to Nielsen, only 22% of adults stream video content when they don't know what to watch before looking into options, and 66% already know exactly what they want to watch. The remaining 33% have a rough idea, but aren't exactly sure. On average, adults 18-34 who stream spend 9.4 minutes dwelling on content options, and 8.4 minutes for adults 35-49. Overall, US adults spend 11 hours and 27 minutes a day connected to media (up by 21 minutes over 1Q18). Average live TV consumption is down slightly, to an average of 3 hours and 53 minutes a day from 4 hours and 10 minutes. Time spent on an app or the web on a smartphone jumped up to 3 hours and 1 minute from 2 hours and 22 minutes.

Pluto TV Latino Launches Spanish, Portuguese Content: Pluto TV Latino launched on Monday, which the company says is the first major ad-supported OTT service in the US to offer a dedicated Spanish and Portuguese category. It delivers 11 curated Spanish and Portuguese-language channels for US Hispanic audiences for free. Genre-specific channels from **MTV**, **Comedy Central**, **Telemundo**, **Combate World** and **Lucha Libre** include library collections, music specials, comedies, crime series, telenovelas and more. Three movie-themed channels have blockbuster and native Spanish-language films. Programming will be in native Spanish-speaking and dubbed versions. The move is another expansion of the free AVOD by **Viacom**, which purchased Pluto in January for \$340mln. More channels are expected to launch on Pluto TV Latino this fall in areas including food, competition, travel and kids.

PlayStation Vue Raises Prices, Adds Nets: PlayStation Vue raised its prices by \$5 a month on all of its plans. PlayStation Access now comes in at \$49.99, the Core package at \$54.99, Elite costs \$64.99 and Ultra costs \$84.99. The change went live Monday for new subs, and current customers will see the raise on or after July 31. **beIN SPORTS** is headed back to PlayStation Vue after the net was dropped from the MVPD in June 2017. The net will be in PlayStation Vue's Core tier, and **beIN SPORTS en Español** will be on the Sports Pack Core add-on for \$10 a month, and the Español Pack for \$4.99 a month. The company also announced it will soon be adding **NHL Network** and **ACC Network** to its Sports Pack.

Nationwide EAS Test Deadlines: The **FCC** reminded folks that FEMA, in coordination with the agency, will conduct a nationwide Emergency Alert System test on Aug 7 at 2:20pm ET, with a back-up date of Aug 21. All EAS participants, which include cable systems and broadcasters, must file Form Two in the EAS Test Reporting System at or before 11:59 pm ET on Aug 7, and to file Form Three on or before Sept 23.

Fire TV Goes Live: Amazon Fire TV is rolling out a "Live" tab on all Fire TV devices and Fire TV edition smart TVs, next to "Home" in the navigation menu. The tab highlights live offerings from free services like **Pluto TV** and **Red Bull TV**, OTT services, such as **Philo** and **PlayStation Vue**, and Prime Video Channels such as **HBO**, **Showtime** and **MLB TV**. At the top of the Live tab there's a "Recent Channels" option, which includes most recently viewed channels across all integrated apps and services. A "Live Sports" option gives sports fans a single place to see what's airing on sports channels, followed by the "Breaking News" row. The tab also includes dedicated rows for any of the integrated apps and Prime Video Channels. The tab will be available to all customers in the US over the next week.

Disney Developing Diverse Talent: Disney Channel established The *Eunetta T. Boone* Comedy Writer's Scholarship in memory of the writer and producer who passed away in March 2019. The scholarship is intended to provide dedicated funds to hire emerging and diverse writers pursuing careers in comedy writing for television. Boone was an ep and showrunner of Disney's comedy series "Raven's Home." **Walt Disney TV** is also launching two initiatives beginning later this year to expand its diverse talent workforce. The Executive Incubator Program aims to create a pipeline of next-gen network executives through a two-year rotational program, operating across **ABC Entertainment** and **Freeform**. The Studios Intern Program will offer a career path for underrepresented backgrounds behind the camera, expected to begin in time for the fall 2019 season.

Democratic Debates Bring in Viewers: Night 2 of the first 2020 Democratic presidential debate averaged 18.1mln viewers across **NBC News**, **MSNBC** and **Telemundo**, making it the most-watched debate ever, according to **Nielsen** Fast Nationals. The DNC-sanctioned debate scored 5.3mln in A25-54 and 4.4mln in A18-49 across the three nets from 9-11pm ET. The debate live stream saw 9mln viewers and 14mln video views across all platforms.

Ratings: The US Women's National Team's 2-1 win against France on Friday set the record for the most-watched Women's World Cup quarterfinal match on US English-language television. The match pulled in 6.12mln viewers on **Fox**, peaking at 8.24mln. It averaged 211K viewers online, making it the most-streamed Women's World Cup game ever. The USWNT takes on England Tuesday in the semifinals. -- Season 2 of **Paramount Network's** series "Yellowstone" is cable's most-watched summer series so far. The second ep premiered June 26 and recorded a series high 1.87 rating among P18-49, a 66% increase YOY and a 10% jump from the premiere. It drew 4.9mln total viewers in L+3, up 14% YOY.

CFX TECH

6GHz: A Wi-Fi 6 Superhighway

The industry is moving closer to a new age of connectivity with the advent of technologies like 5G and Wi-Fi 6. But when it comes to utilizing all they have to offer, the key to unlocking all the possibilities the availability of unlicensed shared spectrum. Fitting those criteria, the 6GHz band is a technological gold mine.

Regulatory bodies in the US and Europe are examining how to free up the spectrum for these advances without disrupting incumbent users of the band. **HP Enterprise** vp, wireless strategy & standards *Chuck Lukaszewski* has been watching the proceedings and believes 6GHz Wi-Fi 6 could be possible in the US and Europe by the end of 2020.

While spectrum in the 6GHz band will be vital to realizing the full potential of Wi-Fi 6, the two aren't intrinsically connected. "Wi-Fi 6 is a technology transition that's being introduced on existing unlicensed bands," **Cisco** director, government affairs *Mary Brown* said at a panel during the **Dynamic Spectrum Alliance's** Global Summit Thursday.

Wi-Fi 6 is in the process of being deployed on the 2.4GHz and 5GHz bands with the idea that if permission is granted to introduce it to the 6GHz band, it would act as something like the first generation of 6GHz technology."

The industry is working to complete the standards surrounding Wi-Fi 6 and products are already being introduced. Cisco revealed its first line of Wi-Fi 6 wireless enterprise networking access points in April. Folks attempting to use Wi-Fi 6 right now are doing so on what used to be prime spectrum, but has now become crowded.

"We're starting to see congestion in more and more types of deployment environments," **Broadcom** director, product marketing & government affairs *Chris Szymanski* said. Those environments are varied, including

everything from military bases to airports to universities.

"What we're doing because the spectrum is so chopped up is we have this great Ferrari running in this old spectrum," Brown said. "What we really want do is get it out on the freeway, which is 6GHz with a lot of wide channels available to us in a continuous way to really make the technology work in the way it was designed."

Facebook may not make your immediate list of companies interested in spectrum activity, but keeping an eye on Wi-Fi 6 and 5G for it means watching the future of the internet.

"Bringing more people online for us is getting people onto the internet and we'll have as good a chance of monetizing that as all of the other companies that are participating in the over-the-top world," Facebook vp *Daniel Rabinovitsj* said. "Our business depends on the health of the mobile ecosystem and the health of the wireless industry."

That's exactly why Facebook, a Dynamic Spectrum Alliance member, is investing so heavily in bringing forth technology, business model innovation and analytics tools designed to keep the ecosystem healthy.

"The opportunistic use of multiple bands of spectrum and multiple types of spectrum to build a fatter pipe for users is really finally at our doorstep," Rabinovitsj said, adding that the WiFi industry should be making it as easy as possible to switch between WiFi and LTE networks outside of the home. "I think that's the other big challenge for us as we look to the evolution of Wi-Fi 6 and getting the benefit of this big chunk of spectrum at 6GHz. If 72% of our traffic is going to be originating or is being offloaded or managed onto WiFi networks, let's make that a completely seamless experience. I think the industry owes that to the people who are using this equipment."

— Sara Winegardner

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