

# Cablefax Daily™

Tuesday — May 12, 2020

What the Industry Reads First

Volume 31 / No. 092

## Change Maker: T-Mobile's Focus on Cutting Sprint Churn

It's barely been a month since **T-Mobile** finally closed its merger with **Sprint**, but plenty was underway before the two were joined to ensure Sprint customers stuck along for the ride. T-Mobile technology pres *Neville Ray* said at an investor conference Monday that although it took an "inordinate amount of time" to close the deal, it was beneficial in terms of giving his team additional time to prepare the network for a post-Sprint future. Those plans were primarily focused around how to create an experience that would ultimately reduce churn amongst the Sprint sub base. "There's a very large, very valuable volume of customers there and network churn has been the thorn in the side there for the Sprint business," Ray said. That's why the two companies signed agreements that gave Sprint postpaid customers access to T-Mobile's network when they roamed off of Sprint's as well as, eventually, access to T-Mobile's 5G network. "That Achilles heel for Sprint coverage is effectively being solved for those LTE customers with a compatible handset," Ray said, adding that around a third of Sprint customers have taken advantage of those roaming capabilities. T-Mobile evp/ CFO *Braxton Carter* said the company will also be participating in future spectrum auctions to continue bolstering its network. Those efforts are all well and good, but with the COVID-19 pandemic plummeting the world into a state of recession, there are questions as to how many customers, particularly in the Sprint sub base, could stop paying their bills. For now, no mobile carriers can disconnect their service thanks to the **FCC's** Keep America Connected pledge, but Carter said there could be a problem when the pledge is over and customers look at their bills. "The bill shock is you have several months worth of payments stack up and then all of a sudden, you're looking at a bill of four times what you usually pay," Carter said. "And when we have the type of unemployment that we have here in the country, that is obviously a problem. But it's the right thing to do for our country." Even with the current hardships, Carter said a significant number of customers have either partially or fully paid their bills. But, in order to mitigate that billing issue, T-Mobile is exploring payment and rate plans for when the pledge comes to an end. "That's a way to place people who are really under economic distress with core connectivity," Carter said. "We're doing our part, but we're also reducing exposure." As for the sale of Sprint's prepaid business to **DISH**, Carter expects that to close in June. "Quite frankly, he has to close the transaction and he's very well-positioned to do it. Never count Charlie [Ergen] out of anything."

We are so proud of our industry and the many ways companies are responding to the pandemic. Free internet, fresh content, employee safety and much more.

The Cablefax Editorial Team is reporting on vital industry updates every day. We want to hear from you so please reach out to share your news and stories.

**Content. Community. Daily.**

Amy Maclean, Editorial Director,  
amaclean@accessintel.com or 301.354.1760

**The Collapse of Theatrical Windows?:** With theaters shuttering, will day-and-date releases become a thing? **Universal Pictures** is the first out of the gate, announcing "Trolls World Tour" will be available April 10 for a rental. Other in-release movie titles are set to be available as soon as this Friday. The movies will be available on **Comcast, Sky** and a "broad range of on-demand partners." Titles to be made available include "The Man" and "Emma" with a suggested retail price of \$19.99 for the US.

Tuesday — March 17, 2020 What the Industry Reads First Volume 31 / No. 050

**For Now: Providers Set Aside Disputes During Coronavirus Outbreak**

As they face the common enemy that is the coronavirus pandemic, **Cox Media Group** and **DISH** have set aside their retrans dispute for now so that **DISH** can resume its carriage of 10 CMG stations in New York, Oregon, Washington, Arizona, Louisiana, California, Mississippi and Idaho. No word on how long the truce will last.

# Cablefax Daily™

Friday — March 13, 2020 What the Industry Reads First Volume 31 / No. 050

**New Normal: Companies Roll Out Contingency Plans in Face of Covid-19**

With a growing number of students and employees working from home, it's mission critical for the nation's broadband providers during the Covid-19 pandemic. Operators big and small are up-ending their day-to-day operations to ensure service to their customers.

Wednesday — March 18, 2020 What the Industry Reads First

**Covering Covid-19: Content Companies Step Up Efforts**

Programmers are shuffling schedules to respond to the coronavirus crisis. **The Weather Channel** is airing live programming at 50 minutes past the hour to share educational content. **Netflix** is airing live programming due to school closures. Topics include why thunder happens, how rainbows form and more. Programming is scheduled for Friday at 2pm.

**From the Commission:** Another 116 broadband and telephone service providers have taken the **FCC's** Keep Americans Connected Pledge, agreeing to take specific steps to keep Americans connected for 60 days. Some notable names taking the pledge include **Hotwire Communications**, **Midwest**

SCTE•ISBE

CABLE-TEC EXPO®  
DENVER, CO » OCTOBER 13-16 2020

# IMAGINE THE POSSIBILITIES...

INTRODUCING THE 2020 PROGRAM CHAIRS:



**Ed Marchetti**  
SVP Operations,  
Comcast



**Thomas Monaghan**  
SVP, Field Operations,  
Charter Communications



## REGISTRATION IS NOW OPEN!

SCTE•ISBE Cable-Tec Expo® is the largest cable telecommunications and technology tradeshow in the Americas. Expo is the largest learning and networking event in the industry, that puts leaders in the conversations that matter.

**Don't Miss Out on These Boot Camps!**

**October 11-12, 2020**

- » The DOCSIS® of Today and Tomorrow
- » Distributed Access Architectures
- » Sharpening the Fiber Skills for FTTH

Register now at [expo.scte.org](http://expo.scte.org) | [#cabletecexpo](https://twitter.com/cabletecexpo)

**Envision™**  
CableLabs® Vendor Forum

**Register Now!**  
October 13, 2020  
Denver, CO

[cablelabs.com/event/envision2020](http://cablelabs.com/event/envision2020)

The graphic features a white background with a purple and red abstract design on the left side consisting of circles and lines. The text is in purple and red.

**SCTE • ISBE**

© 2020 Society of Cable Telecommunications Engineers, Inc. All rights reserved.  
[scte.org](http://scte.org) • [isbe.org](http://isbe.org)

Cablefax Daily (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefax.com ● 301.354.2101 ● Editorial Director: Amy Maclean, 301.354.1760, amaclean@accessintel.com ● Publisher: Michael Grebb, 323.380.6263, mgrebb@accessintel.com ● Senior Editor: Sara Winegardner, 301.354.1701, swinegardner@accessintel.com ● Associate Editor: Mollie Cahillane, 212.621.4951, mcahillane@accessintel.com ● Acct. Exec: Olivia Murray, 301.354.2010, omurray@accessintel.com ● Director of Marketing: Kate Schaeffer, kschaefter@accessintel.com ● Prod. Mgr: Joann Fato, jfato@accessintel.com ● Kerry Smith, Divisional President, Marketing & Media Group, ksmith@accessintel.com ● Group Subs or Subscription Questions, Client Services: 301.354.2101, clientservices@accessintel.com ● Annual subscription price: \$1,749.00/year ● Access Intelligence, LLC, 9211 Corporate Blvd., 4th Floor, Rockville, MD 20850

**AT&T's MVNO Interest:** Charter CEO *Tom Rutledge* revealed that the company has had discussions with AT&T about an MVNO. "They're interested in having a relationship with us, and we're interested in having a relationship with them," he said during Monday's **MoffettNathanson** investor conference. Charter just completed a programming deal with AT&T that includes carriage of **HBO Max**. An MVNO agreement wasn't included in that deal because it got very complicated, he said. Charter currently offers its Spectrum Mobile service through an MVNO with **Verizon**. **Comcast** also uses the Verizon MVNO to offer Xfinity Mobile. Speaking at the same conference, Comcast Cable CEO *Dave Watson* said the company likes its relationship with Verizon, but will always listen to others. "Over time, all of them have reached out in one way or another and wanted to talk, including AT&T," he said, adding that there are a "couple opportunities" to improve and add to an already good MVNO. "We like our relationship with Verizon, but we will always listen to opportunities."

**Cable on SMB, Sports:** Yes, small businesses have been hit hard by COVID-19, but both **Charter** and **Comcast** said they are seeing growth in the segment. "We fully expect growth... It probably will be in the lower single digits, but it will be growth," Comcast Cable CEO *Dave Watson* said at an investor conference Monday. Charter CEO *Tom Rutledge* said the company still is seeing growth in SMB as well, with "very few" accounts terminated. Some accounts have been paused. He added that SMB is in a "holding pattern" for the most part, with the business market much slower than it was. "Obviously, how long this goes on will have an impact on the carnage that holding pattern will have. But there is still growth interestingly enough—growth in sales in SMB and certain kinds of enterprise service," Rutledge said. -- When it comes to refunds for sports, Comcast's Watson cautioned that the contracts between sports leagues, programmers and distributors don't always line up. For example, in some cases refunds could come in the form of in-kind offerings instead of money. Charter actually saw its 1Q video losses improve YOY, something Rutledge attributed to its offer of skinny bundles without sports and its strong position as an app-based video provider. He also suggested that some of the 119K customers taking its 60-day free broadband offer were coming from a satellite/DSL combo and switching to Charter for video. As for sports, Rutledge said there is still an appetite. "People still want to watch it in big numbers," he said. "It is just becoming more of an exclusive product because of its high cost." -- Watson said that he and his wife had a "very mild case" of COVID-19, saying it added a personal perspective as Comcast worked to pivot to self-installs, working from home, etc.

**NBCU's One Platform Goes Global:** On what should have been the day of its annual upfront presentation at Radio City Music Hall, **NBCU** went live Monday from talent and execs' homes to give a presentation on its advertising strategy. The company emphasized the event was not an upfront, but it did feature an introduction from *Kelly Clarkson*, an appearance by *Milo Ventimiglia* (star of "This is Us") and the premiere of the trailer for upcoming sitcom "Mr. Mayor," created by *Tina Fey* and starring *Ted Danson*. NBCU announced several updates to its One Platform tool, an upcoming "creativity summit," and a new global business offering in partnership with **Sky**. The offering is an expansion of the company's already existing ad strategy and is designed to target "global brands and international marketers." Ad chief *Linda Yaccarino* said the offering will be available to marketers in every country they operate in. "We must continue to innovate at a time when your customers need us most," she said. "That's what our entire industry needs to do. We have to come together and actually market our way out of this crisis." The new partnership will allow marketers to purchase ads across Sky and NBCU's international news and entertainment programming on both TV and digital

# THE FAXIES

RECOGNIZING EXCELLENCE IN PR & MARKETING

Submit your entries by May 15

Your hard work is done – and now it's time for you and your team to get recognized!

Honoring those people, shows, and networks who excel in digital content, marketing, advertising, social media and online content.

Submit your entries now to take advantage of the best price available.

[www.TheFAXIES.com](http://www.TheFAXIES.com)

media, and across each company's global IP portfolio. While the new venture with Sky was probably the biggest news of the day, execs took the time to give an update on the company's response to COVID-19, announce new content and commercial innovation and technology updates. NBCU's partnerships throughout the pandemic have raised more than \$15m for non-profits, with the "Parks and Recreation" reunion alone raising over \$6m. *Laura Molen*, pres of ad sales and partnerships, reaffirmed NBCU's commitment to greatly reducing commercial time and clutter. NBCU is also testing in-flight optimization and scaling its AdSmart Data Sync. During a Q+A, *Mark Marshall*, pres of ad sales and client partnerships, emphasized that NBCU will continue to innovate with programming and scheduling throughout the pandemic. "If you had asked me what our contingency plans were three months ago, I probably would have given you an answer like 'NBC has been around for 100 years. We have a great library of content that will support anything we need,'" he said. "[Now] I'll say 'We'll let the best talent in the world be creative and get out of their way and we'll see what magic happens, and in addition we have that 100 years of content.'" Yaccarino emphasized that these ad innovations were already underway, and the pandemic simply accelerated them. "The future just came faster than we thought. I think the legacy trading practices answer to old consumer behavior that no longer exists," she said. "Many of you who join us today have expressed your continual frustrations about the confines of those networks and dayparts and the inability of the industry to aggregate around audiences and to scale them. Structural change has happened, you can't just put up your hand and stop it... We're in the business of delivering those audiences and the ROIs and the impact so your businesses can get stronger as we come together to market our way out of this."

**fuboTV OK Without Sports?:** fuboTV CEO *David Gandler* said in an interview with **Canaccord Genuity** analyst *Maria Ripps* Monday that the sports-focused streamer remained largely unaffected by the COVID-19 pandemic through 1Q. That's in part due to stay-at-home orders becoming effective late in the quarter and in part because fubo focuses a large portion of its marketing budget towards the start of the NFL season in 3Q. "There certainly was an impact on the advertising side, but I think what we've seen in the last two-and-a-half weeks is that those numbers are starting to recover very nicely," Gandler said. "Even advertisers that were specific sports advertisers are still now looking to get into non-live, short of adjacent programming because they believe seasons will start soon." While there is still risk for fubo because it remains unknown when live sports will return, Gandler is optimistic that sports will be back before we know it. "We're not really impacted because we're not on the fan side of the business," Gandler said. "We think things will recover going into the fall, which is really when you'll see significant growth in our sub numbers."

**MCTV Makes Acquisitions:** Northeastern Ohio provider **MCTV** acquired **Centre TV Cable** and **Powhatan Point Cable**, expanding its service further into southeastern Ohio and West Virginia. MCTV currently services more than 52K homes and businesses, and plans to complete the acquisition June 1. The company said improvements to the system are planned for the coming months, including improving internet reliability.

**Taking a Break:** Netflix's monthly ISP speed index has been on a break since February, with the streamer putting the rankings on pause in light of the work it has been doing with governments and ISPs around the world to temporarily reduce strain on telecom networks. **Hotwire** has ranked as the fastest ISP on Netflix's rankings since September 2018, but it fell from the gold medal podium for the first time in February—the last ranker released. Texas-based phone cooperative **GVTC Fiber** squeaked into the No 1 spot, with an average speed of 5.12Mbps compared to 5.09Mbps for Hotwire.

**People:** FCC press secretary *Tina Pelkey* is leaving for a position in the private sector. "She has been incredibly responsive both internally and externally, has shown outstanding strategic thinking and leadership, and has been an excellent writer and speaking coach (not that I've slowed down my speaking quite as much as she would like!)," FCC chmn *Ajit Pai* said in a statement. Other staff changes in the Office of Media Relations include *Will Wiquist* being boosted to associate director of communications/policy advisor and *Katie Gorscak* rising to senior communications advisor. *Anne Veigle* has been appointed deputy director of communications. Veigle most recently served as **NTIA's** public affairs director. -- **WarnerMedia** introduced its enterprise inclusion leadership team, working to implement a comprehensive strategy to address D&I for the company. *MyKhanh Shelton* joins as svp, enterprise inclusion from **21st Century Fox**. *James Anderson* will serve as svp, enterprise inclusion (marketing & communications) after spending 14 years at **Turner** as svp communications for **Cartoon Network, Adult Swim, Boomerang** and **TCM**. *Karen Horne* joins as svp, enterprise inclusion (programs) from **NBC Entertainment and Universal Television Studios**. *Samata Narra* comes over from **Fox** as svp enterprise inclusion (content). She previously served as svp of comedy development and current programming.

**Editor's Note:** Friday is the regular deadline to enter The FAXIES, **Cablefax's** annual PR and marketing awards. Categories include PR Exec of the Year, Tech Team of the Year and Best New Product Launch. Enter at [www.TheFAXIES.com](http://www.TheFAXIES.com).

## CFX TECH

### Tech Suffers in 1Q20

The COVID-19 pandemic has disrupted every aspect of daily life, whether that's grabbing a cup of coffee and a pastry from a neighborhood joint in the morning or heading into the office each day of the week. For those in tech, everything from supply chains to technology roadmaps have had to be adjusted to meet current needs, and while there are bright spots, there's no hiding the hurt the crisis has inflicted on most.

**CommScope** said during its earnings call Thursday that many cable operators are being forced to press pause on many "advanced engineering projects" due to the network strain that has come with more folks working and learning from home. That includes projects related to distributed access architectures and network virtualization.

"In this current environment, there is a focus on the trusted, traditional integrated CCAP technologies, and this places CommScope in a great position to help our customers maintain network performance," CommScope CEO *Eddie Edwards* said on the company's earnings call.

That temporarily boosted the amount of software licenses and hardware sales it saw in relation to CCAP technology, but that's about where the good news ends.

Net sales at CommScope dropped 18% YOY, and the company estimates a negatives sales impact of approximately \$2mIn related to COVID-19 supply chain disruptions. Overall, the quarter was impacted by approximately \$30mIn due to COVID-19.

Still, CommScope is optimistic that this isn't a sign of long-term troubles for the company. CFO *Alex Pease* reminded investors that from a cash flow standpoint, the first quarter has always been CommScope's low point. The supply chain is recovering from the pandemic, and there are plenty of opportunities for the company coming later this year as cable operators give more energy

to larger network investments and the new **T-Mobile** continues to build out its 5G network.

"We expect CommScope to be a critical supplier as T-Mobile touches thousands of towers to optimize their network for their current 600MHz spectrum and Sprint's 2.5GHz spectrum," Edwards said. All indications point to escalating activity in the second half of the year, and we're ready to get to work."

**TiVo** is all in on streaming, touting higher viewership metrics and the launch of a new streaming product on its 1Q20 call Wednesday. TiVo also took the opportunity to address its ongoing patent battle with **Comcast**, and CEO *Dave Shull* celebrated Rovi's wins at the International Trade Commission. Due to those rulings, Comcast has been forced to remove certain features from its X1 offering.

"These are features and functions that all of our other licensees including Comcast's competition can continue to offer to their subscribers," Shull said. "As we look to the future, we will continue to take the necessary steps to protect our IP against unauthorized use by Comcast."

On its pending merger with **Xperi**, TiVo said shareholders will vote on the combination at a special meeting scheduled for May 29 and expects to complete the deal within the second quarter.

**Synacor** stock dropped more than 12% Thursday after the company reported major reductions in revenues related to the drop in overall media spend. Synacor reported revenues of \$20.6mIn compared to \$31.8mIn in the same period last year (or \$22.5mIn when excluding the ATT.net portal business). Declines were driven by the COVID-19 impact on the publisher advertising business.

Revenue in the software & services segment totaled \$11.1mIn while those in the portal & advertising segment dropped to \$9.5mIn. The current year quarter includes \$1.4mIn of M&A expenses related to the company's pending merger with **Qumu**. -- *Sara Winegardner*

*Cablefax Selected by SCTE•ISBE  
as Exclusive Partner for the Official Show Daily*

SCTE•ISBE  
**CABLE-TEC EXPO®**  
DENVER, CO » OCTOBER 13-16 2020

Featuring Expanded Coverage in Print, Online & Video Show Dailies

### Supercharge Your Exposure!

"We were blown away by the passion and imagination Cablefax brought to the SCTE•ISBE Cable-Tec Expo official show daily coverage. In print, online and especially in video, the Cablefax team went above and beyond in capturing the moments that made Expo 2019 a must-attend event. Together we're already imagining the possibilities for new concepts at Expo 2020 in Denver."

- SCTE•ISBE's President and CEO, Mark Dzuban



Space is selling quickly! Contact Olivia Murray at [omurray@accessintel.com](mailto:omurray@accessintel.com) or 301.354.2010