# Cablefax Daily...

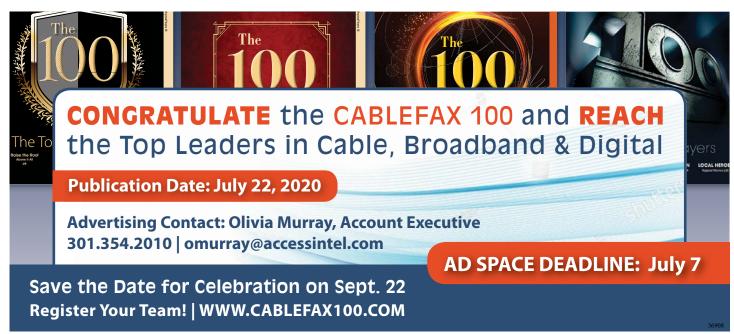
Monday — June 15, 2020

What the Industry Reads First

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#### 5 Questions: Spectrum Reach Chief Sees Signs of Ad Rebound After 2Q

As the country began to shutdown because of the pandemic, local cable and broadcast advertising were among the first businesses to feel the impact. David Kline, president of Spectrum Reach—Charter's advertising arm shared his insights on the current market, political advertising potential and creative partnerships for small business. An edited excerpt follows. Advertising is obviously challenging, particularly in 2Q. What are you seeing right now? It has been very difficult since late March when most of the sports we had booked were canceled. Our 1Q was pretty good. We hung in there pretty well because it wasn't dramatically affected. But 2Q, April was probably one of the worst months we'd ever had, and personally one of the worst months I'd ever seen in terms of performance in my career. We only may have gotten to maybe half our budget due to all the cancellations that we took. But we've slowly been improving. That improvement has gone up in May. It's gone up again in June from what we've seen, and we think it's going to continue to edge its way back up in July and August. I think in September we're going to start to see the market, hopefully rebound unless there's some other macro issue that would cause it not to, such as another outbreak of coronavirus. With talk heating up on the MLB, NBA, NFL returning, what's the interest like from advertisers? It depends on how they come back and where they come back, but there's a big appetite for it. And these are going to be made-for-TV events because there will not be people in the stands. It'll probably be done without a fanbase initially. What are you seeing in terms of your partner program providing free creative to small businesses? We were talking to customers about how do you keep your ad on if it's talking about a big blowout sale and you're not even going to be there for it. We said: why don't we help you? We'll make available to you through some of our automated tools a new spot. You don't even have to be a customer of ours. You don't even have to use it on us. You can use it on broadcast, online, anywhere you want. We just want to be there to help you. We've done about 3800 of those ads to-date. That's a lot of free creative, but I think the advertisers recognized they had to acknowledge what was going on and needed to talk to their customers in a way that's more relatable than just trying to sell them something. So the success is that it creates goodwill with you? It's creating not only goodwill with us—by the way, we were voted in the Myers Report as the No 1 most-trusted sales organization in the



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US over 80 different media companies. But this was meant to help them talk to their customers in a way that's more relatable during the pandemic and keep their names out there. We didn't do a whole lot of creative that had calls to action like they normally do. I think we created goodwill with them and they created goodwill with their customers. There are expectations that there will be significant political spending in the back half of the year. What are you seeing to support that? 1Q was the biggest first quarter we've had ever in a political year. Obviously, things slowed down with 2Q and some of the primaries were postponed or canceled. I also know that in talking to our colleagues at Ampersand, what they're saying is that fundraising has never been higher. PACs have raised more money this year than ever before and they have it stored up. The biggest issue I think we're going to have is are we going to be able to run it all in a shortened window. I think we're going to hit our political number, which was very aggressive this year. In our polarized society, I think there's a lot of messaging that's going to go back and forth. And a lot of that's going to be on cable because it can really penetrate and target more finitely than broadcast. Fundraising is so high. They're going to spend that money and they're going to spend it on media.

<u>C-band Deadline Alert:</u> The FCC denied a request by ACA Connects and NCTA to extend the comment deadline on lump sum payments that have been proposed for MVPDs in its C-band proceeding. The associations had sought a 6-day extension to June 22 to review transition plans submitted by satellite operators. On Friday, the FCC did grant a 7-day extension for C-band space station operators to file those transition plans, meaning cable operators will have to submit their comments without having seen satellite's plans. Cable's comments are due June 16 with satellite's due June 19. In denying NCTA and ACAC's request, the Wireless Telecom Bureau said there was sufficient info in the lump sum public notice and preliminary cost catalog for stakeholders to provide informed consent on the proposed cost categories.

**Transparency in Telehealth:** House Commerce chmn *Frank Pallone* (D-NJ) and subcmte chmn *Mike Doyle* (D-PA) are asking the **FCC** to be more transparent in its distribution of public funds through the COVID-19 Telehealth Program. Under the CARES Act, Congress appropriated \$200mln to the Commission to address COVID-19 by providing telecom services, information services and devices needed to enable the provision of telehealth services. "While the FCC has posted weekly updates of funding awards, we are troubled by the lack of transparency regarding the health care providers who have applied but have not yet received an award," Pallone and Doyle wrote in a letter to FCC chmn *Ajit Pai*. The pair said they have heard reports that many providers are facing issues obtaining funds, particularly those serving tribal lands, and that some providers have been unable to use the funds to receive telehealth equipment they believe should be covered under the law.

<u>Stand for Small</u>: Comcast Business and NBCUniversal joined the "Stand for Small" coalition, in partnership with American Express, to bring support to small businesses during the pandemic. Comcast Business is providing access to free webinars and third-party resources, and NBCU introduced a new marketing and creative services assistance program. More than 70 US organizations have joined to support millions of small businesses through a centralized digital platform to help companies navigate the crisis. AT&T, Spectrum Business and Verizon are among other members.

<u>Ritter Completes Investment:</u> Ritter Communications invested \$16mln in Texarkana, TX, and Texarkana, AK, to bring 100% fiber internet services to businesses in the twin cities. The company invested \$12mln in a transport route to get fiber service to Texarkana, and another \$4mln to build out the business service in the market. The high-speed services will be available beginning in July. The company also donated \$25K to the Texarkana Regional Chamber of Commerce Foundation's COVID-19 Small Business Support Program.

<u>Another Wave of CAF II Funding</u>: The FCC gave the green light to the 13th wave of support from the CAF II auction, authorizing over \$7.4mln in funding over ten years to expand rural broadband in Oklahoma and Oregon. Tribal provider **Redwire** will receive \$4.7mln to provide fixed broadband to over 8K rural homes and businesses in Oklahoma, while **Viasat** will serve nearly 4K homes in Oregon with \$2.7mln in FCC support.

<u>Ratings:</u> The two-night special "**OWN** Spotlight: Where Do We Go From Here?" pulled in 17.6mln viewers since its premieres on Tuesday and Wednesday across all of **Discovery**'s platforms, including linear and social media. Linear airings reached 10mln unique viewers, including repeats. The live simulcasts reached 7.3mln viewers.

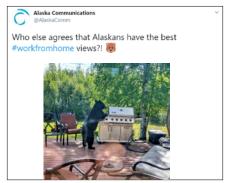
### **Cablefax Dashboard**



Jason Conrick, Charter: Conrick, a technican with Charter, arrived for a routine trouble call in a customer's home in Centerville, TN, last month. It turned out to be anything but routine. The elderly customer had started cooking in the kitchen while he was working on some of the customer service concerns. As Conrick was wrapping up, he heard the customer in the kitchen scream for help. He went into the kitchen and saw that a pan on the stove with grease in it had caught fire and the flames were reaching the top of the stove and the cabinets. He jumped into action, pulling the pan off the stove and grabbing a box of baking soda. In this process the grease splashed up on Conrick's face and nose causing first and third degree burns to his forehead and nose. Without any hesitation or concern for himself, Conrick was able to put the flames out and save the customer's life.

#### **Tweet Tweet**





#### Research

- During COVID-19 stay-at-home orders, customer satisfaction with ISPs surged 4.8% to an ACSI score of 65.
- The improvement spans nearly the entire industry, with 8 of 11 providers showing ACSI gains. The most improved ISP is Comcast's Xfinity.
- Only two providers fell in the opposite direction with ACSI downturns: AT&T Internet and Suddenlink (Altice USA).
- The top-ranked ISP in the industry is Verizon Fios, which saw a 4% ACSI score gain to 73.

(Source: American Customer Satisfaction Index)

#### **Quotable**

"It was obviously due to pressure to cancel the show based on the current environment that we are in. Now again, I had thought the show would survive, I had thought that we could both support the important protests and calls for change that are going on around the country and say that 'Live PD' and transparency amongst police officers and police departments can and should be a part of that. But in the end, the decision was made to end the show... I wasn't part of the discussion. I'm the guy who tweeted out a couple of days ago, don't worry, the show is not going away, because I was convinced it wasn't going away." – Former Live PD host Dan Abrams discussing the show's cancellation on Fox News Channel's "Bill Hemmer Reports"

## We Want to Feature Your Heroes!

On Fridays, Cablefax will feature a local hero. We're looking for stories of employees who are going above and beyond. Maybe they are volunteering in their community, sewing mask covers for hospitals, spearheading supply donations, etc.



Please send a photo and 150-200 words about the person to amaclean@cablefax.com