Another Look: Charter Wants FCC’s Data Cap Conditions to Expire Early
Charter wants the FCC to let two merger conditions to which it agreed as part of its acquisition of Time Warner Cable in 2016 sunset on the fifth anniversary of the deal’s closing: May 18, 2021. The MSO petitioned the FCC last week on the conditions—one that prevents it from imposing data caps/usage-based pricing, the other that requires it to interconnect its IP network to any qualifying entity free of charge and on standardized terms. The FCC set the two conditions to last for seven years, but Charter argues that there is a mechanism for the conditions to be amended to five years—citing language in the FCC order that the “ability to predict New Charter’s future market power based on the current record diminishes the farther into the future we look.” Charter argues that the market has changed so quickly and dramatically that it should end both conditions at the five-year mark. The crux of its argument is that online video distribution [OVD] has soared over the past four years—significant because the FCC imposed the data cap/usage-based pricing condition to protect subs from paying fees designed to make online video consumption more expensive so that subs would stick with traditional pay TV. Since the TWC deal closed, Hulu’s subs have grown 238%, Amazon Prime has grown 124%, Netflix is up 136% worldwide and HBO Now has grown 900%, Charter said. “Today, of the six largest broadband providers that together serve approximately 83% of the market, all but one that is free to do so has adopted some type of data cap or similar data usage policies to help manage their networks,” Charter told the FCC. “As data usage skyrockets, the DC/UBP Condition artificially hampers Charter’s ability to allocate the costs of maintaining its network in a way that is efficient and fair for all of its customers—above-average, average, and light users alike. Charter should be afforded the same flexibility as other broadband providers to respond to developments in the market.” The FCC’s interconnection condition was imposed to make sure OVDs aren’t harmed by increasing interconnection costs. “The fact that other broadband providers have entered into interconnection agreements without affecting the robust OVD marketplace proves that the condition can be safely removed,” Charter said. “Since 2018, broadband providers other than Charter have been free to negotiate for interconnection, and still the OVD marketplace has flourished.” Comments on the Charter petition are due on July 22 while the deadline for reply comments has been set for Aug 6.

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Moving America Forward With Broadband: House Democrats introduced a $1.5 trillion infrastructure bill Monday aimed at modernizing America’s energy systems, protecting access to safe drinking water and closing the digital divide. The Moving Forward Act would appropriate $100bn to promote competition for broadband infrastructure, particularly in unserved and underserved communities in persistent poverty. The bill also aims to get more children connected to remote learning opportunities with digital equipment and affordable broadband options, and it proposes connecting school buses to WiFi and supporting community programs that would close skills gaps related to broadband adoption and digital skills. Additional provisions in the Act move to enhance payment support for low-income households as well as those recently unemployed. Public Knowledge immediately stepped forward to back the bill’s broadband proposals. “By including provisions about digital equity and broadband affordability as well as funding deployment, this legislation will not only ensure that all areas are served with high-quality broadband, but also that Americans can afford it while having the skills and devices they need to access it,” Public Knowledge senior policy counsel Jenna Leventoff said in a statement.

FCC Extends Temporary Relay Service Waivers: The FCC’s Consumer and Governmental Affairs Bureau extended temporary waivers through Aug 31 for telecommunications relay service providers to ensure relay services remain available during the COVID-19 pandemic for individuals who are deaf, hard of hearing or have a speech disability. The FCC also extended waivers allowing internet protocol relay service communications assistants to offer service from home workstations.

Discovery Launches New Net: Discovery launched a new network, Hogar de HGT, with distribution on Cox and Charter. The Spanish-language net will debut on Cox for Contour customers June 30, with availability on Charter by Aug 1. The network features a mix of content from HGT, Food Network and Discovery’s lifestyle brands from around the globe as well as original productions. The net joins Discovery’s established Hispanic portfolio, including Discovery en Español and Discovery Familia. Launch advertisers include Walmart, Modelez, Sprint, Boost, Little Caesars, Daisy and Burlington.

NewFronts Update: Hulu announced its transactional ad format “GatewayGo,” which will allow ad-supported viewers to send offers to their phones or emails. This gives advertisers a direct way to convert viewers of their ads into possible customers. Hulu is working closely with parent company Disney in advertising, and last week Hulu and Disney’s ad tech teams were merged into one unit. Hulu has been emphasizing its relationship with Disney, and on Oct 1 the first unified video ad product for marketers spanning the entire Disney platform, Disney Hulu XP, will be
available. -- Tubi is overhauling its advertising experience, announcing its addressing viewer and buyer frustration with frequency and repetition of ads. The AVOD is developing an advanced frequency tool that caps exposures at the campaign level, regardless of the supply source. The tech will scan every piece of creative coming in to identify and compare the brand and campaign to make better determinations for delivery. Tubi is also adding direct integrations with demand-side platforms including The Trade Desk, Amobee, Adelphic and Adobe Ad Cloud. The integrations give advertisers more control over targeting and ad placements.

Disney+ Discontinues Free Trials: Disney+ appears to have discontinued its week-long free trial ahead of the debut of “Hamilton” on July 3. Now, any new customer will have to pay for at least one month of the service, coming in at $6.99 a month. French news site Numeria first spotted the change.

Comcast Awards Scholarships: Comcast NBCUniversal awarded $75K in scholarships for the 2020-2021 school year to 30 NJ students as part of its annual Leaders and Achievers Scholarship Program. The award is a one-time $2.5K scholarship to be used towards undergrad education-related expenses.

NCTC, Windstream Strike Deal: The NCTC and Windstream Wholesale, a provider of wholesale network transport services, completed a wholesale data services agreement. The deal gives NCTC’s member operators access to preferred pricing and terms on transport connections. The new agreement is effective for a three-year term.

NBCU and Sky Name Ad Team: NBCUniversal and Sky unveiled the leadership team for its new One Platform Global Advertising & Partnerships offering. KC Sullivan will lead the team as pres & managing director of global advertising & partnerships. He was most recently pres & managing director of CNBC International, and will now report to Linda Yaccarino, chmn of advertising and partnerships at NBCU, and partner closely with Sky chief business officer Patrick Béhar. Andrew Mortimer, the former Sky Media UK director of client strategy, has been named svp of global partnerships. Max Raven will now head up advertising & partnerships for global news, including the expansion of its Catalyst agency business. Raven most recently served as svp for CNBC International’s commercial agency catalyst. The global offering was first unveiled during NBCU’s One Industry Update in May, and unlocks access for brands around the world across both of Comcast’s media companies. CNBC named John Casey as Sullivan’s replacement.

Distribution: Spotify is launching on Comcast’s Xfinity platform. Beginning today, Xfinity Flex customers can access the service. It began rolling out on X1 on Monday and will be available to all customers shortly. -- ViacomCBS will exclusively debut “The Spongebob Movie: Sponge on the Run” digitally in the US via premium VOD in early 2021, then move exclusively to CBS All Access. All prior seasons of the TV series will launch on CBS All Access as part of the service’s rebranding in early 2021. -- HBO Max will get the US SVOD premiere of “Scoob!” The animated film will be available on the streamer on June 26. It made its debut in homes via PVOD and for digital ownership in the US and Canada while theaters were closed due to the COVID-19 pandemic.

Ratings: The Season 3 premiere of “Yellowstone” on Paramount drew 6.6mln total viewers across the night and ranks as the No 1 most-watched cable premiere of 2020, and the biggest telecast in network history, the network said. The premiere was up 127% over Season 2.

Programming: Bravo is bringing “The Real Housewives of Potomac” back on Aug 2 at 9pm. The net is also premiering Season 2 of “Backyard Envy” Aug 4 at 10pm. -- The Smurfs are coming to Nickelodeon. The net licensed the global rights to the characters and are launching a new animated series, set to debut in 2021. -- Season 5 of “The Circus” returns to Showtime on Aug 16 at 8pm. -- Tubi is launching a dedicated Spanish-language destination in its app called Tubi en Español, containing over 800 titles of Spanish-language content. -- Free streaming service Crackle Plus announced a new slate of original and exclusive programming, adding up to 200 hours of content to the AVOD service.

People: ViacomCBS tapped Yolanda T. Cochran as svp, live-action long-form production, ViacomCBS Kids & Family. She’ll be responsible for managing all aspects of live-action physical production for the Nickelodeon brands and Awesomeness. She comes over from Freeform, where she served as vp of production. -- Audra Hale-Maddox will be the new chief of staff for the FCC rural Broadband Auctions Task Force. Nathan Eagan, who had the title since 2018, moved to the Office of General Counsel. -- Viamedia named Jim Loughran svp of digital, effective immediately. He previously held the title svp, national addressable, OTT and digital sales for Ampersand. -- OpenVault promoted Josh Barstow to the new position of chief revenue officer. He most recently was evp of corporate strategy and business development, and spent many years at MetroCast Communications.
New Names and Faces
It's only been a month since SCTE-ISBE expanded its Standards program with the Explorer Initiative, and it has already gained the attention of one of tech's biggest names. IBM joined the program as a formal member of the artificial intelligence and machine learning working group. More importantly, IBM's membership marked the first time a company from outside the cable telecom industry has joined Explorer.

The Explorer initiative is mainly a way for SCTE-ISBE to incorporate new voices from outside the industry into its conversations around IoT and other innovations.

The need to expand the Standards program, which celebrates its 25th anniversary this year, has slowly become more obvious as more technologies that depended on strong cable networks were being developed.

“It’s always really been focused on the access network, network connectivity, DOCSIS, traditional video services... but what we were seeing in the [Cable-Tec] Expos were more topics were being added and more technologies that were adjacent to the cable industry,” SCTE-ISBE CTO Chris Bastian told CFX. “All of the working groups have this MSO interest, but how do we get these other companies like an IBM participating.”

At the start, the Explorer initiative includes seven new working groups that represent industries or technologies that are likely to place significant demands on telecom infrastructure including telemedicine, smart cities and aging in place. Those working groups were chosen largely for their potential to impact telecom infrastructure in the near future, take advantage of the upcoming 10G platform and improve the industry’s abilities to cope with national disasters and health crises like the COVID-19 pandemic.

The pandemic has spurred a flurry of activity within working groups like telemedicine and aging in place, but it’s also put some efforts on pause. The smart cities working group has had to adjust some of its activities as so much of the progress within that program relies on the interface between network operators and the cities themselves.

But even with those challenges, SCTE-ISBE is already working on plugging additional holes and bringing more working groups into the fold.

“We already have two more in the shoot that we'll be hopefully announcing soon. It's constantly a list that's evolving,” Bastian said. “They'll ebb and flow... they're very vibrant right now, but some of them may slow down. We'll be constantly adding new ones.”

IBM has become a regular attendee of these working group calls, Bastian said, and they’ve also opened their doors to SCTE-ISBE. Bastian has been able to present the cable industry’s narrative on IBM internal staff calls and been invited to virtual webinars.

Building relationships with folks from outside the cable industry is also key to the evolution of SCTE-ISBE’s Cable-Tec Expo. When SCTE-ISBE made its call for papers for Expo's Fall Technical Forum, IBM and others from outside the industry and answered the call.

Those attending this year’s virtual Expo, taking place from Oct 12-15, will find the newcomers involved in a number of the conference's 40 workshops. Introducing new faces into the fold has also been of interest to fellow industry group CableLabs, which planned to launch its cross-industry 4Front event in June before being forced to cancel due to the pandemic.

Bastian believes part of why these new voices have wanted to join the conversation is because of what's to come with the introduction of 10G.

“You still have that speed variable, but it's also low latency for the applications that need it; the greater security, especially if you're pushing health records... and then the reliability,” Bastian said. “I think that 10G messaging really resonates as well for supporting these new services.”

– Sara Winegardner