Let’s Talk: New T-Mobile Asks For Merger Condition Modifications

Fewer than three months after T-Mobile and Sprint completed their $26.5bln merger, the combined company is asking the California Public Utilities Commission in a petition to modify conditions the agency placed on the joining. New T-Mobile already has a tricky relationship with the CPUC. After agreeing to conditions imposed by the DOJ and the FCC, T-Mobile and Sprint completed their merger on April 1 without waiting for the CPUC’s approval. The newly-combined company claimed that CPUC had no jurisdiction over transactions in the wireless industry. CPUC disagreed, and imposed additional conditions when it eventually approved the merger on April 16. T-Mobile’s first ask is that the CPUC give the company an additional two years to meet 5G buildout requirements within the state. The existing condition to the merger asks that T-Mobile offer average speeds of 300Mbps to 93% of Californians by the end of 2024. T-Mobile argued that it should have until the end of 2026 to complete the buildout because of delays in the merger’s regulatory approval process that pushed the deal’s completion from 2018 to 2020. New T-Mobile also wants to nix a CPUC mandate requiring that the company increase its net full-time jobs in California by a thousand jobs more than the number of full-time jobs present across Sprint, Assurance Wireless and T-Mobile at the time of the merger. “The Commission simply does not have the authority to require a wireless carrier to hire a particular number of employees in a given time period,” T-Mobile said in the petition. “The legislature has never granted it such authority and, prior to the issuance of the Decision the Commission has not attempted to impose such a mandate on any other communications provider in any context.” T-Mobile continued by saying even if it was permissible for the Commission to impose the hiring condition, that condition should be adjusted because of the consequences the COVID-19 pandemic has had on the economy and businesses. Prior to the closing of the merger, T-Mobile and Sprint had voluntarily committed to ensuring there would be at least the same number of T-Mobile employees in the state three years after the transaction's closing as there were on the date the deal closed. Finally, the combined company is looking to get out of a CPUC testing requirement, imploring the Commission to rely on FCC testing to ensure it is meeting network expansion requirements. Under its current plan, the CPUC would perform its own drive testing to verify compliance with those conditions. “T-Mobile’s 5G network build and resulting speeds and coverage...
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, kschaeffer@accessintel.com ● Prod. Mgr: Joann Fato, jfato@accessintel.com ● Group Subs or Subscription Questions: 301.354.2101, clientservices@accessintel.com ● Annual subscription price: $1,749.00/year ● Access Intelligence, LLC, 9211 Corporate Blvd., 4th Floor, Rockville, MD 20850

The Cost of Keeping Americans Connected: FCC chmn Ajit Pai again asked Congress to compensate ISPs, particularly smaller ones, for their dedication to keeping networks up and running during the COVID-19 pandemic. This time, he did so at a Senate Commerce FCC oversight hearing. The FCC’s Keeping Americans Connected pledge, signed by more than 750 ISPs, will end on June 30, but the repercussions of not disconnecting customers is taking a toll on smaller providers, which Pai told Congress cannot continue providing service without getting paid for “an indefinite period of time.” He urged Congress to pass legislation with funding in July while asking ISPs to offer payment plans starting in July to assist customers continuing to struggle with the effects of the COVID-19 pandemic.

On the Agenda: The FCC’s July 16 public meeting will cover everything from broadband mapping to leased access, according to a blog post from chmn Ajit Pai. In addition to the previously-announced vote on establishing 988 as a national three-digit number to access the National Suicide Prevention Lifeline, the Commission will vote on an order that would further modernize leased access rules. The order would establish a tier-specific rate calculation to ease burdens on operators while fulfilling the Commission’s statutory obligation to determine maximum leased access rates. Also on the agenda is a Second Report and Order and Further Notice of Proposed Rulemaking that would begin implementing certain aspects of the Broadband DATA Act by adopting coverage reporting and disclosure requirements for broadband providers.

Cox Launches WFH Product: Cox Business is the latest to introduce an enterprise-grade business solution designed to support a distributed workforce. Cox Business Work-At-Home solutions aim to provide remote staff with the same features they would expect in the office including broadband, WiFi, McAfee endpoint security and Mal-Block. Other features of the new solutions include centralized billing directly to the business, professional installation for data connectivity and a la carte options like Microsoft 365.

Clyburn Wants More Dollars For Digital Divide: House majority whip James Clyburn on Wednesday introduced legislation that would invest $100bln toward building high-speed, affordable broadband infrastructure in unserved and underserved communities. The Accessible, Affordable Internet for All Act would set aside $80bln for the building of infrastructure nationwide, allocate $5bln for low-interest financing of broadband deployment through a new
secured loan program and establish a new office within the NTIA to ensure efficient use of federal dollars. The rest of the funding would go towards establishing grant programs for states and enabling students without internet at home to participate in remote learning. Providers would be required to provide an affordable option for service plans on the newly-built infrastructure while the FCC would be charged with collecting and publicizing data on prices charged for broadband service throughout the country.

**State of OTT:** The OTT landscape is rapidly changing, and growth has only been accelerated by the COVID-19 pandemic. According to a report from Comscore, OTT engagement spiked at the start of the COVID-19 pandemic, and that surge remains steady. Consumption of OTT content grew in both total households and total hours. In April 2020, 69.8mln homes used OTT, an increase of 5.2mln YOY. The average home viewed 102 hours of OTT content in that month, up 17 hours YOY. AVOD in particular saw growth, jumping 9% from January to April, while non-AVODs grew 5%. The use of pure-play vMVPDs to view OTT content grew 70% YOY between the three month average of Feb through April 2019 and 2020.

**Starry Expands in LA:** Fiber wireless provider Starry is partnering with the Housing Authority of the City of Los Angeles to expand affordable broadband access to more than 600 household's in LA's Del Ray neighborhood. The expansion is part of the Starry Connect initiative, which partners with owners of public and affordable housing to make uncapped, low-cost broadband available to residents for $15/month. The move follows other recent expansions to more than 1K additional households in the Harlem neighborhood of NYC and in Boston.

**DISH Announces Debt Offering:** DISH Network announced its subsidiary, DISH DBS Corp, plans to offer approx $1bln in senior notes. The pay-TV company said the notes would only be offered to qualified buyers and the company plans to use the proceeds for general corporate purposes.

**FirstLight Expands Fiber Net:** FirstLight is expanding its fiber optic network further into PA. The project will add more than 1K route miles of fiber in the eastern part of the state, with coverage in Allentown, Harrisburg, Lancaster, Scranton, Reading and Wilkes-Barre. The company said the project is in direct response to market and customer demand.

**Distribution:** Disney Media Networks and fuboTV announced a multi-year distribution agreement that will bring Disney’s portfolio to the streamer. Beginning this summer, ABC, ABC News Live, Disney Channel, Disney Junior, Disney XD, Freeform, ESPN, ESPN2, ESPN3, in-market for SEC Network and ACC Network, FX, FXX and National Geographic, will be available in fubo’s standard package. Additional nets will be available in fubo’s other packages. -- NBCUniversal’s streaming service Peacock will be available at launch on July 15 on Vizio SmartCast TVs and LG Smart TVs. Currently available to Comcast customers, other previously announced partners include Google, Apple and Xbox. -- The NCTC and Katz Networks, part of the E.W. Scripps Company, struck a multi-year affiliation agreement, making Katz’s nets Bounce, Court TV, Court TV Mystery, Grit, Laff and streaming service Brown Sugar available for carriage by NCTC’s members. -- WWE and Discovery have teamed up in Italy. Beginning on July 1, WWE’s flagship subscription programming will be available exclusively live and on-demand with original US commentary on DPlay Plus, the OTT pay service of Discovery, and visions featuring Italian commentary on DMAX.

**On the (Virtual) Circuit:** Disney will join AMC at the virtual Comic-Con@Home event, taking place July 23-26. AMC will be holding panels for its “Walking Dead” and “NOS4A2” universes, and Disney is getting ready for 11 different panels. The event is held in lieu of the annual San Diego Comic-Con, which was canceled in April because of the coronavirus pandemic.

**Programming:** Six-episode drama “We Hunt Together” is coming to Showtime Aug 9 at 10pm. “The Comey Rule” will air on the net on consecutive nights Sept 27 and 28 at 9pm, and “The Good Lord Bird” will debut Oct 4 at 9pm. -- Sky and AMC picked up “Gangs of London” for Season 2. Season 1 already aired in the UK, and the 10-episode show will debut on AMC in the US this fall. -- Nat Geo moved the premiere date for “Sharkfest.” The event will now kick off July 19 on Nat Geo, followed by two weeks of content on Nat Geo WILD starting Aug 9. -- HBO Max teamed up with BBC America, bringing “Doctors” Jodie Whittaker, Matt Smith and David Tennant from the series “Doctor Who” together virtually for the first-ever meeting of the doctors. The virtual panel is streaming on HBO Max.

**People:** Fox News promoted Patricia Peart to vp of weekend booking, effective immediately. She most recently served as director of weekend booking.
At Telemundo, it’s all about helping an employee grow to the best of their ability through initiatives such as Career Week, employee resource groups and health and wellness challenges.

Its annual Career Week is five days dedicated to offering career development opportunities for employees, including anything from resume writing to negotiation skills to keynote speakers. This past year, Talent Lab, a broad career development offering for “high potentials” from NBCU Corporate, came to Career Week. “They’re course offerings you get nominated towards, so they’re typically geared towards high potentials. This was more accessible, and it was a hit,” says Ashaki Rucker, SVP of HR. “Career Week is something that we’re really proud of, because you don’t necessarily have companies that dedicate a whole week to career learning.”

In 2019, interns at Telemundo also contributed, pitching a session centered around the workforce of the future, allowing older generations to hear from younger Millennials and Gen Z. Telemundo’s employee resource groups help promote a culture of inclusion, awareness and respect within the workplace, and also provide opportunities for leadership. “Essentially what the ERGs do is allow employees with some initial similarities and objectives to come together and think about as a collective how they want to use this internal network to further develop and advance their careers,” explains Rucker.

Groups include Unidos NBCU, dedicated to uniting, educating and empowering Hispanic professionals, the Black Employee Network, OUT, the LGBT & ally group (also one of corporate America’s oldest LGBTQ+ employee groups) and the Veteran’s Network. NBCU and Telemundo also have a multitude of programs to support women, such as the Women’s Network group and the company-wide initiative Unstoppable Women.

“They often allow for employees to shape what their needs are at that time. And the leadership opportunity sits there as well,” says Rucker. “The leadership of the ERG actually rotates, and it gives them another leadership opportunity to step into the role of sponsoring or leading some of the events and coordinating and organizing the efforts of the group, and that’s another part of the development that comes.”

Telemundo also partnered with the University of Miami’s business school in an offering for female executives. “Some of the faculty in the business school come to Telemundo to do three-day sessions covering topics across a myriad of areas like negotiation skills, emotional intelligence, leadership and innovation,” says Rucker. “Again, just one more avenue we’re headed down to meet some of the unique needs of our organization.”

Externally, Telemundo invests in future talent through initiatives such as Telemundo Academy and the TGS Fellowship. Now in its second year, Telemundo Academy is an academic program for students interested in pursuing careers in the media industry. The first year was primarily focused on high school students, but this past year Telemundo offered courses at the college level in partnership with Miami Dade College.

“Telemundo takes the impact we have on the communities we engage with very seriously. This is our way of giving back to the community from the standpoint of giving back to the communities who have real up-and-coming talent in the industry,” says Rucker. “It ultimately ends up being a great talent pipeline to the organization, because we absolutely do see the students coming out of it as great candidates for our entry level roles.”
Dominoes
Commentary by Steve Effros

A comprehensive study entitled “Reinvesting in America: An analysis of the Cable Industry’s Impact on the U.S. Economy” was published in July, 2003. It methodically went through the history of the industry, its massive investment rebuilding its infrastructure and the significant impact that had on the U.S. economy, and on anticipated employment and the effects our technology would have on the country. It was a very impressive study. It was financed by Daniels and Associates.

For those not familiar with Bill Daniels, he was one of the founders of our business. He helped finance many, if not most of the initial deals to build cable in localities across the country, and also was a major player in the consolidation of the industry so it could move forward.

He was also a major contributor to the Republican Party. He had a large sculpture of an elephant in the front hall of his house. I mention that because Bill was truly concerned with fair, free and informed voting. He promoted the idea that the cable industry should offer free time to major political candidates of all parties so that we could get away from the massive political fundraising that he thought was warping the system. He felt that cable could make a major contribution by opening our channels to free, open debate, ending the political advertising wars.

I was one of the supporters of that idea, and promoted it in my column, calling it “Daniels Time” as a take-off of the notion of “equal time” that was part of the regulatory requirements for cable and broadcast outlets. The effort never got legs for several reasons. The first was the regulatory problem, but the second, regrettably, was that too many folks saw a financial windfall in election advertising, and they didn’t want to give it up. But it was a really good idea. It didn’t “favor” any party, it didn’t encourage any improper activity, and it clearly would have been a civic good.

Well, I have another idea that I think Bill would be a big supporter of. We should start the ball rolling on giving our employees the day off on election day. The whole idea that we have an extremely short, primarily daytime-only period to vote on a weekday workday is absurd to me, but at the very least we can ameliorate the impediment it imposes on those who want to vote. As we all know, voting by mail is going to be a focus this year because of the pandemic. But some are fighting that idea. Well, let’s make it easier to vote in person. That should be supportable by everyone. It doesn’t “favor” anyone. It allows everyone to do their civic duty, which is what Bill would have wanted.

Sure, Congress should declare election day a national holiday. Sure, it should be an entire weekend, or week! But that’s not going to happen anytime soon. However major corporations can make decisions like this almost instantly. It’s been happening with the long-overdue recognition of Juneteenth. Why not the elections?

If a couple of major companies announce, or even better jointly announce that they are going to do this it could start the “domino effect” of many if not most big employers doing the same. Just think of it; Comcast, Charter, Walmart, Apple, Google, Amazon and the like all empowering their employees to cast their votes for whomever they choose. It could be a major exercise in civic involvement and pride. That’s something we all need. Brian, you listening?

(Steve Effros was President of CATA for 23 years and is now an advisor and consultant to the cable industry. His views do not necessarily reflect the views of Cablefax.)