Cablefax Daily Matthe Industry Reads First Volume 31 / No. 140

Bad Timing: Indie Nets Ask For Delay on Charter Merger Condition Petition

Entertainment Studios Networks and Newsmax have asked the FCC to push back the Wednesday (7/22) comment filing deadline on a petition from Charter to sunset conditions tied to its merger with Time Warner Cable. In their respective comments, the independent networks argue that the Wireline Competition Bureau placed Charter's petition on public notice too early. When the FCC approved the merger back in 2016, it established a process for Charter to petition for relief of the interconnection and data cap conditions as of the five-year anniversary of the transaction's closing date. Under that process, the Wireline Competition Bureau was tasked with seeking public comment on the petition nine months prior to that anniversary, which will fall on May 18, 2021. Given that timeframe, Newsmax argues that the FCC can't seek public comment before August 18, 2020. "The Bureau failed to faithfully execute a clear and explicit directive from the full Commission. The Bureau patently lacks authority to deviate from the Commission's command in this way," the programmer said in FCC comments. Newsmax hasn't decided whether it will participate any further in the proceeding, but ESN has. It claims that if the Commission doesn't delay the date by which comments should be filed, it will hinder ESN's ability to establish material facts on the record. Specifically, ESN said Tuesday that it plans to file detailed information about Charter's "stated desire to make business decisions in discriminatory ways, not just based on economics, but on race and ethnicity." ESN founder Byron Allen filed a discrimination suit against Charter in January 2016, claiming that MSO's refusal to enter into a carriage deal was racially motivated. "Charter's arguments before an appellate court in litigation with ESN reveal a propensity to discriminate, not only anti-competitively but based on race, and ESN intends to provide record evidence to that end in this docket," ESN said. Charter had tried to dismiss the suit, arguing that the First Amendment barred a claim to be brought based on a cable operator's editorial discretion. "Charter's on-the-record argument in federal court that the First Amendment granted it authority to discriminate, not only for content or economic reasons, but even for overtly racial reasons is troubling because it shows that the company... believe[s] that they should be able to discriminate however they please, regardless of who gets hurt, if they thought doing so served their own interests," ESN said. "If the Commission permits Charter to discriminate against various third party businesses in its interconnection agreements, what would prevent Charter from exercising that discretion to the



Source: Comscore TV Essentials, CVG RTG, Q1'20 (12/30/19 – 3/29/20), Live, Total Day (6a-6a).

Access © 2020 Access Intelligence, LLC. Federal copyright law prohibits unauthorized reproduction by Intelligence any means and imposes fines of up to \$150,000 for violations.

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 • 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

detriment of African-American, Latinx, Asian, or other minority-owned businesses seeking interconnection agreements, not to mention potential competitors to Charter's various businesses?" Charter has fought back against ESN's claims, saying it offers programming produced by minority-owned companies, including several owned by Allen. "Decisions on which networks to carry are based on business considerations, such as cost, quality and uniqueness of content, and ongoing customer demand," Charter said in a statement. "Race played no role whatsoever in our programming decision regarding these networks and we will continue to vigorously defend against these false claims."

Cable Pioneer JC Sparkman Dies at 87: JC Sparkman, who spent 30 years as **TCI**'s chief operations officer, passed away peacefully on July 16. The highly respected exec didn't just help build the cable business, but he worked to improve education and diversity in the industry. Sparkman helped found Cable in the Classroom and provided seed money along with TCI founder *Bob Magness* to launch **WICT**'s Betsy Magness Leadership Institute. When Sparkman retired following **AT&T**'s purchase of TCI, he continued to wield industry influence, serving on **Liberty Global**'s board. "He was absolutely key to making TCI the largest and most important cable company in America. We really built the company on JC's back," said *John Malone*, former TCI CEO and Liberty Global and **Liberty Media** chmn. "His incredible energy and his leadership in building a team that could survive adversity and then grow exponentially was unmatched. He was a builder of companies but never lost sight of what mattered most in life, his incredible family." Sparkman, who was inducted into the **Cable Hall of Fame** in 2015 and was a **Cable TV Pioneer**, had also served on the boards of **Shaw Communications** and was formerly on the boards of **Universal Electronics**, **On Command Corp**, **TSX**, **Liberty Media International**, **Comcast Cable Holdings**, **DMX**, and **United Video Satellite Group**. Services are for family due to the pandemic. In lieu of flowers please make a donation to The JC and Dolores Sparkman Cancer Fund, Children's Hospital Colorado Foundation, 13123 E 16th Ave, B045, Aurora, CO 80045.

Is 'Tenet' HBO Max's Secret Weapon?: The highly-anticipated Warner Bros film "Tenet" has been delayed yet again, this time indefinitely, and Lightshed Partners believes the film could be just what HBO Max needs to generate consumer buzz. It could also prove to be what the streaming service needs to win distribution deals with Roku and Amazon Prime Video. "Shifting Tenet, a \$200 million-plus budget film from Warner Bros., directed by *Christopher Nolan* directly to HBO Max could be just the power move WarnerMedia needs right now," Lightshed wrote in a note. "If WarnerMedia has the guts and financial wherewithal to pivot Tenet to HBO Max, we will quickly learn who is 'king,' content or distribution, with the battle now between streaming services (the content) and the tvOS platforms/devices (distributors)."



MEET THE SPEAKERS

SESSION Fireside Chat: Real World Applications

Register at www.TelehealthAge.com

Mike Braham CEO, Trapollo



As CEO of Trapollo, a Cox Communications Company, Mike Braham is responsible for profit & loss performance and leading all aspects of strategy and execution of the Trapollo business plan.

Braham retains a unique blend of strategic and operational experience in healthcare, telecommunications, and crisis management industries. He has extensive expertise in building high-performance teams, and has been a leader in public and private enterprise level organizations as well as smaller venture capital-backed firms.

Cablefax Daily

<u>Nielsen Overhauls Digital Measurement Methodology</u>: Nielsen announced a revamp of its digital measurement methodology, set to begin a phased rollout to clients in early 2021. The company cited changes in the tech and privacy landscape as the reason behind the changes, noting evolving restrictions on consumer consent and decreasing reliance on cookies. The new methodology will apply to its entire digital measurement suite, and Nielsen said it will broaden coverage, deepen granularity and foster more resilience in measurement by reducing reliance on third-parties and unreliable digital identifiers.

Houses Lack Pay-TV: Roku's Cord Cutting survey found that nearly one in three US households don't have a traditional pay-TV subscription (cable, satellite, telco). The survey found that approx 32% of households are lacking a subscription, and another 25% identified as cord shavers and cut back their service. When asked about their intentions to cut the cord fully in the next six months, 45% of cord shaver households said they were likely to do so. The cord cutter households said they save approximately \$75/month after ditching pay-TV services. About 17% of recent cord cutter households said they would return to traditional pay-TV when live sports returns. The survey took place in March, and then again in May 2020 to understand COVID-19 related changes.

<u>Cox Offering Free Connect2Compete</u>: With school starting back up soon, **Cox** is offering its Connect2Compete lowcost internet product for two months at no cost. The program is open to families who have at least one child that is a K-12 student at home or who participate in government subsidies programs, and includes a free WiFi modem rental and access to Cox hotspots nationwide. New customers must sign up between July 21 and September 30 for free service, which also includes free technical support. The service will cost customers \$9.95/month thereafter.

<u>Sparklight Invests in Idaho</u>: Sparklight (formerly Cable One) is connecting customers in Western Idaho with investments of \$75.6mln over the past five years to support next-gen technology. The company began launching Gigabit services across its network in 2016.

<u>Charter Offers Notes</u>: Charter and its subsidiaries plan to offer senior unsecured notes due in 2031 as part of the same series of 4.25% notes issued on July 9 in the aggregate principal amount of \$1.5bln. The company plans to use the net proceeds to pay related fees and expenses and for general corporate purposes.

<u>Cable-Tec Expo Opens Registration</u>: SCTE-ISBE opened registration for the Cable-Tec Expo 2020 Virtual Experience. Registration is free for the four-day event, taking place Oct 12-15. **Cablefax** is the official Show Daily for the event. Meanwhile, SCTE-ISBE launched its first Dzubanium podcast Tuesday, with pres/CEO *Mark Dzuban* interviewing **Mediacom** business services leader *Dan Templin*. Future eps will include execs from IBM, Panasonic and others.

<u>Cogeco Trialing Lindsay Broadband Small-Cell Solution</u>: Lindsay Broadband and Accelleran announced Tuesday that Cogeco Communications is testing their one-box small cell solution for LTE deployments over HFC networks with DOCSIS backhaul. The solution is generally intended for deployments in enterprise, public urban and suburban scenarios to complement macro coverage with more focused capacity, or as a singly-layer, small cell-only network.

<u>SAG-AFTRA Launch PSA</u>: SAG-AFTRA released a PSA featuring performers, journalists and social media influencers calling on Americans to fight back against the stigma, xenophobia and harassment related to COVID-19 that Asian-Americans are experiencing. The PSA premiered during the union's "Race & Storytelling: Asian American Voices" livestream panel discussion.

<u>**Ratings</u>:** Fox News Channel was once again the most-watched net in all of cable across total day and primetime this past week. In prime, the net saw 3.002mln viewers, and in total day 1.597mln. **MSNBC** brought in 2.081mln in prime, followed by **CNN** with 1.612mln. In total day, MSNBC brought in 1.174mln, and CNN 1.021mln. MSNBC's Monday launch of "The ReidOut" at 7pm was the No 1 program in total viewers, topping both Fox News and CNN. The show posted the No 2 highest-rating for a regularly scheduled 7pm show in MSNBC history, bringing in 2.6mln total viewers (vs Fox's 2.1mln and CNN's 1.3mln).</u>

Distribution: Non-profit broadcast streamer **Locast** is now operating in the Miami, Ft. Lauderdale and West Palm Beach markets in Florida. Miami-Ft. Lauderdale viewers will have access to more than 40 local channels, and West Palm Beach viewers can tune into 28 channels. Locast is now available in 21 US markets.

Programming: Smithsonian Channel is remembering the late Congressman John Lewis with a dedicated night of docs featuring the civil rights activist on Tuesday, beginning at 8pm. -- Upcoming gaming network VENN announced part two of its programming slate, adding two new shows, ten additional network talent, and two development partnerships. The net is launching in beta in August, promising distribution across a wide range of platforms.