

# Cablefax Daily™

Monday — August 10, 2020

What the Industry Reads First

Volume 31 / No. 153

## New Deal: Ergen Wants Programming Price Adjustment

As more programmers announce plans to launch their own streaming services, **DISH** chmn *Charlie Ergen* thinks there's no time like the present to re-evaluate how much programmers should charge linear TV operators to carry their channels. "I think the rates should come down, and I think when we look at how much people watch something, and watch the cost-per-hour, we see those trends declining for a lot of people in the industry," Ergen said during DISH's 2Q20 earnings call. DISH hasn't been afraid to stand its ground when it comes to demands for higher carriage fees from programmers during distribution agreement talks. Ergen said DISH has done well even when making the decision to let programming drop, pointing to the decision to let the **Fox** RSNs go dark in July 2019. Since then, DISH's cash flow and subscriber losses have been better than expected. And when it comes to not wanting to pay more, Ergen said it's nothing personal. It's just a simple matter of the actual value of that programming. "I think the incumbent operators look at their budget and just need to have a number to get to. We're disciplined and positioned well," Ergen said. "Maybe the trends will change, and I'm surprised it hasn't gotten worse for us, but so far we're doing well." DISH's earnings hit \$452mln, even with revenue falling slightly to \$3.21bln from \$3.19bln in the same period last year. That's partially thanks to a 5.8% drop in subscriber-related expenses, which can be attributed to their lower number of subscribers and a drop in retention costs. DISH's net TV subscribers dropped by 40K, a much better result than the 79K it lost in 2Q19. **Sling TV** also saw a decline, dropping 56K subs in the quarter. Ergen still believes a merger of DISH's satellite operations with those of AT&T's **DirectTV** is "inevitable. Is it a month from now or two years from now? I don't know," Ergen said. DISH didn't have much to share about its ongoing quest to become the next wireless competitor, but it confirmed in a 10-Q filing that it is currently participating in the **FCC's** CBRS auction. **New Street Research** believes DISH will also take part in the C-band auction in December. "Moreover, we don't think they will be bidding just to drive up prices and annoy the other market participants; we think they will be bidding to win," New Street said in a note. Ergen didn't indicate whether DISH would or would not be participating in the C-band auction, only saying that the company would be challenged from a balance sheet perspective to join that particular spectrum battle.

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MOST POWERFUL WOMEN**

## NEW FOR 2020!

Cablefax is expanding the recognition of female excellence & achievements by adding 7 individual & organization award recognitions including: The Wavemakers, The Rising Tide (*honoring women 30 & under*) and Mentoring Programs.

**DEADLINE: FRIDAY, AUG. 21**

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





# Telehealth in the Virtual Age

Presented by Cablefax

Thursday, August 13  
1:00 – 4:30pm ET  
Online Event

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

## Telehealth...The Next Big Opportunity for Broadband?

In this virtual event on Aug. 13, Cablefax will assemble panels of experts to assess key opportunities for the cable & broadband sector as advances in telehealth intersect with changing patient behavior,

### AGENDA

1:05 – 1:25pm ET

#### Telehealth 101: What You Need to Know Now

In our kick-off we'll ask this veteran healthcare technology analyst how he sees the telehealth future shaping up. What challenges as more healthcare dollars shift to remote health monitoring and other forms of telehealth services? What are the implications for the entire industry?



**Jaiendra Singh**

Lead Analyst, Healthcare Technology & Distribution  
Credit Suisse

1:25 – 1:55pm ET

#### Wake Up Call: The Future, Brought to You by COVID-19

In this opening session, we'll discuss how the ongoing pandemic has focused attention on broadband's potential as a telemedicine lifeline.



**Chris Bastian**

CTIO  
SCTE\*ISBE



**Kara Mullaley**

Community Broadband Market Development Manager  
Corning

1:55 – 2:15pm ET

#### Fireside Chat: Real-World Applications

We'll sit down with Trapollo CEO Mike Braham to understand how this Cox Business company takes connected patient engagement to the next level with its virtual-care platform, including program design and consulting, logistics and support and chronic care management.



**Mike Braham**

CEO  
Trapollo

2:15 – 3:00pm ET

#### Screenology: Consumers Take Control with Tech

All telehealth services depend on the broadband network. We'll find out how mobile apps and other telehealth technology is making it easier for both patients and hospitals—and how broadband providers can partner with all sides to secure a place at the table as telehealth continues its exponential growth in the coming years.



**Carina Edwards**

CEO  
Quil



**Bonny Roberts**

Director, Portfolio Management for Business, Information Technology  
Centura Health

3:15 – 4:00pm ET

#### Case Study: Telehealth Opportunities for Rural Broadband

In rural areas, remote access to healthcare services isn't just a convenience... It can be a matter of life and death. We'll explore GCI Communications' approach to ensuring that telehealth reaches every corner of Alaska and get a glimpse as to how this innovative broadband provider works with hospitals and patients—and navigates the legal and regulatory landscape—to ensure its customers receive the best care no matter where they live.



**Pam Lloyd**

VP, GCI Corporate Strategy:  
Government, Healthcare & Education  
GCI Communications



**Stewart Ferguson**

CIO  
Alaska Native Tribal Health Consortium



**Ward Hinger**

Chief Administrative Officer  
Imaging Associates of Alaska

4:00-4:30pm ET

#### A World of Possibility: Imagine Where We Might Go From Here!

We'll talk about the future applications and technology that will drive telehealth's future—as well as how broadband providers prioritize infrastructure projects and business partnerships.



**Eric Klassen**

Executive Producer  
CableLabs

Thanks to Our Sponsor: CORNING

Register at [www.TelehealthAge.com](http://www.TelehealthAge.com)

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, Cynopsis: Robbie Caploe, 917.974.0640, rcaploe@accessintel.com ● Senior Editor: Sara Winegardner, 301.354.1701, swinegardner@accessintel.com ● Associate Editor: Mollie Cahillane, 212.621.4951, mcahillane@accessintel.com ● VP, Sales: Mike Farina, 203.218.6480, mfarina@accessintel.com ● Sales Exec: Albert Nassour, 917.545.3129, anassour@accessintel.com ● Dir 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/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

**Broadband Drives Cable One:** Cable One added 44K broadband subs in 2Q20, excluding 2K new customers who the company deemed high risk. And while Cable One lost 17K video subs, pres/CEO Julie Laulis isn't concerned. "Meanwhile, our video losses accelerated slightly in the quarter, a trend that we recognized and adapted, too, many years ago," she said during an earnings call Thursday. "Our strategic shift to an HSD and business services-centric model has enabled a steady transition away from the video product and is reflected in our relatively low exposure today." Analysts agreed, with MoffettNathanson noting that for Cable One, "video is almost irrelevant." "For Cable One to have any hope whatsoever of growing into their outsized valuation, they will need to execute," MoffettNathanson wrote in a note on Thursday. "Today's results are a welcome sign that they are at last closing the opportunity gap. Cable One saw data usage increase by more than 52% YOY in Q2, and revised the majority of its data plans to add 50 to 300 gigabits of additional data at no charge. Revenue rose to \$328.3mln, a 14.9% YOY increase. The operator also announced it invested in two fixed wireless ISPs, a 40% stake in Wisper Internet and a 10% stake in NextLink. Steven Cochran, svp and CFO, noted that both ISPs operate in states where Cable One has existing service. "Given our rural broadband focus, we feel that these companies are strategically aligned and will contribute to our value creation over time," said Cochran.

**Doing Good:** The City of Philadelphia announced a collaboration to connect up to 35K low-income K-12 student households with internet service and devices. PHLConnectED will also provide digital skills training and tech support for families ahead of the upcoming academic year. A broad coalition of businesses, including Comcast, have signed up to be initial partners in the initiative. "A problem as vast and complex as this one requires all of us to work together to ensure these students not only get connected but also stay engaged with distance learning throughout this academic year," Comcast NBCU Foundation pres Dalila Wilson-Scott said in a statement.

**Lionsgate Posts a Profit:** Even without movie theaters, Lionsgate still managed to post a profit amidst a pandemic. For 1Q21, revenue hit \$813.7mln, and while down from the \$963.6mln YOY, still beat expectations with profit attributable to shareholders at \$51.1mln. A large portion came from library revenue, growing to a record \$219mln, including revenues from the recent syndication of "Mad Men." The company's global OTT subs reached 11.4mln in the quarter, 7.4mln domestically for Starz. Lionsgate predicted it will hit 13-15mln OTT subs for Starz by the end of fiscal year 2021.

**Programming: AMC Networks** announced the fall and winter 2020-2021 premiere dates for new and returning original series and specials. On AMC, "Soulmates" premieres Oct 5 at 10pm, and has already been renewed for

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 the norm? **Sal 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. **What the Industry Reads First** Tuesday — March 17, 2020

**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. **What the Industry Reads First** Tuesday — March 17, 2020

**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 remains uninterrupted. **What the Industry Reads First** Wednesday — March 18, 2020

**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. **Due to school closures** Topics include why the under happens, how rainbows form. **Pledge During the Crisis** scheduled for Friday at 2pm.

**From the Commission:** Another 116 broadband and telephone service providers have taken the **Pa's Keep Americans Connected Pledge**, agreeing to take specific steps to keep Americans connected during the coronavirus pandemic. Some notable names taking the pledge include **Hotwire Communications, Midco**



Season 2 ahead of its debut. All four episodes of “The Salisbury Poisonings” will drop on **AMC+** on Oct 1, and the series will debut on the linear net early next year. The first three episodes of “Gangs of London” air on AMC+ Oct 1, with a linear arrival next year. Season 5 of “Baroness von Sketch Show” comes to **IFC** on Oct 14, and on **SundanceTV**, “Deutschland 89” premieres Oct 29. -- Landscape designer *Jamie Durie* is coming back to **HGTV** with “Backyard Takeover” on Aug 21 at 10pm. -- **Hulu** renewed “Love, Victor” and *Padma Lakshmi*’s “Taste the Nation” for second seasons. The former was Hulu’s most-watched drama of the week following its June 17 premiere.

**FCC Staffing Changes:** *C Sean Spivey* is joining the **FCC**’s Office of the Chairman as wireless and international advisor, replacing *Aaron Goldberger*. Goldberger is returning to the Wireless Telecommunications Bureau. *Preston Wise*, the current rural broadband advisor to chmn *Ajit Pai*, is expanding his portfolio as the new wireline advisor. He replaces *Nirali Patel*, who is headed back to the Wireline Competition Bureau. *Melissa Kirkel*, who has been on detail in the Office of the Chairman as special counsel focusing on wireline issues, will also be moving back to the Wireline Competition Bureau. The changes go into effect Monday. **Oops!:** **Cablefax** stated in Friday’s issue that **Mediacom**’s HSD net gain for 2Q20 was 4700. The operator actually gained 47K subscribers.

## Cablefax Dashboard

### Tweet Tweet

**Jim Maiella** @jimmmaiella  
I bought back the second window rights to my six-week essay series on comms that originally appeared on LinkedIn, so I could offer the content as a single comprehensive post on @Medium. Good weekend read, saved you five clicks.



Mastering Comms: What 20 Years Of “Talking” Has Taught Me  
These thoughts and observations around communications work were originally published as an individual essay on LinkedIn. I’m compiling...  
@medium.com

**Robert M. McDowell** @McDowellTweet  
Well written piece re my friend, a hard working and honorable public servant @mikeofcc. He is respected across the board and across the aisle, even by those who disagree with him. Here’s to a job well done and to a bright future.



Opinion | Mike O'Reilly's Free Speech Fall  
The FCC regulator runs afoul of the new regulations on the right.  
@nytimes.com

### Up Ahead

**Aug 11-12:** [Oppenheimer 23rd Annual Technology, Internet & Communications Conference](#)

**Aug 13:** [Cablefax's Telehealth in the Virtual Age Webinar](#)

**Sept 14-17:** [NATPE Streaming Plus](#)

**Sept 29-Oct 1:** [NCTC's Independent Show](#)

### Research

➤ More than 55% of cybersecurity professionals surveyed believe widespread remote working is making their companies more or much more vulnerable to cyberattacks.

➤ That figure jumps to 70% for large businesses with over 5K employees.

➤ Employees are the biggest risk identified by experts, and AT&T’s research points to a lack of awareness, apathy and/or reluctance to adapt to new technologies as the biggest challenge to implementing good cybersecurity practices within their business (31%).

**(Source: AT&T)**

### Quotable

“To my friends, I am grateful for the outpouring of support from all of you. Your prayers and kind words have meant the world to me and my family. I am delighted to tell you that after a very extensive MRI last night it was discovered that I did have a blood clot, but thanks to the quick medical intervention I received, an actual stroke was averted... Even though I am not often on social media I have been forwarded the many Tweets and postings that have sent well wishes my way and to say I am humbled is an understatement.”

– **NAB pres/CEO Gordon Smith** on his [hospitalization](#)

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