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What the Industry Reads First

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Big Dreams: T-Mobile's 'Perfect Storm' to Nationwide 5G

Looking back, the **T-Mobile** team is thankful that its merger with **Sprint** was pushed back two years due to a number of regulatory challenges. At the Oppenheimer Technology, Internet and Communications Conference Wednesday, T-Mobile pres, technology *Neville Ray* said the merger closing in the same time period during which the company was launching 5G unlocked a number of new synergies and created a "perfect storm" of opportunity. "Every dollar we're plowing into this network is doing two things," Ray said. "It's building capacity, both in LTE and in 5G, to support customer migration onto one network... and we're right at this point in time where 5G is happening. So, every dollar I can pound into this network is advancing our 5G leadership too." T-Mobile's 5G network is now reaching 250mln US residents and covers 1.3mln square miles, and that will only continue to grow as the company deploys 5G using the 2.5GHz spectrum it acquired from **Sprint**. In total, T-Mobile plans to deploy somewhere around 55K 2.5GHz sites. "There's backhaul upgrades, power upgrades—the work is meaningful," Ray said. Each site can be finished in approximately 10 business days, and the process is relatively straightforward for Ray's team. "People think we're up against building new steel, stacking 200-foot towers. I'm not. I'm hanging radios and I'm adding antennas onto generally existing infrastructure, be that towers or be that rooftop structures," he added. Ray's team is currently able to upgrade approximately 700 sites/week, but he is hoping to bump that number up to 800/week. "This is a massive network transformation. It's not something that's going to be done in a year," Ray said. "I really want to break the back of the 2.5Ghz deployment in key urban areas and metros in 2021."

T-Mobile's Broadband Aspirations: Beyond T-Mobile's focus on wireless, the company has dreams of supplying broadband to customers in rural America. CMO *Matt Staneff* said the past six months have only served as a reminder to customers and to T-Mobile of how critical residential broadband is, and the companies that are providing reliable connectivity are winning big. T-Mobile announced back in March 2019 that it was piloting a fixed wireless offering using its LTE network. It expanded that pilot in July to include the greater Grand Rapids, Michigan, area. Thus far, Staneff said customers are very satisfied, and he's confident that the fixed wireless network is going to be able to serve up to 50% of US households. "Obviously, we've got to follow the network buildout when it comes and we've got to get the

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Chris Bastian

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Bastian is responsible for all areas of technology, engineering and information technology, ensuring that SCTE and ISBE maintain a leadership role in standardizing and operationalizing advanced technology and that the organizations have the robust platform needed to deliver learning and development courses and other member services.

Bastian spent 15 years with Comcast, serving in variety of capacities and ultimately as executive director of Comcast's Xfinity WiFi network. Previously, he had held network operations and engineering positions with RCN and had spent 10 years in engineering and leadership capacities with the National Security Agency.

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right hardware in place to provide this home internet service over 5G as we roll it out,” Staneff said. “We’ve been leading in service revenue growth, and now we have an entire new category to go after over the next 3-5 years.”

Media Legend Sumner Redstone Dead at 97: The tributes came rolling in as news broke that *Sumner Redstone* died at his home Tuesday. His multibillion-dollar empire, built on the back of his father’s small chain of movie theaters, included **Viacom**, **CBS**, **Paramount** studios and **Simon & Schuster**. He was the controlling shareholder of the merged **ViacomCBS**, controlling about 80% of the voting stock through his private holding company **National Amusements**. “Sumner was a man of unrivaled passion and perseverance, who devoted his life to his belief in the power of content. With his passing, the media industry he loved so dearly loses one of its great champions,” said a National Amusements statement. His reign wasn’t without its controversy, management upheaval and a share of legal battles—all well chronicled in his *NY Times* [obituary](#) Wednesday. While Redstone is probably best remembered for coining the phrase “content is king,” he had his share of humdingers. The Times’ piece reminded us that when he removed *Frank Biondi Jr* and took over as CEO of Viacom at 72, his response to those who suggested he was too old for the job was that he was the same age as then-presidential candidate *Bob Dole*. “If he can run America, believe me, I can run Viacom,” Redstone said. ViacomCBS pres/CEO *Bob Bakish* remembered the media titan as a “force of nature and fierce competitor, who leaves behind a profound legacy in both business and philanthropy.”

Cordcutting’s Second Wave: Some may argue that cordcutting wasn’t as bad as it could have been in the second quarter (see “Pay TV Loss on the Decline”), but **MoffettNathanson** is predicting that a second uptick in disconnects is coming soon. In a note, MoffettNathanson detailed how the migration of non-sports fans away from the bundle has starved sports networks of distribution and affiliate revenues, forcing them to raise prices that get passed onto consumers. That only forces more folks to leave the bundle behind, but this second wave, which the firm calls content redirection, could be more damaging than the battle around sports. “As more and more people leave the traditional ecosystem for direct-to-consumer substitutes, programmers are increasingly moving their best content to their DTC platforms,” MoffettNathanson said. “This redirection not only makes the substitutes better and better, it simultaneously starves the traditional ecosystem of fresh content, making the traditional ecosystem less and less appealing... forcing even more people to defect from the bundle.”

PayTV Loss on the Decline: The largest pay-TV providers in the US lost about 1.57mln net video subs in 2Q20, marking a decline from the 2.065mln drops in 1Q20, but up some from the 1.33mln loss in 2Q19. According to **Leichtman Research Group**, satellite subs lost about 885K subs in the quarter, up from 860K a year ago, and the top seven cable companies lost about 500K video subs, compared to a year-ago loss of 455K subs. Of the top seven cable ops, **Charter**

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was the only one to post net adds, gaining 94K subs. **Comcast** lost 478K. In satellite, **DirecTV** lost 846K subs and **DISH** saw a 40K loss. On the vMVPD side, the top three lost 24K subs, offset by **Hulu** + **Live TV** gaining 100K. In 2Q19, **Hulu**, **Sling TV** and **AT&T TV NOW** saw an overall 80K net adds. Overall, the top pay-TV providers now account for about 82.4mln subs — 44.7mln video subs, 23.3mln satellite TV subs, 8mln telephone customers and 6.4mln vMVPDs.

Cable Cutting Back on Energy Use: Nearly 100% of new modems, routers and internet equipment purchased and sold last year for use by US residential broadband subscribers met energy-efficiency standards set forth in the Voluntary Agreement for Ongoing Improvement to the Energy Efficiency of Small Network Equipment, which was led by **CableLabs**, the **Consumer Technology Association** and **NCTA**. According to a new report from D+R International, 99.8% of new home internet devices in 2019 met the agreement's Tier 1 energy efficiency levels, while 98.9% met the more rigorous Tier 2 energy levels. Average idle-mode energy use of small network equipment relative to average broadband speed has dropped by 66% since the agreement was ratified in 2015. Agreement signatories include **Altice USA**, **AT&T**, **CenturyLink**, **Charter**, **Comcast**, **Cox**, **Frontier**, **Verizon** and device manufacturers **CommScope**, **Plume**, **ASUS**, **Actiontec**, **Belkin/Linksys**, **Ubee Interactive** and **Technicolor**.

Court Upholds 5G Infrastructure Rules: The US Court of Appeals for the 9th Circuit upheld the majority of three **FCC** orders aimed at accelerating deployment of 5G and wireline broadband. Cities, utilities and others had challenged the rules, which included time limits for reviewing small cell applications, claiming they exceeded the FCC's authority. "The court rightly affirmed the FCC's efforts to ensure that infrastructure deployment critical to 5G—a key part of our 5G FAST Plan—is not impeded by exorbitant fees imposed by state and local governments, undue delays in local permitting, and unreasonable barriers to pole access," FCC chmn *Ajit Pai* said. Among the rules reviewed was the One Touch Make-Ready Order, which was intended to prevent operators of utility poles from discriminatorily denying or delaying 5G and broadband service providers access to poles. **ACA Connects** applauded the news, saying that investor-owned utilities often hold up or seek to impose excessive fees on new attachers, which can result in them walking away from the buildout.

Fidelity Bringing Fiber to New Haven: **Fidelity Communications**, which **Cable One** acquired last fall, will soon begin installing fiber-to-the-home service in New Haven, MO. Fidelity's fiber network offers residential and business customers additional capacity and speeds up to 1Gbps. Fidelity division vp *John Walburn* said the goal is to transition all existing New Haven customers to the fiber network before the end of the year.

NAB NY Goes for 10: The 2020 **NAB** Show New York is transforming into a 10-day virtual event, taking place Oct 19-29. Registration opens in early September, and the group says the event will feature conferences, workshops and exhibits, with additional details coming in the next few weeks and months. **NAB** first announced it would shift the event to virtual in June. It was originally scheduled for Oct 21-22.

Synamedia Launches Iris: Video software provider **Synamedia** is introducing *Iris*, its new addressable advertising solution. The company said the solution will create addressable advertising opportunities for pay TV and broadcasters as well as OTT and hybrid service providers to create access revenue streams. It works by removing friction points in addressable advertising products and supports unified campaign management, delivery and measurement to multiple screens across apple and live, linear and catch-up services. **Synamedia** said *Iris* uses both in-house and third-party data.

Sports Emmys: **ESPN** and **Fox** led the Sports Emmys, each winning seven awards. **ESPN** had the most nominations with 58, compared to **Fox Sports**' 48. **HBO** and **CBS Sports** had five wins, followed by **Turner Sports** with four. **MLB Network** and **NBC Sports Group** each picked up three. **NFL Network** had two, and **Netflix** picked up one for its doc "Last Chance U." The awards had initially been set in person on April 28, and were handed out virtually Tuesday night.

Doing Good: **Cox's The James M. Cox Foundation** awarded a \$100K grant to **PCs for People**, a nonprofit that works to provide discounted computers to low-income families across **Cox's** nationwide footprint. The aim is to provide students with computer equipment to help them learn from home during the pandemic. As a result of the grant, 1K households participating in **Cox's** **Connect2Compete** program will receive a free computer.

Distribution: **SportsGrid Network** is launching on **Sling TV**. The 24-hour digital-first net provides real-time coverage of pre and in-game odds, data, stats and gaming across major sports leagues.

Programming: The upcoming Broadway musical "Diana: A New Musical" will premiere on **Netflix** next year ahead of its official stage opening, a first for the industry. The musical was set to open right before the COVID shutdown, and will now debut May 25, 2021. The **Netflix** air date has not yet been announced. -- **Peacock** picked up the young adult mystery drama "One of Us is Lying," based on the best-selling novel. The series tells the story of what happens when five high schoolers walk into detention and only four make it out alive.

THE WORK CULTURE LIST PROFILE:

INTERN INNOVATOR **Midco**

Chandler Hames knows her way around internships, having completed several, including with Pepsi and Dupont, during her time as a University of Iowa student. But it was at Midco that she found her home after wrapping an internship program with multiple touchpoints with senior management and a deep dive into company culture.

“It made me feel like I was taking ownership of my career earlier on. I was able to do something I knew I wanted to do, but I needed a company that would trust that it’s what I wanted to do and give me the space to learn,” said Hames, who accepted a position at Midco as a supply chain analyst after she completed the internship program last year.

Patti Hawkey, Midco’s Director of Talent Acquisition & Planning, really birthed the current Midco internship experience, putting an emphasis on creating a program vs filling a position. At Midco, the program starts with two days of onboarding that includes a volunteer activity, such as putting together food drive packages. “I think that really cements the relationship they have with each other. Plus, it’s a big part of who Midco is—giving back to our communities is huge for us,” Hawkey says.

Midco’s executive leadership team makes an appearance during onboarding and continues to keep up with the interns throughout their time at the company. During the program’s midpoint, there’s a speed mentoring event, giving interns 15 minutes with 6-7 executives.

“I can’t emphasize enough the exposure to the leadership team, from the senior leadership team to the C-Suite and our vice presidents and the active involvement they have. That really translates well to our interns. They find that everyone’s really approachable and open to new ideas,” says Midco Chief Human Resources Officer Ann McGlennen. “We love the interaction with the interns because we get great ideas. Pat [McAdaragh], our CEO, says it best when he says, ‘they always push us to think more broadly.’”

When the program comes to an end at the summer, there is a final presentation that takes the entire day



and includes McAdaragh and other Midco leaders. Hames said spending one on one time with Midco’s CEO really helped her understand the company’s mission. “It was awesome to see how his brain works at a higher level. Talking to him, you see how it trickles down and how my manager thinks in a similar way,” she says.

When Hawkey redesigned the program three years ago, she realized that a lot of the networking and bonding opportunities had been at the end of the internship. “What I recognized was that if we just switch things up and we do these things earlier on, we build more into it. It’s just going fuel them all summer long,” she says. Her advice for others looking to bolster their internship programs is to take time to prepare managers. “That includes what projects an intern will focus on and who is their mentor,” Hawkey says.

For Midco’s 2019 class, just under 50% took full-time positions at the company—a number that was impacted by openings. “I think we’re getting better at anticipating and forecasting our needs and openings,” says McGlennen. “We want to make sure we are giving them experiences and helping them work on really meaningful projects that help them build on their portfolios so that even if they don’t end up with an opportunity with us, we’re fostering a skillset and some recommendations.”

CONGRATULATIONS TO ALL THE HONOREES!



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Good Ideas Sometimes Aren't

Commentary by Steve Effros

You know the old adage: "the best laid plans of mice and men gang aft agley." Oh, that's the Scottish for "...often go awry." In other words, things get screwed up even with the best intentions. We're watching that happen in lots of ways at the moment, not the least of which is at the FCC.

There used to be seven FCC commissioners. I worked there at the time. Yes, it was cumbersome. The staff, presumably accumulating some expertise in the various technologies and issues, like the broadcast bureau, the cable bureau, the wireless bureau and so on, would develop various plans, needed allocations, rules, etc., and then have to go talk to each commissioner's office, explain the whys and wherefores, see if enough commissioners would get on board and then seek a commission vote and action.

It was a fascinating time. With seven commissioners and the "Sunshine Rules" being adopted in 1976, which essentially prevented them from talking with each other, things got very difficult. In the "old days," there was a lot of "horse trading" and negotiating to forge a rule. Under the new structure, the chairman was given much more power over the agenda and proposed rules were triggered by the chairman's office talking to the bureau and instructing the "experts" on what path to take rather than all commissioners being part of the process and being advised by staff.

By 1983 it was clear things were getting too bogged down, and the Commission was cut from seven members to five. Since the commissioners are nominated by the president and confirmed by the Senate, the consequent make-up of the FCC has been three-to-two with the president's party dominating, and the president naming the chairman.

Hence we have the current situation, where one of the three Republican members, Commissioner O'Reilly, had



been renominated for another term and suddenly the president withdrew the nomination. This happened after the commissioner made some comments that were not seen as 100 percent supportive of a proposal on regulation of internet social media that the president has promoted.

Now remember, the FCC is supposed to be an independent agency. Neither the president nor congress can tell it what to do. Congress, however, holds the pursestrings, so it has tangential control, and the president names the commissioners. Well, it appears that he just made it very clear that any commissioner not fully supporting what he wants done is in jeopardy. Not good.

I have long complained that while the "Sunshine Rules" were intended to maximize "transparency," they also had the negative effect of suppressing the ability of voting members to negotiate, and reach accommodations. That may sound bad, I know. But "cutting deals" is the way things get done and in my experience the way governing tends to gravitate towards the "middle." Which is good. When that can't happen we get extremes in both directions. That's what we have today, and the President's recent action regarding Commissioner O'Reilly suggests that is the way he would prefer the Commission to operate and he plans to only appoint folks who will adhere to that philosophy.

This portends trouble for the future. A combination of the "Sunshine Rules" and a "streamlined" but philosophically hardlined Commission suggests that while the intention of those rules was good, the way they are working out today may mean that we face far more contention in the future rather than compromise, which is the only way governing successfully works.

Steve

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(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.)



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