

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Fiber Fever: Wave Broadband Boosts Business Services with Digital West

M&A involving fiber providers continues at a steady clip, with the latest deal seeing **Wave Broadband**, a division of **Astound Broadband**, acquiring California Central Coast-focused **Digital West**. The transaction is aimed at growing the business services side of Wave. Financials weren't released, but the acquisition, effective immediately, includes thousands of business customers in the region.

It's the first acquisition for an Astound property following **Stonepeak's** announcement that it would acquire Astound (**RCN, Grande, Wave** and **enTouch**) for \$8.1 billion from **TPG** and **Patriot Media**. That deal is pending and awaiting regulatory approvals.

All existing Digital West services, products, and customer support will continue without interruption. Digital West will operate within the Wave region as part of Wave Business Solutions. "The Central Coast is home to a fast-growing and dynamic business community, one which we believe can benefit significantly from the combined services and capabilities our companies provide," Astound Broadband CEO *Jim Holanda* said in a statement. "Our resources will enable Digital West's talented local team to connect area business customers over our combined network to more locations in California and across the country, leveraging our technology and capital to broaden Digital West's service offerings and accelerate their growth."

Astound has worked to develop a business solutions team

that spans the country coast to coast, with *Patrick Knorr* heading the division. The idea here is to take Digital West's existing strong relationships in the enterprise space and integrate Wave Business Solutions features, such as DIA, WAN, cloud voice, UCaaS, optical waves up to 100GB, and dark fiber.

There's been a flurry of deals involving fiber optic network service providers, including **Oak Hill** picking up **Otelco** and fiber operator **Segra** acquiring **North State**. "Today's announcement is further proof that the escalating network acquisition activity of 2020 continues in 2021. It's also signals the sizable and unabated enterprise and commercial growth opportunity for fiber providers," said *David Strauss* of **Broadband Success Partners**, a consultancy founded by marketing exec Strauss and *Jack Burton*, formerly a senior engineer at **Altice** and **Cablevision**.

Broadband Success wasn't a part of this transaction, but it is increasingly being called upon by private equity firms and infrastructure funds that are interested in purchasing fiber properties, cable properties, etc. "We've kind of found a niche here concentrating on the technical details of the system," Burton explained. "Basically, a two-fold approach, what is the system really worth based on the assets they really have... and how ready is that for the future—what would it take to upgrade the system to be ready for the future."

Among the deals Broadband Success has provided technical due diligence on is October's acquisition of **Vast Broadband** by **GI Partners**, a US-based investor in data infrastructure

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businesses. “The last six to nine months we’ve really seen it accelerate. 2021 should be as strong if not stronger in terms of the demand for assessing these networks, and doing so methodically,” Strauss said.

The fiber frenzy bucks the traditional notion that only one cable operator can be profitable in a community. “That has been so untrue lately. There have been overbuild situations on top of overbuild situations and more and more coming,” Burton said. “We’ve now seen multiple targets where a pure business fiber play is now suddenly being called upon to be a transport medium for residential.”

VERIZON STAYS STEADY WITH WIRELESS, FIOS

Verizon ended 4Q20 with growth in both its traditional wireless business and its broadband efforts. Revenues came in at \$34.7 billion (-1.2% YOY) due to wireless service revenue growth and stronger results at **Verizon Media**. Verizon reported 257,000 wireless postpaid net adds while total retail postpaid churn came in at 0.96%. Postpaid churn sat at 0.76%. The provider saw 92,000 Fios Internet net additions, an increase from the 35,000 it added in 4Q19. Its Fios Video sub base decreased by 72,000, which Verizon said reflected the ongoing shift from linear video to OTT offerings. There was no talk of Verizon’s participation in December’s C-band auction due to the ongoing quiet period, but the provider’s projected spend has some fearing that it could have cost Verizon more than it will gain. “Whatever Verizon got in the auction, it is clear that they will have paid dearly for it. By some estimates, they will have spent as much as \$40B; pre-auction estimates (including our own) were generally below

\$20B,” **MoffettNathanson** said in a note. “Yes, they clearly needed to address what was a glaring weakness in mid-band spectrum. But Verizon’s balance sheet, once a strength, will emerge post-auction as a weakness (that is, assuming that estimates for what they spent prove more or less accurate.”

EMERGENCY BROADBAND BUCKS

Comments were due to the **FCC** Monday on development of a new \$3.2 billion program to help Americans who are struggling to pay for internet service during the pandemic. Corporations, cities and associations all weighed in on how the FCC should handle the Congressionally directed initiative. As we previously reported, cable wants to ensure that providers without current access to or experience with the Lifeline program are not hindered. The FCC has proposed relying on certain procedures in its implementation of the program that companies who are not Eligible Telecommunications Carriers don’t have access to if they don’t currently participate in Lifeline. “Providers should be allowed to qualify participants for the program using the verification procedures they instituted for their existing COVID and low-income offerings, with a presumption that such procedures are sufficient to avoid waste, fraud, and abuse,” **Charter** told the FCC. “The Commission should also consider how best to include the residents of multiple dwelling units—especially those residing in public housing—in this program.” Several cities, including L.A., Chicago and Boston, filed joint comments that recommended state and local issued cable franchises should be used as a proxy for the FCC to certify numerous additional broadband providers. “Our experience is that these parties are already equipped [or highly qualified] to immediately begin par-

Mark Your Calendars!

Cablefax Award Submission Deadlines:

The FAXIES Awards	Entry Deadline: March 19 Final Deadline: March 26
Cablefax 100 Nominations	April 9
Top Ops Nominations	April 23
The Diversity List Nominations	July 16
Most Powerful Women Nominations	September 10
Program Awards	Entry Deadline: November 19 Final Deadline: December 3



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icipating in the EBC and bridging the digital divide,” the cities said. “Local governments would recommend that any provider that is currently providing a low-cost internet access service either on their own, or as part of a public-private partnership such as Chicago Connected or Tech Goes Home, should automatically be qualified as an eligible provider regardless of their ETC status.” Consumer groups **Free Press** and **Access Now** urged the FCC not to rely exclusively on providers to spread the word about the program. In addition to promoting the program, the FCC should gather and publicly release data on households using EBB on a monthly basis, they said.

TELEHEALTH, BROADBAND ON FCC AGENDA

Acting **FCC** chairwoman *Jessica Rosenworcel* has had less than one week on the job, but she’s wasting no time, publishing notes outlining the agenda for February’s open meeting. “Our challenge now is to couple Congress’s vision with strategies for successful implementation, so we’re going to hit the ground running,” Rosenworcel said in a Tuesday note. “It’s not time to think small—and we can’t afford to act slowly either.” On the Feb 17 agenda are updates on the efforts to create the Emergency Broadband Benefit Program, the agency’s next steps on its COVID-19 Telehealth program and work being done to improve the FCC’s broadband maps. The Commission will also vote on two rulemakings during the February meeting—the first involving 911 fee diversion and what the agency can do to stop it and the second representing the FCC’s effort to square its rules with changes to the Secure and Trusted Communications Networks Act that were made in the appropriations bill passed by Congress last month.

VERIZON OUTAGE

Twitter lit up Tuesday with East Coasters complaining about internet outages. Verizon acknowledged that there was an “internet issue” impacting service throughout the Northeast, but said by late afternoon that it had been resolved and network performance and service levels were returning to normal. It wasn’t clear if she was just addressing the Verizon complaints, but acting **FCC** chair *Jessica Rosenworcel* tweeted that the agency had noted reports of internet-related outages and its Public Safety and Homeland Security Bureau “is working to get to the bottom of what is going on.”

WEEKLY RATINGS

CNN once again dominated the weekly ratings, ranking first in prime (2.839 million) and total day (2.104 million) for Jan 18-24 in P2+. It was followed by **MSNBC** (2.759 million in prime; 1.825 million total day) and **Fox News** (2.642 million and 1.406 million). **TNT** was fourth in prime (1.195 million) followed by **HGTV** (1.093 million). **HGTV** took fourth in total day (678,000), with **Hallmark Channel** rounding out the top 5 with 578,000 viewers.

SOURCING FUTURE TALENT

C2HR is hosting a free webinar Wednesday centered on recruiting talent that is prepared to meet the industry’s future needs. Called “Talent Mindset for the Future of Work,” the session will feature **Cox** evp/chief people officer *Karen Bennett*;

Discovery evp, employee experience and HR operations *Julie Niemat*; **Talmetrix** CEO *Chris Powell* and **WarnerMedia** global head, talent acquisition *Christopher Strazzella*. The webinar will start at 1pm ET and advance registration is [required](#).

SPARKLIGHT EXPANDS INTERNET BACKUP

Sparklight Business has launched an internet backup service for small- and medium-sized businesses. The solution allows customers to keep their internet service as well as mission-critical devices like credit card and point-of-purchase machines operating during service outages.

DISTRIBUTION

QVC debuted on **YouTube TV** Tuesday. With this launch, the shopping channel is now available on vMVPDs with a combined total of more than 8 million subs. – **Philo** launched **AccuWeather** to its more than 800K+ customers as the service’s first-ever weather channel.

PROGRAMMING

Fox News signed *Larry Kudlow*, *Trump*’s former economic adviser, as a contributor and as host of his own weekday show on **Fox Business Network**. Details of the show are still to come, but Kudlow will provide financial analysis across Fox News properties beginning Feb 8. Prior to his role in the administration, Kudlow served as a senior contributor for **CNBC** where he hosted a number of programs.– All 250 episodes of comedy series “Modern Family” will be available on **Hulu** and **Peacock** beginning Feb 3. – **MTV**’s “Floribama Shore” is returning for its fourth season on Feb 25 at 9pm.

PEOPLE

Crown Media Family Networks tapped *Jordan Neyer* for the newly-created role of svp, corporate strategy. Neyer last served as vp, media and entertainment at **Metrixlab**, and has spent time at **Fox Networks Digital Consumer Group**. – **Starz** promoted *Karen Bailey* to evp, original programming from svp. Bailey has been with the premium network for 15 years. She will expand her role within the originals team while continuing to spearhead Starz’s inclusion initiatives across the slate with a focus on narratives by, about and for women and underrepresented audiences. – **Scripps** named *Jon Marks* chief research officer of its national television networks business. Marks previously spent 14 years at Turner Entertainment Networks, including **TBS**, **TNT**, **truTV**, **TCM** and their digital properties as svp, research. – *Jeffrey Lewis* joined **Sinclair** as the company’s chief compliance officer. Lewis previously held roles as svp, compliance/chief accessibility officer at **AT&T** and general counsel/chief compliance officer for **Pinnacle Propane**. – *Brian Keane* is headed to **Nickelodeon Animation Studios** to fill the newly-created position of evp, production and operations. Keane joins from **Blue Sky Studios**, where he acted as COO/evp for over a decade. *Angelique Yen*, head of physical production, will report to Keane. Two new roles will then report in to Yen—*Jennie Monica* is to become vp, series production while *Kara Lord Piersimoni* will join as vp, production for Nickelodeon movies.