

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Take Two: Clyburn Ready to Bring \$100 Billion Broadband Bill Back

House Majority Whip *James Clyburn* (D-SC) expects to reintroduce his Accessible, Affordable Internet for All Act “hopefully in the next couple of weeks,” with *Amy Klobuchar* (D-MN) to introduce an identical bill in the Senate.

“I am talking to everyone I need to talk to, including the White House, in trying to get it to be an integral part of any infrastructure bill,” Clyburn said at **INCOMPAS**’ Policy Summit Wednesday. “I sincerely believe, and I say this a lot, that you’ve got to treat the information highway the same way we treat the interstate highway. It’s got to be a part of any infrastructure bill.”

Klobuchar and Clyburn introduced the legislation last summer. That version included investing \$100 billion to build high-speed broadband infrastructure in unserved and underserved communities to close the digital divide. It included \$80 billion to deploy broadband infrastructure nationwide, as well as \$5 billion for low-interest financing of broadband deployment through a new secured loan program and establishing a new office within **NTIA** to ensure efficient use of federal money. Other components included providing a \$50 monthly discount on plans for low-income citizens, requiring an affordable internet plan on newly built infrastructure, providing more than \$1 billion to establish grant programs for states to close broadband gaps and including \$5 billion to enable students without internet at home to participate in remote learning.

COVID-19 “has revealed we cannot have good healthcare without telehealth. We cannot have good education without online learning. And we cannot have a good economy unless we allow for work to be done from home,” Clyburn said.

Senator *Jerry Moran* (R-KS), who also was a part of **INCOMPAS**’ virtual panel discussion, said the pandemic has shown that while lots of good things happened over the past 20 years to move the broadband needle, work remains. “While government can be a partner, all of this is only going to happen with the private sector pursues and has the tool necessary to meet the needs,” he said.

Looking ahead to the new Congress, Moran, a member of Senate Commerce, anticipates he’ll spend a good deal of time on oversight of Universal Service as well as the **FCC**’s \$20 billion Rural Digital Opportunity Fund. Senate Commerce is now under *Maria Cantwell*’s (D-WA) leadership. “I would guess the Commerce committee will work in much the same fashion it has in the past in regard to broadband—not a particularly partisan issue, not a particularly difficult issue for any of us to see the value of broadband,” he said.

Moran continues to call for accurate broadband mapping as the government moves forward with broadband assistance, noting that money was added to the COVID relief bill for mapping. “We don’t want to spend money where it’s not necessary, and we don’t want to create competition for the private sector where it’s inappropriate,” he said. “Now, with the FCC’s circumstances of delaying the spending of money until the maps are correct,

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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



as we're interested in getting something done as quickly as possible, the maps become even more important to speed up the process of the resources going where they are needed."

Clyburn added that the maps must be done in "a very honest way." "This notion that if one home in a census tract is covered, then a census tract is covered. That just cannot be going forward. And that's what it has been," he said.

ALTICE USA TALKS M&A, 1 GIG

Altice USA still would like to go on a shopping spree—but absent attractive M&A opportunities, it'll focus on share buybacks. "There are a handful of smaller operators that are available to acquire. We eliminate a lot of them either for geographic reasons or competitive reasons," CEO *Dexter Goei* said during Wednesday's 4Q21 earnings call. "We'll hopefully be able to unlock one of those this year, if not more." The company is continuing to focus on its FTTH buildout. Where Altice has deployed FTTH, the sell-in rate for 1 Gig to new customers increased to 58%. That compares to a 41% 1 Gig sell-in on its HFC plant, up from 29% in 3Q20. Altice ended 4Q20 with more than 55% of its broadband customers on plans with download speeds of 200Mbps or less, with the company believing that there is sizable opportunity to upgrade speeds. It ended the year with 169,000 mobile lines, netting 7,000 net additions in 4Q. Altice expects to hit EBITDA break even on mobile on a monthly basis sometime toward the end of next year, according to Goei. He said there would be investment in more retail stores and marketing around mobile, but it would be done "cautiously." Altice saw quarterly broadband net additions decline by 4,300. However, it saw an increase

of 9,000 additions when adjusted for subscribers formerly covered by the FCC Keep America Connected Pledge and NJ executive order. That number climbs to 14,000 when adjusted to exclude storm disconnects, representing an improvement compared to the 7,000 broadband net additions in Q419. Altice reported 74,000 residential net video losses for the quarter. Total revenue for 4Q grew 2.5% to \$2.54 billion, with adjusted EBITDA up 6.1% YOY to \$1.15 billion.

HGTV WINS ADVERTISER LOVE

HGTV won out as the top-ranked basic cable network among ad executives with 36% planning to increase ad spend in the next 12 months compared to 2019. That's according to the latest study from **Beta Research**. For the average basic cable network, 75% of execs told Beta ad spending would increase or remain the same in the next 12 months in comparison to 2019, prior to the pandemic. An average of 13% said their ad spending would decrease a little while only 6% said their spending would decrease a lot. Following closely behind HGTV was **ESPN** (33%) with **CNN** and **Food Network** tying at 28%. ESPN came out on top when it came to increasing viewer engagement through its use of social media with 80% of ad execs giving the net at least a four on a five-point scale. Food had 73% grant it at least a four and **Bravo** saw 70% do the same. As for which programmers have been the most helpful and flexible with agencies and advertisers in dealing with the business impact of COVID-19, **Discovery Networks** and **WarnerMedia** tied with 71% of execs granting them fours or more. **NBCU Ad Sales** followed with 66% and **Disney** and **Viacom** tied for 63%.

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IMPEACHMENT RATINGS

CNN emerged as the most-watched net across both broadcast and cable news during Tuesday's coverage of the Senate impeachment trial of *Donald Trump* among A25-54, according to **Nielsen** Fast National data. It also won prime in the A25-54 demo with 661,000. **MSNBC** came in second with 584,000 and **Fox News** drew in 411,000. MSNBC drew ahead with total viewers, seeing 2.87 million viewers. CNN came in with 2.67 million and Fox News counted 1.95 million.

E-RATE FUNDING INCLUDED IN COVID-19 RELIEF

More than \$7 billion in funding for the **FCC's** E-rate program has been included in the House's coronavirus relief reconciliation proposal. Also finding a place in the proposal is the Emergency Educational Connections Act, legislation aimed at ensuring all K-12 students have adequate home connectivity and devices during the COVID-19 pandemic. The bill would direct funding to elementary and secondary schools as well as libraries for WiFi hotspot, modems, routers and internet-enabled devices and internet service offered through those devices.

TCA NOTEBOOK

Get ready to dance. **HBO's** spring lineup includes the premiere of documentary "Tina" (March 27, 8pm), an in-depth look at the life and career of music icon *Tina Turner*. Seven-part limited drama series "Mare of Easttown" will debut on HBO on April 18. The fourth season of therapy series "In Treatment" will arrive this May along with two-part documentary "The Crime of the Century." All of this content will also be available on **HBO Max**. Speaking of the streamer, it is expanding its adult animation slate, greenlighting a second season of "Clone High" and giving "Close Enough" an additional two seasons. Season Two of Close Enough will premiere Feb 25. Origin story series "Velma" and workplace comedy "Fired on Mars" have also been given the green light. – Law drama "Delilah" will premiere on **OWN** next month.

BET CRAFTING HEALTH CONTENT FOR POC

BET partnered with **HealthiNation**, a producer and publisher of health videos, to launch a digital content initiative providing informative, culturally relevant medical information to help address healthcare disparities within the African American community. The long-term initiative will see the pair produce videos featuring healthcare providers of color addressing topics including diabetes, hypertension and mental health. New content will appear on BET.com/health every Wednesday. The site will also connect Black patients with Black doctors.

CHARTER SPOT HIGHLIGHTS ACCESSIBILITY TECH

Charter partnered with agency **Something Different** to kick off a brand campaign with a commercial for Spectrum Access, the operator's free app focused on enhancing the in-home entertainment experience for people with vision or hearing impairments. The pair collaborated to create four spots that will highlight a relatable issue for customers and how technology can provide a solution.

DISTRIBUTION

Crackle Plus signed a deal to launch the Crackle app on US smart TVs with the VIDAA smart operation system. That includes **Hisense**

smart TVs as well as **Toshiba** smart TVs manufactured by Hisense.

FIBER CONSTRUCTION

Vexus Fiber began construction to build a gigabit FTTH network in Louisiana's St Tammany Parrish. The underground network will connect over 10,000 new homes and businesses in the area before the end of the year.

ON THE HILL

The **House Commerce** Communications and Technology subcommittee will hold a remote hearing via **Cisco** Webex Wednesday at 11am entitled "Connecting America: Broadband Solutions to Pandemic Problems." Topics of discussion will include what progress has been made to continue to bridge the digital divide and what still must be done to make strong broadband more affordable and accessible during the COVID-19 pandemic. A full committee markup is also on the calendar for Thursday at 11am to discuss legislative recommendations for its budget reconciliation instructions, which were passed by the House and Senate last week.

PROGRAMMING

AMC Studios inked an exclusive, multi-year overall deal with producer and writer *Jim Barnes* ("The Walking Dead"). He will develop and produce new series for the company's television networks, streaming platforms and third-party buyers. Barnes will also continue to serve as co-executive producer on the final season of *The Walking Dead*. – **A&E** is launching "The Table Is Ours," an original podcast that explores Black identity, vulnerability and achievement. The 15-episode series was created by *Amira Lewally* and *Kirby Dixon*, who will also host. – *Rachel Rollar* joined **Newsmax TV's** morning show "Wake Up America" with *Rob Finnerty*, airing weekdays at 6:30am ET. – **Netflix** acquired the rights to all 22 books in *Brian Jacques'* fantasy series "Redwall." Plans include the creation of a feature film based on the series' first book, and a series centered on Martin the Warrior, a character at the center of the series' sixth book. – **Food Network** has picked up a second season of podcast "Food Network Obsessed" with host *Jaymee Sire* returning. – **Fox News** is expanding weekend talk show "The Greg Gutfeld Show" to a full weeknight schedule. The program will launch in 2Q21 and air at 11pm ET Mon-Fri. A replacement primetime weekend program for the 10pm ET block on Saturday night will be announced at a later date. – **AVOD Haystack News** expanded its content agreement with **Bloomberg Media** to add **Bloomberg TV** and **Bloomberg Quicktake** to its portfolio of live viewing options.

PEOPLE

CuriosityStream named *Ashley Huston* as vp, communications. She most recently led communications for digital news organization **Quartz**. – Former **ESPN** content exec *Connor Schell* is partnering with **Chernin Entertainment** to launch an unscripted studio. The studio, for which Schell will serve as CEO/founder, will develop and produce content that lives both inside and outside the sports world. He announced his departure from ESPN and the intent to launch an independent production company in November.

Think about that for a minute...

The Dobbs Test

Commentary by Steve Effros

If you haven't figured it out by now, let me clue you in: there's going to be a lot of talk about changing telecommunications and antitrust theory and law in the upcoming Congress.

The shorthand I've been using when discussing these issues is the "Section 230" debate. That's the section of the current law that says internet "platforms" like Facebook, Twitter and Google are not "publishers" and will not, in most cases, be held responsible for the things folks "post" on their sites. Yes, there are a few exceptions, like child pornography, where the edge provider can block material, and indeed in some cases is required to, but in most cases, so long as they don't act like publishers, they won't be subject to legal actions like potentially very expensive libel and defamation suits if they don't.

Of course, all of this has changed a bit during the increasing clamor about hate speech, intentional misinformation and the like, and this has made things even more confusing. Facebook, for instance, just announced it's going to take down posts that feed misinformation about vaccinations. The bottom line here is that the edge providers have designed a business plan that relies on encouraging others to post hopefully "viral" material in order to get more views and more participation. The providers make their money from selling the data that is derived from all the information they get from those who participate. Being subject to legal actions and potential liability for what others say would seriously impact that business plan.

Look at what just happened at Fox News to understand why the edge providers don't want to get anywhere close to significant changes to Section 230! One day Lou Dobbs is on the air, a major contributor to the business network, and the next day, he's gone. What happened? Fox News has not elaborated on the decision or made similar moves against the two other hosts named in the Smartmatic defamation suit, but Dobbs has been a very vocal promoter of the

discredited theories about a "stolen election." Even after the "Big Lie" was thoroughly debunked—especially as to alleged voter machine machinations—Dobbs kept repeating the claim and had guests on his show doing the same.

But he was on a television network, not on an internet platform. Maybe he forgot that. There is no "Section 230" protection for television networks: they're considered "publishers," just like newspapers. Fox News has filed a motion to dismiss the case, arguing that it is protected by the First Amendment. I doubt that will fly.

My guess is the lawyers probably took one look and realized that this lawsuit is serious, and has teeth. Very expensive teeth. Such legal threats can force editorial discretion, curation and responsibility.

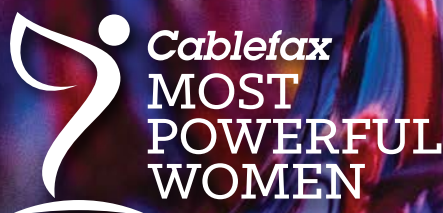
That's what's missing today in social media, in part because of Section 230. The Facebooks of the world don't have to worry about what Fox is now having to go through because they have a shield against most of those legal responsibilities. What if that was taken away in part, or at least the shield was weakened? Call it the Dobbs Test: how do we design a law that still allows an open flow of ideas but at the same time imposes an obligation on the platform to act like a responsible editor when it comes to the material being distributed? Obviously not an easy question, and one we will be discussing a lot in the coming months.



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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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