

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## NEXT Move: CommScope Spinning Off Home Networks Business

**CommScope** announced plans Thursday to spin off its home networks business into an independent publicly traded company. The announcement to offshoot the business, which includes broadband CPE and the set-top box segment, is the most recent step in CommScope's NEXT strategy to optimize its overall business portfolio.

"As an independent company, home networks will have the flexibility to pursue an R&D and capital allocation strategy focused on its core markets centered around innovation and growth," CommScope pres/CEO *Chuck Treadway* said on a press call. "A dedicated and focused management team will be able to prioritize investments to create the next generation of feature-rich consumer technologies and accelerate the vision of the connected home."

The home networks segment has been a sore spot at CommScope for some time, largely due to declines in its traditional set-top business that have been partially offset by an increase in demand for high-performing broadband gateway devices. Sales in the segment declined 30% in 2020 to \$2.36 billion, and **Raymond James's** model reflects the unit declining 10% in 2021. "If we exclude the unit from estimates, CommScope's sales grow 4.6% in 2021 vs. 0.4% for the current estimate," the firm said in a note.

The transaction is expected to be completed by the end of the first 1Q22. *Joe Chow*, CommScope's svp and segment

leader of the home networks business, has been tapped to serve as CEO of the standalone home networks company. Other announcements on the management team and financial structure of the spun-off company will arrive in the coming months. Chow is incredibly bullish about the future of the business, saying that there is more change happening inside the home today than at any point in his career.

"I believe that we're at the start of a new aggregation cycle inside the home. The complexity of the ecosystem is going up. It's going to create consumer friction. If we can go address that friction, we will keep service providers more relevant and we will actually grow the business," he said. "We see a transformation of this business where we're not only going to just be providing hardware. We'll start providing solutions where hardware is a key anchor, but we'll integrate additional value on top of our platforms."

The businesses remaining under the CommScope umbrella includes its Outdoor Wireless, Broadband and Venue & Campus segments. Treadway pointed to trends such as mobile network densification, private networks and fiber-rich optical networks as opportunities for key tailwinds in the coming years. CommScope and the spun-off company will continue to act as strategic partners when it makes sense. For instance, the pair will continue to work together on technologies like Low-Latency DOCSIS.

Other businesses or smaller segments within the company still could be looked at as the next subject of a CommScope NEXT transformation. Treadway said he doesn't see any one



## Who Deserves to Rank Among Cablefax's Annual Top Power Players?

The Cablefax 100 salutes the most influential executives whose leadership continues to take the industry to new heights. We will rank the top professionals in the media, cable & broadband industry and publish the list in the June edition of Cablefax: The Magazine.

**It's free to enter - but you must submit your entries by April 9!**



Enter at [www.Cablefax100.com](http://www.Cablefax100.com) | Questions: Mary-Lou French at [mfrench@accessintel.com](mailto:mfrench@accessintel.com)

segment that stands out quite as much as the Home Networks did in this case, but a business review is ongoing. “We will look and see and there might be businesses or smaller things inside the company that we say just don’t fit or they’re just not going to help us get where we want to go. On the other hand, we may find businesses we want to acquire to fill in some gaps that we believe we need to meet customer needs,” he said. “We believe that this choice of what we’re doing allows us to maximize the value of both of the businesses.”

While this is a big move, Treadway said the company is still in the “early innings” when it comes to completing all aspects of the CommScope NEXT initiative. The portfolio review aspect of the initiative is the furthest along, and investors shouldn’t expect another major move like the home networks spinoff, he said, but there is still more work to do in the areas of growth and cost optimization.

CommScope is still open to alternatives to spinning off the home networks business should they arrive before the transaction is complete, especially those that would create more value than the current plan. That would include a sale to an interested buyer. Alex Pease, the company’s evp/CFO, said the primary reason for moving forward with separating the home networks business was because of the “absolute certainty that we have that we can get this done, and the outcome being within the company’s control.”

#### COALITION ASKS FCC TO DENY CHARTER ETC STATUS

The **Ensuring RDOF Integrity Coalition** has asked the **FCC** to oppose **Charter’s** petition for designation as an Eligible Telecommunications Carrier (ETC) in parts of Alabama, New Hampshire, and Tennessee, where the company won funding in the Rural Digital Opportunity Fund auction. ETC status is a prerequisite to receiving the RDOF support. Companies weren’t required to obtain ETC designation until after provisionally winning funding through the FCC’s RDOF auction, so there’s a flurry of ETC requests hitting the agency now. It’s not really clear who the Ensuring RDOF Integrity Coalition is comprised of, with the group only saying it is made up of “rural broadband providers, rural Americans, and local government officials” that want to ensure the RDOF proceeding results in timely broadband service to rural America. The coalition has also asked the FCC to deny **Starry’s** ETC application and to deny or defer action on **SpaceX** subsidiary **Starlink’s** petition for ETC status. **NTCA–The Rural Broadband Association** hasn’t asked the FCC to deny any specific ETC petitions, but it told the agency it “observes a common thread appearing in many of them that highlights the need for more careful attention in the review of each such application.” Charter has said it has every intention to fulfill the commitment it made publicly and to the FCC to build and serve out the census block groups it was awarded in the auc-

tion, pointing to its \$5 billion initiative that will match each RDOF dollar with nearly four dollars of private capital. The coalition said that its review of the census block groups (CBGs) won by Charter show that they’re not adjacent to its existing network. “Based on research it has conducted, and the experiences of ERIC members, ERIC estimates that the cost of construction for Charter to extend its existing fiber network is in the range of \$25,000 to \$50,000 per mile, a figure far greater than the amount available through Charter’s RDOF winnings,” the group said. “ERIC estimates that a bid of no less than 60% of the reserve price of a CBG was needed in order to make a business case for serving these high cost/low density CBGs won by Charter. However, Charter won many CBGs at less than 20% of the reserve price, and as low as one percent in some areas.”

### Cablefax Executive Round Up

#### How could the public and private sector work together to make a meaningful impact on the digital divide?



**Andrew Curley**

Director, Government Relations

**Midco**

*“There isn’t a silver bullet solution for the digital divide, whether it’s adoption or access. Last spring, Midco provided free internet to low income families, and adoption wasn’t as high as we’d anticipated or hoped. Because of this, we’re partnering with the City of Sioux Falls to fund the Inclusive Digital Equity Alliance to study how to overcome barriers such as digital literacy. Having private sector providers, non-profits and the public at the table leads to dialogue and problem-solving.”*



**Pat Esser**

President & CEO

**Cox Communications**

*“Keeping people connected is more important than ever before, especially for kids. Our commitment remains strong, but we cannot do this alone. We need to keep partnering with cities, school districts, counties and community-based organizations to get families connected.”*



**Tom Larsen**

SVP, Government & Public Relations

**Mediacom**

*“I think it is imperative to create policies that encourage America’s private sector broadband providers to extend their existing fiber networks into unserved/underserved areas. It is important to have conversations with policy-makers about the problems they are trying to solve. Mediacom has nearly 600,000 strand miles of fiber already deployed and a lot of that fiber is connecting hundreds of wireless towers throughout our 22 state footprint. Last year, we invested nearly \$30 million to buy CBRS spectrum in 178 counties. In short, we have a ready-made solution to expand broadband coverage into unserved areas that not a lot of policymakers are aware of today.”*

### NETFLIX SCORES SONY DEAL

**Sony Pictures Entertainment** is saying goodbye to **Starz** and hello to **Netflix**, entering into a multiyear, exclusive first pay window licensing deal in the US for theatricals beginning with the 2022 film slate. The agreement replaces a deal between **Lionsgate**-owned Starz and Sony. Importantly, Netflix also gets first look at any films Sony Pictures' Motion Picture Group intends to make available directly for streaming or decides to later license for streaming, with Netflix already agreeing to make "a number" of these projects. The initial 2022 theatrical offerings include "Morbius" and "Where the Crawdads Sing," with upcoming Marvel films in the mix. Netflix also will license rights to select titles from SPE's movie library.

### DISTRIBUTION

SVOD **discovery+** scored its first MVPD deal with **Comcast** launching it on its broadband service Flex. It'll add the offering to the X1 platform in the coming weeks. Discovery+ keeps its \$4.99 per month price tag with the MVPD, with an ad-free version available for \$6.99 per month. Comcast is also adding Discovery's direct-to-consumer services **Food Network Kitchen** and **MotorTrend** to Flex and X1. – **Mediacom** is the latest MVPD to agree to launch Discovery's Spanish language network **Hogar de HGTV**. The net, which Discovery launched in June with **Cox** and **Charter**, will be available to Mediacom customers next week. It features a mix of content from **HGTV**, **Food Network** and **Discovery's** lifestyle brands from around the globe. – **OAN Plus**—a free, ad-supported OTT variant of **One America News Network**—is now available in the Vegas DMA on KPVM TV, sub channel 25.4. It marks the first launch for OAN Plus via an over-the-air broadcaster, with OAN president *Charles Herring* saying more OTA broadcast sub-channel rollouts are on the horizon. OAN Plus is also available on **Pluto TV**, **The Roku Channel**, **Freebie TV** and other platforms.

### SPARKLIGHT BRINGING FIBER TO RURAL ARKANSAS

**Sparklight** received a \$1.4 million grant to deliver high-speed internet services to Ogden and Wilton through the Arkansas Rural Connect program. City officials chose Sparklight to construct a fiber optic network throughout the towns that will provide speeds of up to 1 Gbps for residential customers and 5 Gbps for business customers. Construction is scheduled to start in June and more than 330 customers will be connected by mid-September.

### AT THE COMMISSION

The **FCC** is accepting comments through May 24 on whether any updates are needed to the Twenty-First Century Communications and Video Accessibility Act of 2010, which includes rules supporting access to audio description, closed captioning of IP delivered video, accessible user interfaces and more. The Act also includes rules for accessibility to VoIP services. "Most of these rules have been in effect now for many years, and many of them have not been revisited recently, some since initial adoption," the FCC said in its notice. Reply comments are due June 21. – FCC acting chair *Jessica Rosenworcel* signed an MOU with her South African counterpart, Dr. *Keabetswe*

*Modimoeng*, chairperson of the Independent Communications Authority. The agreement, the first such MOU between the FCC and a sub-Saharan African nation in more than 20 years, seeks to increase coordination and the exchange of best practices on 5G, network security, and other policy issues.

### AMPERSAND EXPANDS WITH EXPERIAN

Ad sales and tech firm **Ampersand** has integrated **Experian** audience segments into its AND Platform. The move allows Ampersand to offer clients expanded audience segments across screens. Ampersand's AND Platform, a multiscreen TV planning, buying and measurement platform launched at the beginning of 2020, accounts for the single largest source of TV inventory in the industry, encompassing linear and streaming TV. The AND Platform provides marketers with reach across 85 million households, 120+ cable networks and more than 60% of all US addressable households.

### PROGRAMMING

Starting next week, **CNBC** is replacing "Squawk Alley" in the 11am weekday timeslot with "TechCheck." The live, one-hour program promises to be a deep dive into all things big tech. – **Fox News** signed former Secretary of State *Mike Pompeo* as a contributor. He will offer analysis across all Fox News Media platforms. He makes his first appearance on Friday's "Fox & Friends" at 6am ET. – **HGTV** ordered 18 episodes of "Love It or List It," 13 episodes of "Vacation House Rules" and 12 episodes of "Selling the Big Easy" for 2021. – The fifth and final season of **Freeform's** "The Bold Type" will premiere May 26 at 10pm and will be available the next day on **Hulu**. – The 2021 **Fangoria** Chainsaw Awards premieres April 18 at 8pm ET exclusively on **Shudder**. The ceremony recognizes outstanding achievement in horror film and television. In other news, "Fried Barry" will arrive on the service on May 7.

### PEOPLE

**AMC Networks** expanded the responsibilities of three key streaming and linear TV executives. *Courtney Thomasma*, most recently executive director of **BBC America**, shifts to gm, **AMC+**. **Acorn TV** gm *Matt Graham* will now also oversee streamer **Sundance Now**. *Blake Callaway*, who was exec director of **IFC** and **Sundance TV** linear networks, adds oversight of **BBC America** to his purview as gm of all three networks. – **Effectv**, **Comcast Cable's** ad sales division, created a new 300+ person sales development unit that will be led by *Dawn Lee Williamson*. *Williamson* previously led **Effectv's** Southeast Division and has held senior roles at **VICE Media**, **BBC World News TV** and **Turner**.

### DOING GOOD

**Comcast** announced the second round of Comcast RISE award recipients in the Twin Cities. The multiyear program supports small business owned by Black, Indigenous and people of color. The 19 winners will receive consulting, media and creative production services from **Effectv** or technology upgrades from **Comcast Business** based on their specific needs. Another round of applications for the program is open now through May 7.

# PROGRAMMER'S PAGE

## 'Chad' Finally Lives on TBS

**TBS** invites viewers to revisit their freshman year of high school and dares them to enjoy the trip with "Chad." The pilot premiered Tuesday at 10:30pm ET and it follows the titular character, a 14-year-old Iranian-American boy, on his first day of high school. He'll do everything he can to finally be popular, even if it means constantly getting himself in over his head. The show had a long journey before it reached the air. **FOX** ordered a pilot episode, but passed on the series in the summer of 2016. After **TBS** picked it up, the show was originally scheduled to debut in 2020, but COVID-19 shut down production. Some have questioned why "Saturday Night Live" alumna *Nasim Pedrad* would play Chad. She also serves as the show's writer, creator and executive producer, and the decision for her to star in the show ultimately came down to a choice to maintain as much of Pedrad's vision as possible. "She just knew that the most authentic version of this, of what she wanted to say and how her voice could be heard, was if she played the role as well," said *Sam Linsky*, svp, original programming for **TBS**, **TNT** and **truTV**. "It really was not a hard decision." Now that it's here, Linsky says he just wants people to walk away laughing and to recognize the hard work Pedrad put into the show. "Mostly I just hope people think it's funny because I did," said Linsky, "and for Nasim's sake, I hope they understand how much of her heart and soul that she put into this. It's a lot of work to run a show, it's a lot of work to write a show, it's a lot of work to star in a show, it's a lot of work to executive produce a show. It is beyond incredible, the amount of work it takes, to do all of them." – *Theresa Maher*

### REVIEWS

"American Masters: Never Too Late: The Doc Severinsen Story," streaming on **PBS**. If you're interested in music and TV history, this 'doc about Doc' is a must-see. Ostensibly, the story is about Severinsen, musical director of "The Tonight Show with Johnny Carson" for a quarter of a century. Indeed, the soundtrack, featuring Severinsen, accompanying outrageously good footage, is sublime. From soaring high notes to melted butter from a silky-smooth flugelhorn, Doc could do it all musically. In fact, he's still doing it, at 93 years young, the only survivor of the trio of Carson, *Ed McMahon* and himself that ruled late night for decades. Really, though, the 90-minute film is about dedication to craft, though we don't see that. Watching a musician practice doesn't make for stimulating television. Clearly, though, Severinsen prepared constantly and still does. His regimen, along with innate talent and thrice-weekly gym visits, kept him at the top of his profession. A quibble: the documentary waits 39 minutes before acknowledging that Severinsen was, in his prime, arguably the world's best trumpeter. His outlandish clothes were only a gimmick. It's clear Doc's most comfortable when he's holding a trumpet. Now, at 93, after three marriages, his partner is a terrific trumpet player and educator, *Cathy Leach*. "He'll never retire," says former wife *Emily Marshall*, without bitterness. We hope not. – *Seth Arenstein*

BASIC CABLE P2+ PRIME RANKINGS* (03/29/21-04/04/21)		
MON-SUN	MC US AA%	MC US AA (000)
<b>FNC</b>	<b>0.691</b>	<b>2,128</b>
<b>MSNBC</b>	<b>0.532</b>	<b>1,639</b>
<b>TBSC</b>	<b>0.485</b>	<b>1,493</b>
<b>HGTV</b>	<b>0.376</b>	<b>1,158</b>
<b>ESPN</b>	<b>0.372</b>	<b>1,144</b>
<b>CNN</b>	<b>0.325</b>	<b>1,001</b>
<b>HIST</b>	<b>0.299</b>	<b>922</b>
<b>HALL</b>	<b>0.266</b>	<b>820</b>
<b>FOOD</b>	<b>0.249</b>	<b>766</b>
<b>TLC</b>	<b>0.238</b>	<b>732</b>
<b>USA</b>	<b>0.236</b>	<b>727</b>
<b>INSP</b>	<b>0.234</b>	<b>720</b>
<b>LIFE</b>	<b>0.231</b>	<b>713</b>
<b>DISC</b>	<b>0.214</b>	<b>660</b>
<b>ID</b>	<b>0.204</b>	<b>629</b>
<b>TNT</b>	<b>0.192</b>	<b>591</b>
<b>A&amp;E</b>	<b>0.179</b>	<b>551</b>
<b>TVLAND</b>	<b>0.170</b>	<b>524</b>
<b>ADSM</b>	<b>0.153</b>	<b>470</b>
<b>HMM</b>	<b>0.148</b>	<b>457</b>
<b>BRAVO</b>	<b>0.140</b>	<b>432</b>
<b>FX</b>	<b>0.138</b>	<b>426</b>
<b>AMC</b>	<b>0.138</b>	<b>425</b>
<b>SYFY</b>	<b>0.138</b>	<b>424</b>
<b>WETV</b>	<b>0.127</b>	<b>390</b>
<b>GSN</b>	<b>0.117</b>	<b>362</b>
<b>BET</b>	<b>0.117</b>	<b>361</b>
<b>NATGEO</b>	<b>0.116</b>	<b>357</b>
<b>APL</b>	<b>0.113</b>	<b>348</b>
<b>TRAVEL</b>	<b>0.112</b>	<b>344</b>
<b>NAN</b>	<b>0.107</b>	<b>328</b>
<b>MTV</b>	<b>0.105</b>	<b>325</b>
<b>COM</b>	<b>0.101</b>	<b>310</b>
<b>FRFM</b>	<b>0.099</b>	<b>305</b>

\*P2+ L+SD rankers are based on national Nielsen numbers, not coverage.

TOGETHER TOWARD TOMORROW

REGISTER TODAY!  
RATES INCREASE  
APRIL 17!

Media Finance  
**FOCUS**  
MFM April 2021

A MEDIA EDUCATION & NETWORKING EVENT

VIRTUAL PROGRAM: MAY 11 - JULY 29, 2021