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# Cablefax Daily

### WHAT THE INDUSTRY READS FIRST

# **Broadband for All: Hill Hearing Ponders Affordability, Access**

One of the themes that emerged from Thursday's **House Communications** subcommittee hearing on broadband equity was the notion that there needs to be a permanent broadband benefit.

The country is days away from the kickoff of the **FCC**-administered Emergency Broadband Benefit program, with some predicting the \$3.2 billion to help low-income households subscribe to broadband will be depleted in just four to six months.

Last month, more than 50 groups and organizations, including **AT&T**, **ACA Connects**, **Charter** and **NAACP**, urged Congress to make EBB permanent, arguing that the benefit needs to be higher than the current \$9.25 available for Lifeline.

The **National Urban League** is excited about EBB, but believes having some sort of permanent program is important "because otherwise, what's going to be the difference at the end of the emergency? People are still going to need broadband service," *Joi Olivia Chaney*, the League's svp of policy and advocacy, said during testimony. "What's not been talked about enough in my view is the fact our world has changed. We're not just going to be going back to pre-pandemic standards and norms. We're moving on."

While both Republicans and Democrats probed the need for a permanent broadband program, most of the more than three hour-long hearing served as a way for GOP members to kick dirt at elements of the broadband portion of *Biden*'s infrastructure plan—from favoring fiber providers and municipalities to rate regulation.

Helping to swat at some of those proposals was **Phoenix Center** chief economist *George Ford*. "When you have the vast majority of American buying broadband, it's kind of hard to argue that the price is too high," he said. "You have affordability plans by almost every carrier." Ford argued that rate regulation makes the business case worse for deploying broadband. "It increases the burden on society from the taxation required to subsidize the deployment. You just made the business case worse [for deploying broadband] so they're going to ask for more money to deploy the network," he said. "Whatever money you think you're getting out of rate regulation you just gave back in taxation."

While witnesses from **Public Knowledge** and the Urban League argued that affordability is a huge detriment to people subscribing to broadband, Ford claimed that the number one reason people don't have it is because they simply don't want it.

"This notion that people don't want it, I don't find it to be a compelling argument," Rep *Anna Eshoo* (D-CA) responded, saying she's never heard it brought up at the multitude of hearings over the years on broadband. She added that rate regulation isn't in any of the broadband bills put forward by Dems. "If you want to call affordability rate regulation, tell your constituents that," Eshoo said.

As for concerns the Biden plan will favor municipalities and non-profits, she said that private companies are great, but they build out where they can make money, leaving behind "large

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swaths" of the country without broadband access or without broadband competition. "On this issue of municipal networks not working, I could list all the ISPs that failed. It would be a much longer list," she said.

Public Knowledge president/CEO *Chris Lewis* noted in his testimony that Arkansas repealed its prohibitions against municipal-owned broadband providers. "The community called for a change. Arkansas tried using subsidies... Those carrier simply did not choose to invest in all the communities," he said. "There were still people left out."

*Francella Ochillo*, executive director of **Next Century Cities** founded to support communities and their elected leaders as they seek to have fast, affordable and reliable broadband—also testified at the hearing. She said that it is time to change the way the country is addressing the digital divide. That includes looking at whether funding is being sent to right places because "over and over again, money keeps going to the same people who keep cherry picking who they get to serve," she said.

#### NY AG: ISPS BEHIND NET NEUTRALITY COMMENTS

Nearly 18 million of the more than 22 million comments the FCC received during its 2017 Restoring Internet Freedom Order rulemaking were fake, according to the Office of the New York Attorney General's investigation. It claims a significant portion of those comments can be traced back to some of the largest players in broadband. According to internal emails and other documents the OAG reviewed, some of the nation's largest broadband players joined together to fund a \$4.2 million campaign that generated more than 8.5 million fake comments to the Commission. The alleged primary funders included an industry trade group and three companies that count more than 65 million American subscribers among them and a combined market value of approximately \$500 billion. "The effort was intended to create the appearance of widespread grassroots opposition to existing net neutrality rules, which-as described in an internal campaign planning document-would help provide 'cover' for the FCC's proposed repeal," the report said. "The broadband industry hid its role in the campaign by recruiting anti-regulation advocacy groups, unrelated to the industry, to serve as the campaign's public face." The OAG also claims the industry sent more than half a million messages to members of Congress purportedly signed by their constituents. Other allegations against broadband industry players included the hiring of lead generators to create comments for a fee.

#### **REPORT: NBCU PONDERING FUTURE OF RSNS**

It looks like **Sinclair** isn't not the only one thinking about the future of regional sports networks. **NBCU** has been grappling with whether to place RSN content on **Peacock** or attempt to sell the assets off, sources told the *WSJ*. The plan was put on hold due to concerns that it would negatively impact the larger

streaming strategy of the company. An **NBCU** spokesperson offered no comment on the report, which comes one day after Sinclair announced plans to launch a streaming app in 2022 with content from its RSNs. The broadcaster has seen the likes of **DISH**, **Hulu** and **YouTube TV** drop the RSNs over the last two years and is seeking additional ways to monetize its sports assets. The struggle with going direct-to-consumer are the potential conflicts those products can create with a company's deals with MVPDs and the like. When questioned about that possibility during Sinclair's 1Q21 earnings call Wednesday, president/CEO *Chris Ripley* said the broadcaster has already "cleared the path" to launch the RSN DTC app with distributors, but didn't include details on how those conversations went or who they were with.

#### VIACOMCBS HIGH ON STREAMING

**ViacomCBS** added 6 million global subscribers in 1Q21, in part due to the launch of **Paramount+**. That brings the company's global total to 36 million paying subscribers, but those numbers

## Cablefax Executive Round Up

#### Who do you think would make a good host for "Jeopardy" and why?



Dale Ardizzone

COO INSP

"Samuel L. Jackson would be an ideal host for 'Jeopardy,' if for no other reason than to hear him quote Ezekiel before chastising a contestant for not giving the answer in the form of a question. Also, as he has shown throughout his

career, he can wax philosophical on almost anything, and really isn't that what you want in a host?"



#### Sam Linsky

SVP, Original Programming **TBS, TNT, truTV** 

"• Triumph the Insult Comic Dog – I think he brings the kind of warmth and understanding that contestants are used to and America wants to invite into their homes.

Tom Brady – There's got to be something he's not good at!
Morgan Freeman – I could listen to him say 'may I have that in the form of a question?' all day."



#### Cherisse McKenzie Head Of Production REVOLT Media & TV

"Levar Burton deserves to be the new host of Jeopardy. It seems only right that a figure head who is known for focusing on the importance of education and children's literacy would be the person to fill the late Alex Trebek's shoes.

Not to mention Levar executed a great social media campaign that outlined all the reasons why he should be the no brainer choice, which was greatly received by people far and wide. "

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do come with an asterisk. ViacomCBS included those that are still on free trials in its final 1Q21 numbers. When asked for more detail on the conversion rates from trial to pay, president/CEO Bob Bakish said the numbers are in-line with what the company was seeing from CBS All Access before the rebrand. "That's despite the fact that we've ramped sub growth quite significantly and so we're not seeing any kind of degradation in quality as we widen the subscriber net. That is a good thing," Bakish said. Paramount+ plans to launch its \$4.99 ad-supported tier in June, which management also expects to drive new sign-ups. Global streaming revenues surged 65% YOY to \$816 million, primarily driven by a surge in streaming ad revenue from products like **Pluto TV** and subscription revenues from Paramount+. Pluto TV added 6 million monthly active users in the quarter, bringing the total service's global monthly active users to 50 million. ViacomCBS hasn't forgotten about its traditional linear networks, and the company sees the launches of its streaming products as nothing but additional value adds in its negotiations with those partners. "We have a really broad opportunity to work with them to create value, and you see that, for example, as we deploy our assets in the advanced ad space and we have advanced ad partnerships with most of the large MVPDs at this point. And more recently, we've become a supplier to the app space with both free and paid streaming products, and we supply those to both their set-top box and their broadband-only infrastructure, things like Flex," Bakish said. He added that the company has been using that asset base over the past year to close deals with partners like Comcast, Verizon, Youtube and Hulu. "Negotiations might be a little more complicated than they have been in the past, but I feel very good about our asset base. We have the best affiliate team in the business and I feel great about the outlook of our partnerships with MVPDs," he said.

#### NY \$15/MONTH BROADBAND DRAWS SUIT

ACA Connects, CTIA, USTelecom, NTCA-The Rural Broadcab Association, the New York State Telecommunications Association and the Satellite Broadcasting & Communications Association sued NY Attorney General *Letitia James* last week over a state law requiring ISPs to offer \$15/month broadband plans for low-income households. The law was signed by Governor *Andrew Cuomo* on April 16, and the associations say that it is an attempt by the state to regulate broadband rates. "Both an FCC order that the DC Circuit upheld and the federal Communications Act preclude New York from regulating broadband rates," the suit said. "The Court should declare that New York's Rate Regulation is preempted and should permanently enjoin Defendant from enforcing or giving effect to it."

#### **COMMSCOPE TALKS NEW HOPES**

**CommScope**'s 1Q21 earnings call had an air of optimism about it with management still buzzing from last month's announcement of the spin-off of the home network business. Net sales in the quarter rose 1.9% YOY to \$2.07 billion. Excluding the home networks business, net sales rose 10.5%, primarily due to higher sales in the broadband networks business. The company's outdoor wireless networks business did take a hit with sales falling 7.6% to \$322.5 million due to declines in metro cell solutions and macro tower solutions. But good news is around the corner, CommScope hopes, as some of its wireless customers work to take advantage of the C-band spectrum acquired through the FCC's December auction. "There's a natural pause right now as those operators are basically developing their strategies for how to light up that spectrum. We fully expected that, that's what they communicated to us," evp/CFO *Alex Pease* said on the earnings call. "We expect that their spending will ramp, and in fact we're seeing a lot of their orders coming in now already in the second quarter." CommScope is also expecting to see some benefits as operators begin putting government funds, like those from the Rural Digital Opportunity Fund, to work for fiber buildouts, but exactly how that will impact its bottom line remains to be seen.

#### SPECTRUM REACH TO PAY IT FORWARD

Spectrum Reach, Charter's ad sales division, committed \$50 million to help multicultural-owned businesses, small and mediumsized businesses reach multicultural audiences as part of its "Connecting Communities" initiative. The commitment includes \$15 million in advertising and support for multicultural-owned businesses and \$35 million advertising to help small and mediumsized businesses make affordable and genuine ad campaigns. Participating businesses will also receive dedicated support from Spectrum Reach sales and creative experts, a three-month optimized TV schedule using Reach's AudienceApp media planning tool and free customized commercials. Reach is offering all clients a 20% match, up to a maximum of \$20K per month, on any new TV campaign purchased through June. New clients will also get a 10% inventory match, up to a maximum of \$2K per month, on any new streaming TV campaign. Existing clients will receive a 5% match on streaming TV campaigns purchased through June.

#### CINCINNATI BELL, CSG SHAKE HANDS

**Cincinnati Bell**'s IT services division has tapped **CSG** to help with the company's ongoing digital transformation. Cincinnati Bell will use CSG's Ascendon SaaS-based platform for additional flexibility and scalability as it moves products and services to market. It will also utilize CSG's Managed Services platform to outsource its billing infrastructure and operations.

#### PROGRAMMING

Kelly Stewart is joining **ESPN** as a sports betting analyst across the network's platforms. Stewart will begin her new role in June and has a history as an analyst for sports betting coverage on **Bleacher Report, WagerTalk.com** and more. – "America's Top Dog" Season 2 will premiere on **A&E** starting June 29. Meanwhile, series "An Animal Saved My Life" will premiere on the network July 6.

#### PEOPLE

*Rocío Lorenzo* will join **Liberty Latin America** as svp and chief customer officer in August. Lorenzo most recently worked at Boston Consulting Group, where she led the firm's Telecommunications practice as partner and managing director. – *LaTasha Ezell* was promoted to vp, creative services for **UP Entertainment**. She has been at the company since 2012 and was part of the launch team for **AspireTV**.

# **PROGRAMMER'S PAGE**

# A Second Chance at Stardom in 'Girls5eva'

It's never too late to chase your childhood dream. That's at least what the characters in Peacock original "Girls5eva" would tell you. All eight episodes of the series, which follows a one-hit-wonder girl group that gets back in the game after their music is sampled by a young rapper, landed on the streamer Thursday. "I wanted to write a show about women in my age group and be able to talk about all the things that you got through being a woman in your 40s," creator/ep Meredith Scardino told attendees of the TCA Winter Press Tour. "I just thought it was like the Venn diagram of interesting things of relatability of life in your 40s, and also putting it all up against the crazy world of the pop star world felt like a very fertile duet." While the music can be lighthearted, the actresses stepping into the world of pop stardom are no joke. Sara Bareilles, Renee Elise Goldsberry ("Hamilton), Paula Pell ("Saturday Night Live") and Busy Philipps don't hold back in the vocal department, even when the lyrics to the songs the girl group released in the 1990s don't necessarily match their adult image. "I think with humorous material, to take it seriously as a singer and as a performer is a part of the magic trick of it all. These women, our characters, are sort of going through the realization that the things they were singing as young women were maybe not so awesome," Bareilles said. "They're kind of coming into the space of finding their voice and finding their own empowered kind of presence of mind in what they choose to do." As for why the show suited Peacock more than NBC, ep Tina Fey said there are certain flexibilities with streaming, like additional running time, that lended themselves towards a show with so much music. "You can make a boutique amount of episodes," she said. "Also, I think certain younger, cooler comedy fans are used to accessing their stuff through streaming." – Sara Winegardner REVIEWS

"A People's History of Asian America," premiere, May 6, PBS Voices. We crack another ceiling reviewing this mini-doc series, produced with the Center for Asian American Media, which viewers can find on PBS' YouTube doc channel, PBS Voices, a platform we've not mentioned in this space previously. On the other hand, a deep look at the history of the Asian-American community is timely and necessary. Timely in good and bad ways. Good, of course, is that May is Asian American and Pacific Islander Heritage Month. The downside, of course, is that we're living in a moment when violent attacks and racist threats against Asian Americans are rising significantly. As this four-part series illustrates well, such hate is, unfortunately, not new. Indeed, ep. 1 is aptly titled, "How 'The China Virus' Has Always Been A Part of U.S. History." Fortunately, viewing even the opening ep of this well-done presentation about Asian-Americans' rich history digs into the disinformation and misinformation that's led to anti-Asian hate. It makes for important viewing. - Notable: "Latin Grammy Celebra Ellas y su Música," premiere, 8pm ET, Univision. We can't think of a better way to end Mother's Day than with this celebration of women who've made a mark on Latin music. In addition to performances and interviews, the special features tributes to Celia Cruz and Rocio Durcal. - Seth Arenstein

P2+ PRIME RANKINGS* (04/26/21-05/05/21)		
(04/26/) MON-SUN	21-05/05/2 MC	L) MC
	US	US AA
	AA%	(000)
		()
ESPN	0.793	2,441
FNC	0.715	2,202
MSNBC	0.535	1,647
HGTV	0.420	1,294
CNN	0.354	1,091
HALL	0.272	839
HIST	0.262	807
TBSC	0.254	782
INSP	0.245	754
TLC	0.234	720
DISC	0.233	717
USA	0.217	669
TNT	0.217	667
FOOD	0.214	659
ID	0.205	632
LIFE	0.175	538
TVLAND	0.168	519
A&E	0.165	509
BRAVO	0.156	482
нмм	0.156	481
NFL	0.148	457
SYFY	0.127	390
GSN	0.125	386
NATGEO	0.123	378
ADSM	0.122	375
FX	0.119	366
WETV	0.118	364
TRAVEL	0.115	355
NAN	0.114	351
APL	0.104	319
BET	0.101	310
АМС	0.101	310
DSJR	0.092	284
MTV	0.091	281

\*P2+ L+SD rankers are based on national

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