

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

5 Questions: Spectrum Mobile Three Years After Its Debut

Charter has made it clear that it sees mobile as a huge growth driver and an important pillar in its status as a connectivity company. With **Spectrum Mobile** celebrating its three-year anniversary this month, we caught up with chief mobile officer *Danny Bowman* to chat about Charter's trajectory. An edited excerpt follows.

You were involved during your Sprint days with cable's joint venture with Sprint called Pivot. That was circa 2007. Was that just ahead of its time? It was the right idea ahead of its time. And a lot of it was very much technology based. You know, many of those IP systems, the network technologies, they were so embedded in their own mostly proprietary world at that point. It was really difficult to merge them together. As you think about what happened with voice, and voice turning over into data, and then how would you merge services together. How do you sell it and market it and build all that capability? When I joined Charter, we had to build mobile muscle memory in the cable company because it's a different set of competitors.

What has been the biggest evolution for Spectrum Mobile since it launched three years ago? In that evolution of three years was the launch of true 5G, not fake 5G. A year ago March, we launched 5G as part of our converged, reimagined service. And WiFi is a super critical part of our service because we only sell in bundles. Most customers using a smartphone, 80% of

the time is on WiFi—whether that's at home or work, or even as you go and visit local businesses. Our real driver is when we established that we truly have the fastest mobile service from coast to coast. It is because the truth of it is, most of the time, mobile phone users are on WiFi. Even with 5G, WiFi is going to outperform speed, throughput and performance. And one of the things we pride ourselves on is we keep the business really, really simple. All of our rate plans include all taxes, all fees, unlimited voice, unlimited texts, free calls to Mexico, Canada and 5G is included at no extra cost.

WiFi convergence is obviously a huge important part of your service. Do your customers need to understand this aspect? Is there a risk they think Spectrum Mobile is just a rebrand of Verizon? Does there need to be an educational component for consumers? From my perspective of being on the mobile side for 30 years, mobile network operators have convinced customers because of the amount of advertising that they've done that their mobile phone operates on cellular. That's all you see—the 5G network, the mobile network. That much tonnage of advertising has basically become the convincing factor. Even today, they're all still arguing about who's got the fastest 5G. Well, there's five flavors of 5G—there's the low-band, the mid-band. Customers are so confused on what 5G is all about. It is about education. We are re-educating the marketplace that a bundle is a much better way to go because that's actually how mobile phones work.

Did the pandemic negatively impact the progress of Spectrum



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Mobile in any way? It really didn't. I'll just chime in on this powerful sales and marketing machine that we do have. There were challenges in the retail environment, we had to close a few stores. But in most cases, most retail stores stayed open through most of the pandemic because we had to service our customers. [Charter opened 180 new and remodeled stores in 2020 and expects to have 750 total stores by the end of 2021] There were certainly people who didn't come into retail because they were concerned, but our other channels, especially our direct-to-consumer channel, our inbound sales and internet channels, really took over and took the momentum.

Do you see wireless surpassing video as a top revenue driver for Charter? We're certainly not going to speculate on that. We think of mobile more as an extension of our internet and broadband service. Video is consumed from all these mediums—whether it's your mobile phone, whether it's at home across your set-top box, or Roku or Apple TV, or your tablet. And our main emphasis is that we enable, however you want to consume video, including on the go. That's what we're all about. I'm not going to speculate how that evolves because what we do know is that consumers love video. They love to be entertained. In today's world, they love to generate their own videos and share them with everybody. Look at Snapchat. So video is here to stay. It's just evolving.

NY BROADBAND AFFORDABILITY LAW PAUSED

A federal judge granted a preliminary injunction Friday that stops a New York law requiring broadband operators to offer \$15/month low-income broadband plans from going into effect Tuesday. The law has been challenged by **USTelecom, ACA**

Connects, CTIA and other associations in the US District Court for the Eastern District of New York. The ruling puts a pause on the law as the court ponders its legality.

AT&T CEO: CNN+ IS COMING

John Stankey acknowledged a bit of buyer's remorse over **DirectTV** during an appearance before the Economic Club of Washington, DC, Thursday. "But I would tell you in hindsight, is that a transaction that one would have undertaken, if it knew everything it knew today? And the answer to that is probably not," he said, according to a transcript. He feels better about Time Warner's prospects and its combination with Discovery. "I would tell you that absolutely, [I] have every degree of confidence that we have set something up here that is an excess of the value of what we've paid for the business. We've talked a lot about that," he said. The AT&T boss acknowledged there will be a lot of waiting as the **WarnerBros Discovery** deal makes its way through regulatory review, but he said that WarnerMedia will continue to execute during this time, pointing to the rollout this month of the **HBO Max** AVOD service. "There's been some rumors in the media about us launching a direct-to-consumer, **CNN Plus** news product, that will in fact occur. We'll keep pushing ahead with those things. So my view is we won't be waiting, we'll be executing."

CAL DEMS APPLAUD NEWSOM BROADBAND PLAN

House Democrats representing California expressed support Friday for Governor *Gavin Newsom's* proposal to invest \$7 billion in federal and state surplus funds over the next three years in broadband infrastructure. Newsom's plan would direct the funds towards the building of a middle-mile fiber network. His hope is that the reduction in upfront infrastructure costs will inspire pro-

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viders to expand service to unserved and underserved areas. The ultimate goal of the project is to connect the 51% of California's rural households that do not currently have access to a high-speed internet connection.

DOING GOOD

T-Mobile is donating \$1.25 million towards causes that are advancing educational equity for LGBTQ+ youth. A sum of \$1 million will be directed towards the **Human Rights Campaign Foundation's** new financial and digital literacy initiatives. An additional \$250,000 will go towards **GLSEN's** efforts to make schools safer and more inclusive for LGBTQ+ students. "We're proud to partner with these two organizations because they share our belief that every single person has the right to feel safe, seen, heard, and prepared to achieve their ambitions—and are delivering quality programming that ensures it," T-Mobile CEO *Mike Sievert* said.

AT THE COMMISSION

The **FCC** has rescheduled the Open Radio Access Network Solutions Showcase originally planned for June 29. Due to the large number of interested participants, the Commission has expanded the showcase into a two-day virtual event to be held July 14-15. Presenters at the showcase will be limited to vendors that will have Open RAN products or services with standards-compliant interfaces available by January 1.

MAGNOLIA WORKSHOPS

As part of its July 15 multi-platform launch, **Magnolia Network** will launch educational content collection dubbed "Magnolia Workshops." Viewers will have access to a library of courses taught by experts in home design, cooking, gardening and the arts. The program will be available to **discovery+** subscribers through an incoming Magnolia app, which will also serve as the home for Magnolia's unscripted content slate.

RATINGS

Hallmark Channel's "Good Witch" delivered high ratings for its June 6 episode, making it the most-watched network across entertainment cable in weekend primetime for the week among HH and W18+. The ep averaged 2.3 million total viewers and 263,000 W25-54. On **Nielsen** L+3 ratings, the episode was the #1 most-watched entertainment cable program in the Sunday 9pm-10pm period.

CABLEFAX DASHBOARD

Twitter Hits

Howard Mortman @HowardMortman
 A "back to normal" White House press briefing room... 100% capacity



BCAP @BCAPisBroadband
 Our outgoing President has many reasons to smile during Tuesday evening's reception held at Hershey CC in his honor. Congrats to Dan Tunnell and wife Gail on his retirement after guiding our Association since 2001. Thank you Dan, for 20 years of outstanding leadership! Cheers! 🍷



SCTE @scte
 Awesome day at SCTE headquarters today. @philmckinney, Pres/CEO @CableLabs is visiting with us this week. Great lunch time chat and the staff is having fun getting to know Phil. #wearefamily #leadership #networking



Research

(Source: *Vericast 2021 Consumer Optimism Outlook Study*)

- > Consumers have acclimated to life at home with 63% saying they are content with staying home more
- > 61% report watching more streaming videos and TV shows than ever before
- > Only 36% of consumers are comfortable attending outdoor sporting events and 26% are comfortable attending indoor sporting events.
- > Those comfort levels indicate that acclimation to homelife means consumers will choose watching sports on TV over going to the event for the foreseeable future.

Up Ahead

- JUNE 22:** MEDIA INSTITUTE LUNCHEON WITH THE CONSUMER TECHNOLOGY ASSOCIATION'S GARY SHAPIRO
- JULY 16:** 2021 CABLEFAX DIVERSITY LIST NOMINATION DEADLINE
- JULY 25-28:** FIBER CONNECT 2021
- OCT 4-6:** NCTC AND ACA CONNECTS' INDEPENDENT SHOW

Quotable

"TV news began as public service programming that broadcasters had to carry as a condition of getting a license from the FCC. The television news business eventually turned profitable, but it will soon face an existential crisis as to how to remain so... One possibility is to create a large bundle of national and local news, made available through a single packager... Another possibility would be to find a more Switzerland-like player to act as a neutral distributor... Certain companies may be able to go it alone better than others. Comcast and NBCUniversal have a broad array of assets including CNBC... Fox is putting a lot of shoulder behind Fox Nation... Right now, there is no obvious answer to saving TV news as pay-TV subscribership declines, but let's not allow quality television news to become collateral damage in the entertainment streaming wars." – **Tom Rogers, the first NBC Cable president, in a CNBC op-ed on supporting news in a streaming world**