

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## Top Marks: Charter Wins New Broadband Subs With Help from EBB

**Charter's** investments in its broadband network continue to pay dividends. The operator welcomed another 365,000 internet customers during Q221. That's down from the mammoth 842,000 it collected during the same period last year, and Charter chalked that up to a lack of selling opportunities relative to 2020.

While many providers have reported not seeing significant numbers of new customers sign up as a result of the Emergency Broadband Benefit program, the operator estimated that approximately 60,000 of its residential internet net adds would not have occurred without the federal program. CFO *Chris Winfrey* does not believe the program will have any negative impact on 3Q21 numbers.

"The customers that were protected from the state mandate perspective were already inside of our Q2 results. It was small, but we've written off a portion of their balances," he said. "We've been successful in keeping those customers, those types of customers to the Keep Americans Connected programs. We want those customers to stay with us, and we're working with them to make sure that takes place. It's worked in the past, and I don't expect any major impact there."

Revenues came in at \$12.8 billion, a 9.5% improvement YOY. Charter, whose video segment has been performing much better than those of its competitors, lost 63,000 subscribers in the quarter compared to a 102,000 increase in 2Q20. As of

June 30, it still had 15.4 million residential video customers. When asked why Charter has been more resistant to some of the cordcutting trends, CEO *Tom Rutledge* said it all came down to affordability in the company's video package pricing.

"To some extent, we think our video business is stabilizing, but on the other hand, the fundamental trends haven't stopped, which is that prices are being continuously passed through to consumers, and there's real pressure on the total cost of the bundle," he said. "The reason we're relatively better is we have been moderate with our pricing and we've created new packages that cost less."

Charter is also continuing to make moves that enhance its video offerings, striking new carriage deals with folks like **ViacomCBS** that include direct-to-consumer products like **Paramount+**. It is also still toying with the idea of offering a solution similar to **Comcast's** Xfinity Flex streaming box.

"We are beginning to put apps, **Netflix**, **YouTube** and other apps onto our existing set-top box, and we continue to engage with Comcast on a discussion about their Flex technology and what it might be capable of doing for us," Rutledge said.

**Spectrum Mobile** added 265,000 mobile lines during the quarter, bringing it to a grand total of 2.9 million lines. While **AT&T**, **T-Mobile** and others have been aggressive in offering device subsidies to attract new customers, Charter has chosen to focus on keeping its prices relatively low. The company is building its first infrastructure project that will take advantage of its CBRS spectrum. That won't be active until early next

# Corporate Licenses

## Cablefax Daily

WHAT THE INDUSTRY READS FIRST.

Get reduced subscription rates for multiple readers in your organization.

Find out more! Contact Client Services at [ClientServices@accessintel.com](mailto:ClientServices@accessintel.com)

[www.cablefax.com](http://www.cablefax.com)



year, and Rutledge doesn't anticipate any meaningful national mobile traffic offload to happen until 2023.

"We're incented to move significant amounts of traffic onto our own network, and we already do through our WiFi network, which we can also optimize for traffic flow going forward. And we can do the same with CBRS and potentially other parties as well," he said. "So we have an opportunity to continuously lower our cost going forward. Even if we're not using CBRS, we have an opportunity just through our volume of activity to continuously move down the price curve."

**Pivotal** raised its year-end price target for Charter by \$20 to \$820 in light of the results, saying all signs point to continued success for the operator all the way through next year.

"The outlook for the balance of '21 remains solid but importantly, the set-up for '22 remains strong driven by continued positive effects of an increasing percent of revenue from high margin data, wireless swapping from material losses to gains, a return of political advertising, continued SMB rebound and likely economic normalization," the firm said in a note.

#### T-MOBILE SEES STABLE SECOND QUARTER

**T-Mobile** saw 1.4 million net additions in Q221 with total revenue of \$14.5 billion, down from 1Q21's \$19.8 billion in revenues, but still a 10% increase YOY. The operator's ultra-capacity 5G network is on track to cover 200 million people nationwide by the end of the year. It currently covers 165 million at average speeds of 350 Mbps, with CEO *Mike Sievert* declaring the operator is "pacing nicely." The extended range 5G service has grown in the last quarter to cover 305 million people across 1.7 million square miles. Postpaid net additions

in the quarter reached 1.3 million, and postpaid phone net additions were at 627,000 with 0.87% churn. T-Mobile kept its momentum in moving Sprint customers onto its network, now boasting 80% of Sprint traffic and one-third of Sprint customers on the network. With this progress, the company raised its merger synergies guidance to \$2.9-3.2 billion in 2021, up slightly from last quarter's estimation of \$2.8 billion to \$3.1 billion. As for **DISH's** recent deal with **AT&T**, Sievert acknowledged that it's possible AT&T will move faster off T-Mobile's network than the company had anticipated. While that may open up some gaps in T-Mobile's financial plan, he said there's also opportunity because it frees up more capacity. One area that could benefit is home broadband. "We're going to be paced by the available network capacity, so there's an opportunity to go faster," he said, adding that enterprise may also be a beneficiary. Regardless, T-Mobile is reiterating its five-year plan no matter what happens with AT&T.

#### UNIVISION ANNOUNCES STREAM TEAM

**Univision** made more leadership team appointments for its recently-unveiled global streaming service. *Augusto Rovegno* will serve as svp, acquisitions and SVOD programming. Rovegno joins from **Netflix**, where he served in various roles leading the original film development as well as licensing and co-production of Spanish-language films and TV series. *Cameron Carr* joins from **NerdWallet** as evp, data and insights, streaming. *Mariela Stescobich* is coming over from **Fox** to serve as svp, marketing, user growth and retention for AVOD. *Daniel Sanders* will serve as svp, engineering, streaming. He most recently served as vp, engineering at **Pluto TV**.

Get The Full  
Experience,  
At Half The Price.

50% OFF  
membership!

Plus, get a discount on  
SCTE Cable-Tec Expo®

Visit [scte.org](https://scte.org)

**SCTE**  
a subsidiary of CableLabs®

Cablefax Daily (ISSN 1069-6644) is published daily by Access Intelligence, LLC | [www.cablefax.com](http://www.cablefax.com) | 301.354.2101 | Editorial Director: Amy Maclean, 301.354.1760, [amaclean@accessintel.com](mailto:amaclean@accessintel.com) | Publisher, Cablefax and Synopsis: Robbie Caploe, 917.974.0640, [rcaploe@accessintel.com](mailto:rcaploe@accessintel.com) | Managing Editor: Sara Winegardner, 301.354.1701, [swinegardner@accessintel.com](mailto:swinegardner@accessintel.com) | Assoc Editor: Theresa Maher, 301.354.1704, [tmaher@accessintel.com](mailto:tmaher@accessintel.com) | Director of Business Development, Cablefax: Ellen Kamhi, 917.626.5574, [ekamhi@accessintel.com](mailto:ekamhi@accessintel.com) | Dir of Marketing: Kate Schaeffer, [kschaeffer@accessintel.com](mailto:kschaeffer@accessintel.com) | Production Manager: Joann Fato, [jfato@accessintel.com](mailto:jfato@accessintel.com) | Kerry Smith, Divisional President, Marketing & Media Group, [ksmith@accessintel.com](mailto:ksmith@accessintel.com) | Group Subs/Subscription Questions, Client Services: 301.354.2101, [clientservices@accessintel.com](mailto:clientservices@accessintel.com) | Annual subscription price: \$1,799.00/year | Access Intelligence, LLC, 9211 Corporate Blvd., 4th Floor, Rockville, MD 20850

**C-SPAN'S LAST 'COMMUNICATORS'**

**C-SPAN's** "The Communicators" is airing its last episode on Saturday at 6:30pm ET after 16 years on the public affairs network. Technology reporters *Cat Zakarzewski* of *The Washington Post*, *Axios's Margaret McGill* and *POLITICO's John Handel* close out the series with a "Tech Reporter Roundtable." The three take on topics such as *Donald Trump's* recent lawsuit against three social media platforms, Section 230, antitrust efforts in federal government towards Big Tech and artificial intelligence. McGill shared her thoughts on different administrations' focus with regards to internet infrastructure. "The Trump administration, I think, was very focused on 5G first and whatever we need to do to speed that technology along. I think, with the Biden administration, at least on the infrastructure piece...it seems like they're more focused on deploying fiber and having those wired connections in the home," she said. The episode was made available [online](#) Friday.

**RATINGS**

**OWN's** "Love & Marriage: Huntsville" delivered its most-watched episode Saturday night with more than 1 million total viewers in L+3. It marks the network's most-watched unscripted telecast since a 2019 episode of "Iyanla: Fix My Life." "Love & Marriage: Huntsville" was Saturday night's top telecast across broadcast and cable with African American W25-54 and W18-49.

**BIG3, VERIZON TEAM UP**

*Ice Cube's* three-on-three basketball league **Big3** and **Verizon** are getting into the game together. Through the rest of the season, Verizon will have on-court signage and present a "rules of the game" segment each week. The operator also will be named presenting partner of the playoff and championship games Aug 28 and Sept 4 and serve as associate sponsor of Big3's 3-on-3 local basketball youth program, Young3. Verizon will also present custom social media content across Big3 owned-and-operated channels.

**CABLEFAX DASHBOARD**

**Twitter Hits**

**Seth Green** @SethGreen  
 Bob Odenkirk is the hardest working nice guy in the business. A staggering, humble talent who it seems, can do anything. Wishing him speedy recovery, and love to his family ❤️❤️❤️

**The Hollywood Reporter** @THR · Jul 28  
 Bob Odenkirk is in stable condition after suffering a heart attack on the set of #BetterCallSaul thr.cm/SNirGK

3:01 AM · Jul 29, 2021 · Twitter for iPhone

**Susan Orlean** @susanorlean  
 I wish "accepting cookies" actually involved real cookies.

1:31 AM · Jul 27, 2021 · Twitter for iPhone

**Chuck Robbins** @ChuckRobbins  
 Very encouraging to see today's bipartisan infrastructure deal, which includes \$65B in funding to provide #broadband to Americans in need. @Cisco fully supports @POTUS, @VP & the unprecedented effort of Congress to close the digital divide.



**Mike Schmitz** @Mike\_Schmitz  
 Let's go!



7:24 AM · Jul 29, 2021 · Twitter for iPhone

**Research**

(Source: [Horowitz Research](#))

- 80% of Latinx TV content viewers are streamers, including 64% of Latinx Spanish-language content viewers.
- On average, Latinx streamers pay for 4 streaming services.
- Half of Latinx households (49%) subscribe to both a traditional MVPD and at least one streaming service. Only 11% are MVPD-only households.
- Six in 10 Latinx watch Spanish-language content at least occasionally.

**Up Ahead**

- AUGUST 6:** CFX Regional Rainmakers Nominations Due
- AUGUST 9-13:** CableLabs Innovation Boot Camp, Virtual
- AUGUST 10-13:** C2HR Con, Virtual
- AUGUST 11-12:** Kaitz Foundation Hollywood Creative Forum, Virtual
- SEPT 15-16:** Mid-America Cable Show, Omaha
- SEPT 28:** T Howard Dinner, NYC

**Quotable**

"We do see an opening up happening all across the country. We'll have to see what happens with the Delta variant, but people are back in our stores... we're seeing switching return to the market. In the second half, that's always been traditionally when the action is. That's when Apple sometimes brings new devices out, it is back to school season... it's a competitive market, but it's been a competitive market. Every quarter, the nature of that competition changes, and usually it is us setting the pace. Right now, it is device offers. All the companies are out there with fantastic device offers and they are centering them around more premium plan offerings... this has always been an intensely competitive market, at least since we've been the Uncarrier."

- T-Mobile CEO Mike Sievert speaking with [CNBC](#) on his company's 2Q21 results and high levels of account growth across the wireless industry