

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

New Deal: Liberty Broadband on Pros, Cons of Infrastructure Bill

Liberty Broadband's top leaders have kept a close eye on the bipartisan infrastructure bill negotiated by *President Joe Biden* and top Republican lawmakers, and they're bracing for any impacts, good or bad, it could have if passed.

"Obviously, we have a substantial number of locations that would fit in the unserved categories, so they would be eligible for funding under the proposal," **GCI CEO Ron Duncan** said on Liberty Broadband's earnings call Friday. "There's also some risks because there are likely to be some startup operators coming in. I think it's hard for people to compete with just sections of our network. But clearly some risk for us, not necessarily overbuilding but of market disruption when you pour that much money that fast into the marketplace."

He added that he had a number of concerns in terms of the buildout deadlines proposed within the infrastructure bill. Duncan called the proposed timelines unrealistic when you take stock of the available workforce and the technology needs that come with so much new build.

Liberty Broadband president/CEO **Greg Maffei** believes many of the risks that apply to GCI could also impact **Charter**, which Liberty Broadband owns a 26% stake in. He believes there will be a rush of entities including states, counties and municipalities trying to get into the broadband business should the bill pass.

"There will be some impact on talent. Pouring all that money in, expecting the timeframes that things are going to get done means in a lot of cases, you'll be seeing people trying to hire installers or whatever you want," he said. "That is going to have a secondary impact on us in some of our markets."

Both executives agreed that many of the provisions they more strongly opposed have been left out of the infrastructure plan. Maffei said he was particularly pleased that the bill was technology-neutral, meaning providers receiving funding through the legislation would be allowed to use any method they like to provide service in new areas including fiber or fixed wireless.

There was talk among some that implementing a 100Mbps download/100Mbps upload speed requirement into the infrastructure plan would be helpful in ensuring that new network builds would be future-proofed, but that failed to make it into the final plan.

"It's a TBD on a lot of things, but probably not as bad as it could have been," Maffei said. It's a waiting game now to see how the final piece of legislation will shake out. The Senate has been hard at work amending the bill for much of the past week, pushing to give it final approval before the August 9 start of the chamber's summer recess. Senate Majority Leader **Chuck Schumer** (D-NY) has signaled that he would keep the Senate in session until the bill is passed.



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AMC NETWORKS STILL BIG ON NICHE STREAMERS

AMC Networks is continuing to bet on its niche streaming strategy, praising the success of its portfolio through 2Q21. The company reported net total revenues grew more than 19% YOY to \$771 million with domestic revenue increasing more than 13% YOY to \$639 million. Much of that growth is tied to increased subscription growth across services like **AMC+** and **Acorn TV**. “What is in our genetics, what it is we developed from the start is a depth of material around your genre that provides, I think it’s fair to say, more than they can get anywhere else on the planet of that material,” AMC Networks president/CEO *Josh Sapan* said on the company’s earnings call Friday. AMC Networks was heavily impacted when the advertising market took a downturn during the COVID-19 pandemic, but the programmer is seeing encouraging signs of recovery across that business. Ad revenue increased 13% to \$212 million, which the company attributed to higher pricing and ad-supported streaming growth. That was partially offset by a reduction in the number of episodes of original programming and lower ratings. AMC Networks COO *Ed Carroll* believes the company’s approach to ad-supported streaming offerings has set it apart from other linear programmers. “We have maintained more control of programming with our FAST channels, more control of the selling process and more control of pricing, so I think that all accrues to our benefit,” he said. Subscription revenues increased 21% thanks to a boost in increased paid streaming subscribers as well as the one-time beneficial impact of a distribution agreement renewal.

EL REY MAKES STREAMING RETURN

El Rey Network is back. It has struck a partnership with **Cinedigm** and **FactoryMade Ventures** to create a free, ad-supported English-language channel with content that used to live on El Rey’s linear network. As part of the deal, Cinedigm will work with El Rey to partner with advertising brands on custom content. The network will be available to all distribution platforms across the OTT landscape, including connected TVs and set-top boxes. El Rey’s 24/7 linear network shut down on December 31 after steadily losing distribution in 2020.

FCC FINES ESPN OVER FALSE ALERT

The **FCC** is instituting a \$20,000 forfeiture against **ESPN** for apparently willfully violating rules banning the transmission of false or deceptive emergency alert system codes. The apparent violation occurred during airings of the “30 for 30: Roll Tide/War Eagle” program, which was included in ESPN’s programming stream in October 2020 in the absence of an actual emergency. “ESPN acknowledges that its use of the EAS Tones was in association with the depiction of a weather event for storytelling purposes and that “[a] key segment of the documentary concerns the April 27, 2011 tornadoes that damaged areas throughout Alabama... As part of the narrative framing of this weather event, the filmmakers included news coverage and footage of the tornadoes from a variety of sources,” FCC Enforcement Bureau chief *Rosemary Harold* said.

FCC UNVEILS MOBILE AVAILABILITY MAP

The **FCC** published a new map Friday with mobile coverage and availability data in the U.S. from the nation’s largest

Cablefax +

“While this magazine is hefty, even more Q&A content is available online, or as we nicknamed it—Cablefax 100+—because adding a PLUS to end of your brand is the trendy thing to do.” —Amy Maclean

Read the digital version of **Cablefax 100** magazine and expanded profiles at www.Cablefax100.com

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wireless providers. The map shows 4G LTE broadband data and voice mobile coverage as of May 15 from **AT&T, T-Mobile, Verizon** and **UScellular**. The map is also the first public test of the FCC's revamped data collection standards established under the Broadband DATA Act, legislation designed to improve the accuracy of the Commission's broadband availability maps. The agency is still working to collect improved data for the broadband maps and to create processes to validate and supplement provider-submitted data with consumer testimonies. "While this mapping tool is a preview of things to come, it also demonstrates the future of the consumer-facing and user-friendly tools that will help everyone—consumers, state and federal policymakers, and other stakeholders—understand where broadband is available," FCC acting chair *Jessica Rosenworcel* said in a blog.

COMSCORE, FOX EXTEND DEAL

Comscore and **Fox Corp** have expanded and extended their measurement relationship. The new deal includes Comscore's National TV measurement service and comes as a result of the firm's expanded data rights, measurement stability and steady improvements to its television measurement products.

PROGRAMMING

MSG Networks will air the Eagles's "Live From the Forum MMXVIII" concert on certain nights in August, starting at 8pm ET Friday. The concert film features live performances from three of the band's concerts that took place in Sept 2018 at the Forum in California. The concert film release comes ahead of the band's return to Madison Square Garden for its "Hotel California" tour beginning August 22. -- **SundanceTV** commissioned its first true crime franchise, "True Crime Story." The first pair of limited series developed as part of the franchise, "It Couldn't Happen Here" and "Indefensible," are debuting on Sept 9 and Oct 14, respectively, on **AMC+** in addition to SundanceTV.

CABLEFAX DASHBOARD

Twitter Hits

Jim Maiella @jimmaiella
 .@MTV's 40th sent me back to the old cable guides to reconstruct some history. Launched on Cablevision on 7/31/82. Bumped Nickelodeon up from 29 to 22, according to September guide newsletter copy. Featured local boy @billyjoel in the first ad. Here's what TV looked like in 1982.

Ina Fried @inafried
 Replying to @inafried
 Loved this sign some volunteers put up.

Kathleen O'Brien Ham @kobham
 Good to see @FCC is reviewing TRS Fund to ensure enough support to sustain IP Relay. ICYDK - IP Relay is an important tool enabling comms b/w deaf, hard of hearing & deafblind ppl & voice phone users by transmitting text via the internet. bit.ly/3fCSAX7

4:59 PM - Aug 5, 2021 - Twitter Web App

Research

(Source: [Hub Research "Predicting the Pandemic" Study](#))

- > The number of pay TV subs who bought or rented shows or movies at least once a week through their provider doubled from Feb 2020 to June 2021.
- > In July 2020, only a fifth of respondents said they had paid to stream a movie that skipped the theater because of COVID. By June 2021, that had risen to a third.
- > Among those who intend to watch new movies in the next year, an equal number say they intend to mostly stream at home (38%) as say they'll mostly go to the theater (36%).

Up Ahead

- 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
- OCT 11-14:** [SCTE Cable-Tec Expo](#), Atlanta

Quotable

"Just as a reminder, this is not a carriage dispute. We're not seeking more money or economics in this relationship. We want Google to agree not to try and dictate search behaviors on Roku or access data we don't make available to others or require hardware or software changes to our platform that would harm our competitiveness with other competing platforms, including their own Chromecast. We think these are pretty fair and reasonable asks. We're working to resolve it in a way that's good for Roku and consumers and Google, but we don't have a resolution today.
 - Roku svp/general manager, platform business **Scott Rosenberg** on the company's 2021 earnings call discussing the company's ongoing carriage dispute with YouTube TV