

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Roller Coaster: Observers Keep Close Tabs on FCC's 3.45GHz Auction

It's been 10 days since the start of the **FCC's** auction to make 100MHz of midband spectrum in the 3.45GHz band available for commercial use. While early demand in Auction 110 seemed high, things took a turn south last week, with some questioning whether the auction will ultimately fail.

That wouldn't be good. "Auction failure could have significant policy ramifications for future spectrum clearing, so let's hope this does not happen," said **BitPath** COO and former FCC incentive auction task force Chief Data Officer *Sasha Javid*, who has been providing round-by-round updates on the auction on his [website](#).

Things were looking a bit better Friday. Round 28 closed with gross proceeds of more than \$6.5 billion. "While excess demand continued to decrease today as demand shifted outside of the largest markets, there was no further dramatic reduction in demand," Javid told *CFX*. "Thus, I feel more confident that the auction will meet the reserve price by Tuesday. I am sure the FCC, and **AT&T**, are feeling a little better heading into the weekend."

For the auction to succeed, it must meet the reserve price of \$14.8 billion. Watchers believe one of the big bidders dropped out after Week 1. While cable is sitting this one out, **T-Mobile**, **AT&T**, **Verizon** and **DISH** are among the 33 companies qualified to participate. Adding to the recent drama was a bidder dropping 20MHz of demand in more than 50

large markets late Thursday.

Aggregate demand fell 14MHz over the course of the day Friday, from 142MHz to 128MHz. "However, the decrease in demand during the day was gradual across rounds (rather than all in a single round, as we've seen previously), and the overbid ratio in small markets rose slightly as overall demand fell, suggesting bidders are reducing demand in big markets and moving some of those bidding credits to smaller markets as prices in the large markets soar," **New Street Research** said in a note to clients.

After Thursday's close, the analysts suggested they'd be watching the auction with white knuckles. By Friday evening, they seemed to feel a bit better. It helped that bidding rose an average of 9% across each round today, up from 8% the past few days.

While **Public Knowledge** SVP *Harold Feld* always felt the notion of this auction bringing in big money was too optimistic, he still believes the auction will ultimately close. "Too many carriers are invested in its success," he mused on Twitter. Feld suggested lack of interest is tied with carrier concern over Department of Defense coordination on the spectrum—especially given that a 2.5GHz auction is coming that will likely draw more interest. Former FCC Commissioner *Mike O'Rielly* spoke Friday at a **Free State Foundation** event, calling for the Commission to clear more mid-band spectrum. He suggested the FCC set a date soon for the 2.5GHz auction.

Blue State technology strategist *Mike Conlow* also took



Enter at www.RegionalRainmakers.com

ABOUT REGIONAL RAINMAKERS

The **Cablefax Regional Rainmakers** honors the operators, programmers, executives, associations and lobbyists who are making outstanding contributions at local and/or regional levels – be it in operations, affiliate sales, news and sports programming, state legislation, lobbying and more.



2020 / 2021

CABLE HALL OF FAME

MONDAY, NOVEMBER 15, 2021 • 8PM ET • NOW VIRTUAL

PREMIERING ON **C-SPAN3**

THE **CABLECENTER**

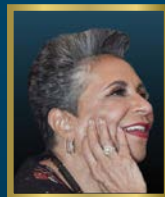
CONGRATULATIONS TO OUR 2020 HONOREES



BRIDGET BAKER
CEO,
BAKER MEDIA
INC.



JAMES A. "JIM" BLACKLEY
FORMER EVP, IT
AND ENGINEERING
CHARTER
COMMUNICATIONS



CATHY HUGHES
FOUNDER &
CHAIRWOMAN,
URBAN ONE



ALFRED LIGGINS III
CEO, URBAN ONE;
CHAIRMAN & CEO,
TV ONE



JEFF MARCUS
CABLE
PIONEER



DAVID N. WATSON
PRESIDENT & CEO,
COMCAST CABLE



JEFF ZUCKER
CHAIRMAN,
WARNERMEDIA
NEWS AND SPORTS;
PRESIDENT,
CNN WORLDWIDE

FOR MORE INFORMATION OR FOR
SPONSORSHIPS, CONTACT US AT

720.502.7513

or myacovetta@cablecenter.org

CABLEHALLOFFAME.COM

chof@cablecenter.org / [#CableHOF](https://twitter.com/CableHOF)

THANK YOU TO OUR SPONSORS AS OF 9/22/21

NewsmaxTV



Discovery



Cable One™

WOW!

Charter
COMMUNICATIONS

Cablefax

Multichannel
News

CYNOPSIS MEDIA

tream will be made available to select Redbox customers on a promotional trial basis and promoted on Redbox's kiosks and digital streaming properties. It will also include select content from the company on Redbox's AVOD and free ad-supported streaming television services. Redbox also agreed to offer Curiosity Stream as a premium subscription offering when it launches SVOD channels in its streaming app in 2022.

FUBO IN DRIVER'S SEAT

Fubo Sportsbook struck a partnership with **NASCAR** to become an authorized gaming operator. The pair will work together to offer racing fans different wagering experiences. The Fubo Sportsbook is still expected to launch in 4Q21 and aims to integrate sports wagering and live TV streaming.

FREE SPEECH WEEK

The **Media Institute** announced in honor of the start of Free Speech Week on Monday, it intends to partner with Federal Hall in NYC to bring First Amendment programs to Washington, DC, and New York. Free Speech Week, which runs from Oct 18-24, promotes awareness of free speech and a free press in the U.S.

CARRIAGE

Frdly TV and **GAC Media** have signed an agreement that will make both **GAC Family** and **GAC Living** available on the streaming platform on Tuesday. That will increase the service's offering to 23 channels, with nine having been added since February. Frdly TV is available for \$5.99/month and includes networks like **Hallmark Channel**, **Game Show Network** and **The Weather Channel**. - **Up Faith & Family** launched on **YouTube TV** as an optional add-on recently for \$5.99/month.

READING LIST

Longtime **ARRIS** CEO **Bob Stanzione** and CFO **Dave Potts** worked with journalist Jonathan Tombes on a new book that tells the tale of ARRIS, from its origins as a JV between **Nortel** and **ANTEC** to its sell to **CommScope** in 2019. "Taking Flight: The ARRIS Story" also features forewords from former board members **Jim Chiddix** and **Alex Best**. You can order copies at [Blurb](#).

CABLEFAX DASHBOARD

Twitter Hits

Shawn Tyka @tyika5
 Thus begins SCTE Cable Tex Expo week with the Cable Pioneer dinner. Tonight is live but the rest of the week is virtual and I'm missing my cable friends. Here is a Pioneer photo of yore (lol) to kick off the memories! #cabletecxpo #SCTETogetherAgainSoon



Andrew Magloughlin @MagloughlinA
 Randy May kicking off #FSF15Anniversary, noting we're one of the first events back at the Press Club.



Midco @Midcontinent
 Kudos to the team members who helped out with @UWBlackHills Day of Caring last week. Volunteers headed out to @YMCAofRapidCity's Camp Giraffe to put decals on newly-painted busses and install gravel and log benches in the camp's outdoor chapel. Thanks for your hard work!



Research

(Source: [Hub Entertainment Research](#))

- > A third (36%) of respondents play console games, about the same as in 2019 (33%).
- > More than half of all console gamers (51%) play every day, up from 39% two years ago.
- > 42% of console gamers who play at least once a week say they are playing their console more this year than last, vs only 32% in 2019.
- > In 2021, weekly console gamers estimate their average session is about 110 minutes.

Up Ahead

OCTOBER 19-20: [MFM's Media Outlook 2022](#), Online

OCTOBER 20: [WICT Signature Touchstones Luncheon](#), NYC

OCTOBER 20: [Fourth Estate Award Gala](#), DC

OCTOBER 21: [Federal Trade Commission October Open Meeting](#), Virtual

OCTOBER 29: [Cablefax Regional Rainmakers Awards Entry Deadline](#)

Quotable

"I think that the negativity surrounding the RSNs has been increased exponentially as a result of the situation with the Sinclair (Broadcasting) subsidiary Diamond. Part of their problem is cord cutting. The other part of their problem is there's excessive leverage on that business... If you think about what they paid for it, how much debt they have on it, I mean, you think it's over 80%, it's a huge number. And that leverage has produced headlines that are more negative. There are RSNs out there that they're not thriving or growing, but they're going to survive. Look, look, there are RSNs, YES and NESN that have businesses that remain profitable, they're affected by cord cutting. But the fact of the matter is I think the negativity has been increased by the Diamond situation."

- **MLB Commissioner Rob Manfred** at the [CAA World Congress of Sports](#)