

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## Maybe Later: Timing Not Right for Charter-Altice USA M&A

**Liberty Broadband** President/CEO *Greg Maffei* doesn't see **Charter** as being interested in significant M&A anytime soon, even if it has the cash to do so. When asked on the company's 4Q21 earnings call about the possibility that **Altice USA's** share prices have dropped low enough for Charter to consider potential M&A opportunities, he acknowledged that the Long Island-based operator has interesting assets within its portfolio.

"I think some of the territories that Altice has are attractive, particularly **Suddenlink** territories, but they don't appear to be sellers of that. There have been all these rumors that they might sell those and go private on the balance, but who knows," he said. "I think Charter would certainly look at any assets that were attempting to be sold. Obviously that company is effectively controlled, so they'll make the decisions about what they're going to do."

Maffei also said the regulatory environment is challenging right now, particularly within New York. His comments reaffirmed previous statements from **Charter** CEO *Tom Rutledge* that the cable operator has plenty of opportunities to engage in M&A. At the same time, its plan for organic growth is working and creating additional value for shareholders without the regulatory and operational challenges that come with a transaction.

"We're still a regional player. We compete against national companies—**AT&T**, **Verizon**, **T-Mobile**, *Elon Musk*, **DirectTV**, **DISH**. So there's a lot to be said for, even from a policy point

of view, getting us to a national footprint kind of capability," Rutledge said during an appearance at the **UBS** Global TMT Conference in December. "I think there are good arguments for why we could continue to do it. On the other hand, you know, we don't need it today. We have our own stock that we've been buying back in significant amounts and that opportunity is fundamentally a great business."

Alaskan operator **GCI** saw revenue drop 3% in 4Q21 as increased demand for its data packages from both the business and consumer segments was more than offset by declines in political ad revenue and consumer video revenue as well as the impact of extending a roaming contract with a large partner in the quarter.

"We had an arrangement with a large roaming customer under which they were coming up on an optional termination. We negotiated a multi-year extension at a net present value, a substantial positive and a good deal long-term on the company," GCI CEO **Ron Duncan** said. "What you're really seeing is the accounting effects of the way the contract is treated. The contract is required to take the revenues over the expected life of the contract and amortize them equally over the number of years of the contract."

### SPOTLIGHT ON RUSSIAN MEDIA OUTLETS

Yesterday, **CFX** [reported](#) how **DirectTV**, **DISH** and some other providers are carrying Kremlin-finance **RT**. On Friday, **Senate Select Committee on Intelligence** Chair *Mark Warner* (D-VA) asked **YouTube** parent **Alphabet** to cease monetization of

## Mark Your Calendars!

### Cablefax 2022 Award Submission Deadlines

#### The FAXIES Awards

Deadline: March 11  
Final Deadline: March 18

#### Top Ops Nominations

Deadline: April 1

#### The Diversity List Nominations

Deadline: June 3  
Final Deadline: June 10

#### Most Powerful Women Nominations

Deadline: August 12  
Final Deadline: August 19

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content and channels publicly attributed to have associations with Russian influence activity. "YouTube, for instance, continues to monetize the content of prominent influence actors that have been publicly connected to Russian influence campaigns," Warner wrote. "Just yesterday, for instance, my staff was able to find RT, Sputnik and TASS channels' content specifically focused on the Ukraine conflict to be monetized with YouTube ads—including, somewhat perversely, an ad by a major U.S. government contractor." RT.com's list of U.S. providers offering the state-run TV channel includes KloudTV. However, Herring Broadcasting let us know its streaming service KloudTV made the decision to drop the channel in 2020. Meanwhile, RT told Vice its website was inaccessible for hours on Thursday and Friday due to massive DDoS attacks coming primarily from the U.S.

VIEWERS TUNE TO FOX FOR UKRAINE COVERAGE

As Russia invaded Ukraine Thursday, America was watching. And most of those viewers were tuned in to Fox News. For total day, Fox News was the most-watched cable network across total viewers (2.67 million) and 25-54s (616,000), according to early Nielsen data. CNN averaged 1.42 million total viewers and 453,000 25-54s, while MSNBC netted 1.25 million/200,000 in the demos. Fox News easily led broadcast and cable nets for President Biden's address to the country Thursday afternoon, with 4.14 million viewers. It was followed by CNN (2.89m), ABC (2.61m) and CBS (2.45m).

RUSSIAN INVASION DISRUPTS SPORTS

Formula 1 is canceling the Russian Grand Prix following the developments in Ukraine, saying it's "impossible" to hold the race in the current circumstances. The race was scheduled

for Sept. 25 and would've aired on ESPN, which has held F1 broadcast rights since 2018. F1 will try to schedule another race to fill the same slot. Hours later, UEFA relocated the 2022 Men's Champions League Final—set to broadcast on CBS and Univision—from St. Petersburg, Russia, to Saint-Denis, France. CBS and Univision hold the UCL's rights until 2024.

GIGI VOTE SCHEDULED

Senate Commerce is scheduled to convene Thursday at 10am to consider several presidential nominations, including FCC nominee Gigi Sohn and FTC nominee Alvaro M. Bedoya. The committee nixed a scheduled Feb. 2 vote on the two nominees after supporter Sen. Ben Ray Lujan (D-NM) suffered a stroke. Lujan, 49, is back in Washington and at work, tweeting that he'll be back on the Senate floor soon.

NTIA OKAYS \$277M IN BROADBAND GRANTS

NTIA awarded 13 grants totaling \$277 million as part of the Broadband Infrastructure Program. They'll be used to connect more than 133,000 unserved households in Georgia, Kentucky, Louisiana, Maine, Mississippi, Missouri, Nevada, North Carolina, Pennsylvania, Texas, Washington, West Virginia and Guam. The Broadband Infrastructure Program is a \$288 million broadband deployment program directed to partnerships between a state or one or more political subdivisions of a state and providers of fixed broadband service to unserved areas.

CABLE ONE UNAFRAID OF COMPETITION

Cable One continued on its steady course in 4Q21, growing its residential data subscribers by 22,000. Excluding the impacts from its acquisitions of Hargray and CableAmerica, residential data subs grew by 50,000. Cable One is transitioning all of

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its 100Mbps customers to its 200Mbps plans at the end of 1Q22, upping their subscription plan costs by \$5 in the process. That represents 22% of the company's residential HSD customers. President/CEO Julie Laulis said on the company's earnings call that the 200Mbps plan was basically already the standard option chosen by their customers, and a 500Mbps plan will likely be introduced in the near future. The provider is also completing the transition of its customers from the Emergency Broadband Benefit Program to the Affordable Connectivity Program and more customers showed up in 4Q21 to take advantage of the subsidy than ever before. "We have 10,000 customers on EBB, now ACP," she said. "It is a lesser amount, as you know. We do track those customers very carefully to measure any potential impacts from bad debt. At this point in time, interestingly enough, customers that are coming onto that program look very much like our non-ACP customers in terms of demographics." Revenues came in at \$432.6 million, up 28.5% YOY, thanks to \$77.8 million attributed to Hargray operations. Increased competition is always a concern for cable operators, but Cable One is in a better position than most. Only 17% of its footprint is overlapped by a fiber-based provider and it hopes to compete for **NTIA** grants through the \$42.5 billion BEAD program. "We have been working on how to structure and attack that once the process for how to go about it is revealed," she said. "We imagine it will be both defensive and offensive in nature."

**DISH FILES PIRACY LAWSUIT**

**DISH** filed a lawsuit against **Datacamp Limited**, seeking total statutory damages of up to \$32,550,000 for the willful infringement of 217 registered works. DISH, an **International Broadcaster Coalition Against Piracy** member, claims Datacamp is violating its copyrights by transmitting nearly 40 TV channels and programs to internet users in the U.S. The complaint asserts the UK-based company allowed for the continued use of its CDN by 11 pirate services and claims that Datacamp received almost 400 notices of infringement, but didn't do much to stop the unauthorized use.

**CABLEFAX DASHBOARD**

**Twitter Hits**

**Peter Kiley** @PKDad  
 Very exciting to have new hires like Zach join Team C-SPAN. His smarts, energy and commitment are already making a difference and truly helping educators and their students. Way to be, Zach!

**Zachariah Lowe, MEd, NBCT** @zlowe\_19h  
 Not a day goes by that I don't appreciate the privilege of access to current events that I have in my role at C-SPAN.  
 It's incredibly critical that students have access to see and hear from global policymakers during crises like in Ukraine.  
 #CSPAN



**Barack Obama** @BarackObama  
 I want to congratulate Judge Ketanji Brown Jackson on her nomination to the Supreme Court. Judge Jackson has already inspired young Black women like my daughters to set their sights higher, and her confirmation will help them believe they can be anything they want to be.

**Al Villar** @alvillar  
 At Cox, we're encouraged to BEE ourselves. And we further our commitment to create a better future for the next generation through our partnership with Bee Downtown and with four newly-redesigned hives. #LifeAtCox #Purpose #HoneyHarvest



**Research**

- (Source: [IBM X-Force Threat Intelligence Index](#))
- > In 2021, phishing was the most common cause of cyberattacks.
  - > IBM's Security X-Force found a 33% increase in attacks caused by vulnerabilities in unpatched software. Those represented the cause of 44% of ransomware attacks.
  - > Manufacturing became 2021's most attacked industry (23%), dethroning financial services and insurance.
  - > The average lifespan of a ransomware group before shutting down or rebranding is 17 months.

**Up Ahead**

- FEB 28-MARCH 3:** [Mobile World Congress Barcelona](#)
- MARCH 3:** [FCC Digital Health Symposium](#), Virtual
- MARCH 3-4:** [NCTC IdeaXchange](#), Nashville
- MARCH 11:** [The FAXIES 2022 Entry Deadline](#)
- MARCH 20-23:** [WICT Network Senior Executive Summit](#), Stanford University

**Quotable**

"As we respond, my administration is using every tool at our disposal to protect American businesses and consumers from rising prices at the pump. As I said last week, defending freedom will have costs for us as well, here at home. We need to be honest about that. But as we will do — but as we do this, I'm going to take robust action and make sure the pain of our sanctions is targeted at the Russian economy, not ours."

- President Joe Biden on the Russian invasion of Ukraine that began Thursday