

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Stuck Like Glue: Sohn Losing Steam Ahead of Senate Vote?

It has been six months since President *Joe Biden* nominated *Gigi Sohn* for the fifth and final seat at the **FCC**, but she's arguably no closer to the Commission than she was when the announcement came out in October. Senate Democrats had hoped to see floor votes for both Sohn and **FTC** nominee *Alvaro Bedoya* come before the end of the month, but the scheduled Congressional recess and the need for all Democrats to be in attendance for the candidates to make it through has delayed an already challenging process.

The delay has also given Sohn's opponents more time to rally against her nomination. Now, the **One Country Project**, a lobbying organization focused on highlighting issues in rural America, has launched a six-figure ad campaign centered on Sohn and statements she's made that it believes puts into question her commitment to rural communities. In the coming weeks, ads are set to run in Arizona, Nevada, Montana, Colorado, Maine and West Virginia.

"Given the significant progress that has been made in closing the rural digital divide in recent years, and all the important work that remains to fully close the gap, *Gigi Sohn's* deeply cynical view of rural broadband is far less than what rural Americans need or deserve," OCP founder and former Senator *Heidi Heitkamp* said in a statement. "She is the wrong choice for FCC Commissioner and rural America when critical issues like rural broadband will be under her jurisdiction."

But Sohn isn't only gaining more enemies. Seemingly, for each individual or organization that rises against her nomination, another stands up to support her. Former **USDA** Rural Utilities Service Administrator *Chad Rupe* wrote in a recent [op-ed](#) for the *Daily Yonder* that Sohn's public statements have been taken out of context in an effort to paint her as an enemy to rural broadband providers.

While the topic of the digital divide didn't emerge as the hot topic of her two nomination hearings before Senate Commerce, Sohn did speak to the issue of broadband affordability. In response to member questions, she noted that while the Infrastructure Investment and Jobs Act does take steps to address the problem with the Affordable Connectivity Program subsidies, the FCC could consider taking additional action to strengthen Lifeline and other programs as a supplement.

"Currently, less than 20% of Americans who are eligible for Lifeline take advantage of it. That is in part because the FCC has erected barriers to eligibility and use of the program and in part because it has not worked with states to complete the National Eligibility Verifier, which can make swift and accurate determinations of Lifeline eligibility," she said in a written response to questioning from Sen *Roger Wicker* (R-MS). "If confirmed, I would like to work with the states to ensure that they connect their state government assistance databases to the Verifier and with the Chairwoman to figure out other ways to strengthen the Lifeline program."

Should Sohn overcome the obstacles before her and earn the

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Cablefax 2022 Award Submission Deadlines

The Diversity List Nominations

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Final Deadline: June 10

Most Powerful Women Nominations

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Questions: [Kate Schaeffer at kschaeffer@accessintel.com](mailto:kschaeffer@accessintel.com)

votes needed to secure her FCC seat, action at the Commission is likely to heat up quickly. FCC Chair *Jessica Rosenworcel* has every intention of kicking off a new proceeding examining the reclassification of broadband providers under Title II, and securing the Commission majority should spark the latest iteration of the net neutrality debate.

“We don’t expect the new order will be more damaging than the earlier one, as it is likely to forebear from price regulation and unbundling,” **New Street Research** said in a late March note. “We will also be watching—though we doubt it would happen in 2Q—whether the FCC wants to tighten up the rules regarding copper retirement.”

The firm also believes the second quarter could be when the FCC commissioners start voicing their opinions on proposals for USF reform. An aspect of the IIJA required the Commission to provide Congress with a proposal for USF reform by August of this year.

NETFLIX RECORDS SUBSCRIBER LOSS

Netflix stock plummeted late Tuesday as the streaming giant reported a loss of 200,000 paid subscribers in 1Q22. That’s far below its guidance forecast of 2.5-4 million in the same period last year. In a letter to shareholders, the company said the suspension of its service in Russia accounted for a 700,000 subscriber loss. Without that, it would have gained 500,000 subscribers during the quarter. “The main challenge for membership growth is continued soft acquisition across all regions. Retention was also slightly lower relative to our guidance forecast, although it remains at a very healthy level (we believe among the best in the industry),” it said. The service

cited four primary reasons for its slowing growth: the uptake of connected TVs, the adoption of on-demand entertainment and data costs; password sharing; growing streaming competition within the U.S.; and increasing inflation and geopolitical events.

BROADCASTERS PUSHING ATSC 3.0

Pearl TV, a coalition of U.S. broadcasters transitioning to ATSC 3.0, launched a web-based platform Tuesday allowing broadcasters to offer a hybrid TV service to OTA viewers. RUN3TV can be customized by individual broadcasters from the application services layer, allowing them to control the customer experience and product vision. Advanced advertising capabilities are also built into the platform. The RUN3TV platform is being run by Pearl TV subsidiary ATSC 3.0 Framework Alliance, and its development partners include **IBM Weather, FreeWheel** and **Google. TEGNA, Gray Television** and **Scripps** are among its early adopters. In other NEXTGEN TV news, Pearl TV has also teamed up with **MediaTek** to launch a program that aims to speed up the adoption of ATSC 3.0 technology. Called FastTrack to NEXTGEN TV, the effort is designed to help consumer electronic makers producing smart TVs and the like better understand ATSC 3.0 and encourage them to introduce more ATSC 3.0-compatible devices into their product roadmaps. **NAB** is also leveling up its resources, announcing Monday the completion of a new media production facility at the association’s headquarters in D.C. The studio will be used for the production of national spots and campaigns like NAB’s Congressional PSAs and the NAB Leadership Foundation’s Service to America Awards. The studio and its staff will also be available for rent for original productions.

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SHANMAN HEADED TO SLING

Sling TV has a new permanent head. *Gary Schanman* is joining **DISH** as EVP/Group President of the vMVPD. It's a seat that has been empty since January when *Michael Schwimmer* left the satellite provider to join **TelevisaUnivision** as President, Global Platform Strategy and Revenue. "Gary is an experienced innovator and results-driven leader in the video space—a great fit for DISH Network where he will drive Sling TV's growth and evolution," DISH President/CEO *Erik Carlson* said in a [LinkedIn post](#). "Throughout his career, Gary has launched and grown numerous successful industry-leading digital initiatives for both start-ups and large firms." Schanman is a staple of the cable industry, counting longtime stints at **Charter** and **Cablevision**. He last served as Chief Product Officer at **Common Sense Networks**.

TIVO RELEASES Q4 VIDEO TRENDS REPORT

TiVo looked at key topics regarding pay-TV, streaming devices and content discovery in its Q4 Video Trends Report. The vendor found consumers have an average of 8.9 services—6.5 paid and 2.4 free—and watch 4.5 hours of video content per day, with the 18-25 age group leading with 5.3 hours watched. While companies are hurrying to get on the video services train, 73% of respondents feel the number of services is "just right," with 19.5% saying there are too many and 7.5% noting there are too few. Cord cutting continues to be a topic for consumers as 26% of American pay-TV subscribers plan to cancel their service in the next six months. Of that group, 66% plan to access live TV through vMVPDs after they cut the cord. The report also found 45% of vMVPD customers' main reason for usage boils down to it being cheaper than traditional pay-TV services. Programming wise, 84% of respondents said local content is important to them, but many struggle with availability. TiVo surveyed 4,547 people in the U.S. and Canada.

TO BE OR NOT TO BE IN THE OFFICE

As the world enters year three of COVID-19, **GCI** asked its employees for feedback on whether its remote work format should remain for the long-term. About 5% of employees worked remotely before the pandemic. Now, out of employees who are eligible to work remote, 81% reported their preference was to keep working from home full-time with the option to go into the office on occasion. Currently 70% of GCI employees are eligible to work remote.

NEXTGEN TV MEETS OMAHA

Five of Omaha, Neb.'s local TV station began broadcasting with **NextGen TV**. **KETV (ABC)**, **KMTV-TV (CBS)**, **WOWT (NBC)**, **KPTM (FOX)** and **KXVO (TBD)** started using the new digital broadcast technology powered by **ATSC 3.0** that enhances video and audio quality and provides other features that vary by device and station. Broadcast data network **BitPath** coordinated the planning process across the five stations.

KINETIC EXPANDS 2-GIG OFFERING

Kinetic rolled out 2-Gig Fiber in select residential markets as part of its \$2 billion capital investment strategy across its 18-state footprint. Kinetic's 2-Gig offering provides up to 2,000 Mbps speed through a fiber optic connection, and new customers will receive \$100 in online credit for a limited time.

RATINGS

ESPN and **ABC** teamed up for the most-watched first weekend of the NBA Playoffs in 11 years, according to **Nielsen**. The five games across Saturday and Sunday averaged 4.17 million viewers, a 32% improvement from last year. Game 1 of the Brooklyn Nets and Boston Celtics on ABC delivered 6.9 million viewers and peaked at nearly 10 million in the 6-6:15pm frame, making it the most-watched first-round game since 2016. Golden State-Denver was also on ABC and averaged 4.52 million viewers. The three games on ESPN garnered 3.1 million viewers, led by the Toronto Raptors-Philadelphia 76ers' average of 3.6 million viewers.

ROKU INTRODUCES CLEAN ROOM FOR UPFRONTS

Roku unveiled its own clean room ahead of the upfront season. The privacy-first environment will allow advertisers and agencies to match their encrypted first-party data with Roku's data without exposing identifiable data from either side. Advertisers will be able to run queries on matched data and conduct analyses on projected campaign reach and advertising impact. **Omnicom Media Group**, **dentsu**, **Horizon Media**, **Icon Media Direct** and **Camelot** are already using Roku's clean room on live campaigns.

FCC TO OPEN ANOTHER ECF WINDOW

The **FCC** committed \$37 million to the Emergency Connectivity Fund as part of the latest wave of program support. This round of funding will support more than 170 schools, 30 libraries and 4 consortia across Alaska, Indiana, Mississippi, New Mexico, Pennsylvania and Texas. The agency plans to open a third application filing window on April 28. Closing May 13, the window will allow eligible schools and libraries to submit requests for funding for eligible equipment and up to 12 months of recurring services for dates between July 1 and Dec. 31, 2023.

PROGRAMMING

AMC Networks' two-episode premiere of the final season of "Better Call Saul" was the biggest day of new direct-to-consumer signups for **AMC+**. The first episode of the event brought in 1.4 million total viewers in live+same day ratings and had over 500,000 engagements across social platforms on the day of the premiere. – **GAC Media** signed *Candace Cameron Bure* to develop, produce and star in movies and TV across **GAC Family** and **GAC Living**. She'll take an executive role overseeing and curating programming for the networks as a whole and develop and produce original content for GAC's channels through **Candy Rock Entertainment**. – **INSP** greenlit "Into the Wild Frontier" for a second season. The historical docudrama's sophomore campaign will have eight episodes, with the premiere date to be announced later this year. – **Crown Media** is developing **Crayola** and **DaySpring**, two new content franchises based on the **Hallmark** brand. Crayola aims to help kids be creative while DaySpring focuses on sharing faith in authentic ways.

PEOPLE

Nexstar Digital named *Dennis Cook* SVP of Sales Marketing. Cook will oversee the digital division's market strategy and revenue-driving ad sales marketing initiatives. He previously made stops at **Gamut**, **Sony Pictures Television** and **Walt Disney**.