

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Keystone State: Pennsylvania Ops on COVID Lessons, Fixed Wireless

Pennsylvania operators big and small scrambled to adapt when the COVID-19 pandemic struck two years ago, including moving to a work-from-home environment.

For **Service Electric Cablevision**, pivoting to work-from-home meant not only a change in processes, but a change of devices. They needed laptops to enable staff to work remotely, but any purchase orders they put in were anything but guaranteed thanks to the rising demand.

“We had people going throughout the state to different stores to try to get the laptops so that we could get as many people to work from home as possible,” SVP *Mark Walter* said during a panel at **BCAP’s** Cable Academy Wednesday.. “It was crazy, but then I think there was some kind of bonding that happened... so many of our processes are better now.”

Now many of them are on the other side of those challenges. Service Electric has only just begun to bring some folks back to the office in an effort to foster the company culture, particularly for new hires. **Comcast’s** Pennsylvania offices started bringing employees back into office spaces earlier this month, but the environment is far more relaxed when it comes to clocking in and clocking out.

“Our philosophy around this moment is work-life harmony and grace. I’ve made it clear to everyone that reports into us that they don’t have to be in the office at eight in the morning during rush hour traffic,” Comcast SVP, Keystone Region *Toni*

Murphy said. “Everyone’s still getting comfortable in the space and we’re committed to listening to our survey process and if there are adjustments that we can make, we’ll go ahead and do that.”

Shentel has also seen the pandemic as an opportunity to bring its company into the modern age and leave behind processes and expectations that really didn’t make sense.

“We’ve opened our offices back up, but we are going to stay a remote-first company. ... it’s really helped us from an employee retention standpoint and also a recruiting standpoint,” Shentel EVP/COO *Ed McKay* said. “We used to have to tell folks that you had to come to our corporate headquarters in the small town of Edinburg, VA, population 700, and be there five days a week. That segregates your talent pool.”

They’ll need that talent to not only continue growing their customer bases, but to guard against emerging competition from fixed wireless offerings from the likes of **Verizon** and **T-Mobile**. While no one on the panel thinks fixed wireless will be a huge sharetaker within the industry, those products certainly have an opportunity to distract customers away from cable for the next few years.

“It’s going to be something that frustrates us certainly in this next year or two because they’re going to get who they can, and so we have to do things to protect our business as well. But I don’t think that’s a long-term, live threat,” **Armstrong** President *Jeff Ross* said. “I would say on the product side too, what they’ve created is a bit of a ‘me too’ service to what we

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created five years ago, and we're working on what's next."

Shentel has an intimate understanding of the wireless business, having served as **Sprint's** largest affiliate until T-Mobile purchased the assets in 2021 for \$1.95 billion. It served 1.1 million mobile customers across seven states at the time of the deal's close, and its broadband customers consistently needed dramatically higher numbers of data than its wireless customers.

"Our average cable broadband customer used about 30 times more data per month than our average wireless customer. So based on our experience operating that network, including operating a network that has the 2.5GHz spectrum that T-Mobile's using for 5G, we just don't think that the wireless network has enough capacity to take a significant number of customers and a significant amount of that traffic off of cable and fiber providers," McKay said.

Shentel actually launched a fixed wireless service back in 2020, but abandoned the product in favor of fiber-to-the-home builds once it became apparent that government funding would become available to subsidize those projects. McKay thinks mobile carriers will also move away from fixed wireless in the next few years in an effort to focus on their core businesses.

"They get much more revenue per gigabyte of data from their mobile customers than they do from fixed wireless customers. So they're not going to give that up," he added. "As soon as the mobile customers start needing more capacity, they're going to back off from fixed wireless."

COMCAST, CHARTER TEAM ON STREAM VENTURE

A day after **NCTA** chief *Michael Powell* [declared](#) that the pay TV "future is bright, but it won't be linear," we have America's two largest cable operators showing us their path forward. **Comcast** and **Charter** have formed a 50-50 joint venture to create a national streaming platform to compete with the likes of **Roku**, **Apple**, **Amazon** and connected TVs. For now, we don't know that name of the product or who will run it. But a GM and brand reveal is expected in the "near future." Comcast will likely even use the new name for its existing Flex product, which is its 4K streaming device offered free-of-charge to Xfinity internet-only customers. Don't expect the new brand to be associated closely with the Charter or Comcast names, as the devices will be available nationwide and don't require an account with either operator. Comcast will license Flex to the jv and contribute the retail business for XClass TVs and **Xumo**, its free, ad-supported streaming service (Xumo will continue to be available on third party devices as well). Charter will make an initial contribution of \$900 million, funded over multiple years. The XClass TVs will be available through national retail partners and potentially direct from Comcast and Charter. Charter will offer the 4K streaming TV devices and voice remotes beginning in 2023, while Comcast will continue to offer the Flex streaming platform as

The WHO and the WHY

CFX's spotlight on recent new hires & promotions



RITA

Herring

SVP OF INTERNATIONAL DISTRIBUTION
TELEVISAUUNIVISION

3 THINGS TO KNOW

- TelevisaUnivision appointed Rita as SVP of International Distribution this month where she'll lead the pay TV distribution for linear networks for markets outside of the U.S. and oversee distribution of new streamer ViX to MVPDs. She'll split time at TelevisaUnivision's offices in Miami and Mexico.
- She joins from ViacomCBS Americas, where she was responsible for negotiating content distribution deals for brands across Miami, Mexico, Colombia, Argentina and Brazil. She played a role in securing the first deal Viacom made to put its flagship international channels, VOD content and streaming apps with a mobile carrier. Rita is no stranger in the global content realm with over 20 years of experience, making stops at MTV Networks Latin America, Telemundo and Viacom.
- Rita was recognized in Produ's 2020 Awards as a Pillar of Industry. Produ highlights excellence in Latin and Spanish production and promotion across the globe.

a streaming device and service to its customers. Programmers that already have deals in place for the cable companies to carry their apps and streaming offerings will likely see this as good news—and potentially a way to help with discovery since it's based on Comcast's Flex offering that filters content regardless of source. This is an important move because it creates a platform with national scale—especially desirable from an advertising perspective. It's not the first time Comcast and Charter have teamed up. In 2018, the two announced a 50/50 joint mobile operating agreement to focus on the development and design of backend systems supporting Xfinity Mobile and Spectrum Mobile. That partnership keeps the businesses operations completely separate. Similarly, this new jv doesn't involve the broadband or cable video businesses, which will remain independent. While the two formed the jv, they are open to other partners, whether that be other operators, hardware manufacturers or retail outlets.

INDEPENDENT OPS INTERESTED IN MVNOS

Some smaller operators are getting more interested in MVNOS after seeing the success **Comcast** and **Charter** have had with their respective Xfinity Mobile and Spectrum Mobile product offerings. While **Service Electric Cablevision** SVP *Mark Walter* doesn't know the pure economics of a mobile customer relation-

ship, there's no doubt that there is enough room in the market for more players. "I do know that the future wireless networks that we're talking about, millimeter wave, need more fiber and look more like a wired network than a wireless one. It's wireless at the end, just like wireless WiFi in the home," he said during a panel at **BCAP's** Cable Academy Wednesday. "For our size, it's going to take something big with the **NCTC** or operators coming together to really be able to negotiate an agreement with **Verizon** and **T-Mobile**, somebody large enough because people expect a national footprint." **Armstrong** has looked at MVNOs twice in the past, the last time being about a decade ago. President *Jeff Ross* believes now may be the time to give it another examination. "Back when we looked before, the wireless providers looked at us as a potential competitor and I think they look at an MVNO now as them making money on your deal," he said. "There are options out there. I think NCTC is looking at it... but there are other aggregation plays out there for all of us."

BREEZELINE PREPS WOW! MARKETS FOR REBRAND

Breezeline is rebranding the systems it acquired from **WOW!** in Cleveland and Columbus, Ohio, on May 9. Residential and business customers are being informed of the change now on their bills as well as via letter and email. Customer bills and account numbers will change to Breezeline on May 9, but rates will not be affected. Customer emails and account credentials will also transition to Breezeline on that date, but channel lineups won't be changed. Customers will have access to their saved DVR recordings and voice customers will be able to keep their existing phone numbers.

TELEVISAVISION CREATES NEW BRAND STUDIO

TelevisaUnivision launched *Así Studios*, a Spanish-language studio aiming to connect marketers to U.S. Hispanics through video. *Así* will produce films highlighting stories geared for Hispanic viewers, starting with "Imparable: Ismael Guzmán," which premieres today across TelevisaUnivision platforms.

NAB SHOW ATTENDANCE

The 2022 **NAB** Show garnered a total attendance of 52,468, 11,542 of which were international attendees from 155 countries. The show was held Saturday through Wednesday in Las Vegas and had over 900 exhibitors. Next year's show will be held April 15-19 in Vegas.

FCC CRACKS DOWN ON INTERNATIONAL ROBOCALLS

FCC Chair *Jessica Rosenworcel* proposed new rules Wednesday designed to block international robocall campaigns from entering U.S. networks. If adopted during the Commission's May 19 open meeting, the regulation would require gateway providers to participate in robocall mitigation efforts. That means everything from blocking efforts to cooperating with FCC enforcement actions as well as those for tracing illegal robocalls to their source. Providers found not to comply would be subject to mandatory blocking by other network participants. In addition to the rules, the FCC will consider a Further Notice of Proposed Rulemaking to seek comment on a requirement to expand robocall mitigation requirements for U.S.-based intermediate providers.

VERIZON RESTRUCTURING REWARDS PROGRAM

Verizon is retiring its monthly UP rewards program at the end of

the month, promising to launch new benefits for customers on May 1. We're keeping an eye on what's next as the provider had one of the most attractive telecom customer loyalty programs we'd seen, with monthly \$3 gift cards available for Starbucks, Panera, TJ Maxx and other outlets. It also had a generous "Device Dollars" program that is also being retired. Wireless customers would bank various Device Dollar amounts for each month they paid their Verizon bill, while those with Fios internet or video could earn even more credits. Device Dollars could be used toward a new phone, tablet or smartwatch. Verizon said the program is transitioning to make things easier, from upgrades to claiming offers.

PRIVATE EQUITY FIRM GETS AIRTIES

Providence Equity Partners acquired **Airties**, a global provider of WiFi solutions to operators. The investment will help Airties with accelerating growth into new markets and fund additional research and product innovation. The financial terms of the acquisition weren't disclosed.

PROGRAMMING

ESPN and **Athletes Unlimited** made a multiyear rights agreement for professional softball and lacrosse. Over 160 games will air live on ESPN platforms over the next two years, with 34 on ESPN or **ESPN2** and 56 on **ESPNU**. ESPN also has international rights to air on **TSN** in Canada, ESPN Latin America and others. Additionally, the two will collaborate to make "Going Pro: Athletes Unlimited Lacrosse," a four-part series following rookie players adjusting to their first season. – Martial arts organization **ONE** reached a five-year agreement with **Prime Video** to broadcast 12 ONE Championship events annually in the U.S. and Canada. The first event will be announced later this year. – **Crown Media Family Networks** signed a multi-picture overall deal with *Aimeé Teegarden*. Teegarden is set to star in **Hallmark's** new original "Heart of the Matter," which will premiere in May on **Hallmark Movies & Mysteries**. – **Fox Nation** is presenting "Who is *Elon Musk*?" on Thursday. The special looks at the life of Musk and the business ventures that eventually led to him buying **Twitter**.

PEOPLE

FCC Commissioner *Geoffrey Starks'* Chief of Staff *William Davenport* is leaving the agency at the end of this month. Stark's legal advisor for media and consumer protection issues *Austin Bonner* will serve as Acting Chief of Staff. *Georgios Leris* will be Acting Legal Advisor for wireless and international through the Commission's May Open Meeting, with *Shiva Goel* taking the role in mid-May.

EDITOR'S NOTE

The 2022 edition of the *Cablefax 100* is here! Read the [digital version](#) of the magazine and share individual profile write-ups at [Cablefax100.com](#). This year's exceptional honorees have grown their organizations through a pandemic, rising inflation, M&A, an influx of streaming services and general uncertainty without ever dropping the ball. Also inside is a special roundtable discussion with five of our *Cablefax 100* honorees on what it will take to bring broadband to every American.

Think about that for a minute...

Of Tunnels and Lights

Commentary by Steve Effros

It was a phrase we heard a lot during the Vietnam war: the “light at the end of the tunnel.” It supposedly meant we were soon going to successfully navigate the gloom and emerge into the light. But it turned out that the brightness was actually the cyclops headlight of the train heading right for us.

Why mention this now? Well, I just have this image, with all the handwringing about Elon Musk taking over Twitter, if that deal does indeed close, of the Musk “train” coming down the tracks heading right for us. That, at least, is the way many of the reports about it characterize what’s going to happen. You know, Musk is going to eliminate a lot of the content moderation, he’s going to end the permanent banishment of former President Trump, we’re going to be back at a free-for-all with Elon laughing all the way, and a lot of serious concern about the health of our communications integrity and our social cohesiveness.

But at the same time, I turn around in that “tunnel” and I see... yes... another light coming from the other direction! How come there is so little mention of that, and what the likely outcome is going to be when those two engines meet? The “other one” is the EU’s newly adopted “Digital Services Act.” It demands that any internet service provider adequately monitor and remove false, misleading, dangerous information. Failure to do so will result in massive fines, including up to 6% of yearly turnover from the service!

So, let’s speculate for a moment and imagine a scenario; Musk actually does close the deal, changes the Twitter rules and invites former President Trump to re-engage with his massive followership on Twitter. Trump is a master of being the “ambulance” on Twitter, inviting all the lazy journalists, politicians, and groupies to chase whatever he has to say. What could be better?

But what if he starts railing about an election that probably was not “stolen?” Multiple court suits established that there was no credible evidence to the contrary. What if the EU folks say Twitter has to block that nonsense because it is both false, and creating dangerous reactions (see Jan. 6, 2021, US Capi-

tol, Washington, DC). What then? Does Musk refuse and start paying massive fines until the EU ultimately blocks Twitter in Europe? What about a few tweets hawking hydroxychloroquine again, after the medical consensus is it’s dangerous?

But wait... maybe Elon doesn’t really have to worry about this scenario after all. Maybe the trains never crash in the middle of the tunnel...why? Because the former President seems to have other plans; he wants to promote his new social media service: “Truth.” He says he’s not going back on Twitter; he’s going on “Truth.” Needless to say, that would be awkward for Elon, since so far “Truth” has not gotten any traction and Elon says Twitter is going to be the paragon of free speech and the public square.

Of course, the whole Musk/Trump example is just one of what is sure to be hundreds if not thousands of examples of the problem with Musk’s “promise” of free speech in a world that has already determined that things like yelling “fire” in a crowded theater is not protected by such unfettered notions of “freedom.” Most of us do understand that there have to be some safety rails controlling the extent of individual “freedoms.” Without them we risk losing all freedom. That’s why that “other train” of regulation (in this case engineered by the EU, not the US) has already left the station. There’s a crash coming.

And by the way, how come it hasn’t been pointed out that the Russian word for “Truth” is “Pravda.”



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