

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## Crystal Ball: Industry Execs Make Predictions for Inflation, Metaverse

Inflation has hit a 40-year high according to one key index, and the media and broadband industry isn't immune. Analysts have been asking on earnings call for commentary on the impact of rising prices. **Comcast**, **Charter** and **Altice USA** acknowledged this week that certain costs in their operating business are subject to inflationary pressures, but said there hasn't been significant ramifications so far. Charter CFO *Jessica Fischer* suggested that government broadband subsidies should help combat consumer inflationary pressure.

**Cablefax** probed its annual list of **Cablefax 100 honorees** on how they think inflation may impact business, with many striking an upbeat tone. "It appears that [broadband and media] spaces have managed to be untouched by inflation. During a time when people are needing connectivity the most to work, learn and entertain, the industries have seen a large uptick in demand and have been able to stabilize prices," **Metronet** CEO *John Cinelli* said in the [magazine](#), which was released this week.

**SCTE** President/CEO *Mark Dzuban* said the sector could even benefit during these economic times. "With people traveling less, broadband usage is going to continue to go up. Media is on fire! And the industry is going to continue to grow, offering connectivity for a wide range of applications," he said. Or as the always quotable **Boycom Vision** President *Patty Boyers* put it: "Inflation will cause folks, who are just now venturing out from under the pandemic, to retreat back to their homes and living rooms and computers. [Broadband is] *still* the best bang for your buck!"

If people stay home and watch content, there is another upside. "Ad sales dollars, along with viewership and unique site and app visits, all tend to increase during inflationary periods," said **Nexstar Media** Distribution President *Dana Zimmer*.

**ImOn** chief *Patrice Carroll* agreed that broadband is recession- and inflation-proof, though she acknowledged operations may feel the squeeze. "We are facing an economy we haven't seen in the past 15 years. The influx of government money into the economy due to the COVID-19 pandemic, unemployment at an all-time low, and the world situation have caused uncertainty and inflation. It's difficult to determine if this is temporary or will be with us for a while, but it is currently having a significant impact on the cost of labor and materials," she said.

With **Netflix's** slumping sub numbers and increasing concerns over how many SVODs the market can support, inflation may help cut the fat, some execs said. "Ultimately, consolidation of content into fewer choices is inevitable," said **Mediacom** EVP, Operations *John Pascarelli*.

Our fearless 100 weren't afraid to also prognosticate on the future of the still-developing metaverse, with many operator and programming execs expressing optimism about the simulated digital environment. "The concept of the metaverse just creates further demand for better and faster connectivity. To meet that demand, we are focused on ensuring that our customers' homes, businesses and devices are powered with the best broadband and wireless service by increasing fiber availability and providing multigig speeds," said **Altice USA** CEO *Dexter Goei*.

While operators see the metaverse as a boon for bandwidth usage, the industry's creatives are thrilled to have a new sandbox to build in. "We have the perfect audience segments to really tap into the power of this concept because our audience is already engaged with and will be active participants in the metaverse. More than anything, it presents us with a storytelling opportunity," said **Disney Branded Television** President *Ayo Davis*. "We can leverage our rich worlds and hand the reins over to our audience to choose their own adventure. It allows our audience in, in a way that we haven't been able to before."

However, there are concerns that the metaverse is too

WE CONGRATULATE  
OUR CABLEFAX 100  
TOP POWER PLAYERS

MICHAEL BIARD, Fox Corporation  
MARIANNE GAMBELLI, FOX Ad Sales  
CHARLIE COLLIER, FOX Entertainment  
SUZANNE SCOTT, FOX News Media  
JAY WALLACE, FOX News Media  
LAUREN PETTERSON, FOX Business Network  
ERIC SHANKS, FOX Sports  
MARK SILVERMAN, FOX Sports  
FARHAD MASSOUDI, Tubi

FOX | FOX NEWS media | FOX | FOX COLLECTIONS | FOX TV STATIONS | tubi

nebulous. “My experience is the very bright, innovative minds who are developing the building blocks for Web 3.0 and the ‘metaverse’ haven’t done a very good job of communicating what it is, convincing a more non-technical public of its potential, or demonstrating how they can participate in it, and the associated risks and benefits,” said **Charter** COO *Chris Winfrey*. “But clearly innovation is afoot, and it will require more higher-capacity, low-latency and high-computer networks to be ubiquitously deployed—and Charter, along with the other cable providers, is best positioned to meet those needs.”

There also seems to be a bit of trepidation and doubt about the metaverse’s potential (remember those forecasts for 3D TVs?). “What the metaverse means for society is still unclear. The metaverse doesn’t mean too much to me personally right now. I’m still a big fan of the real world. If my choice is metaverse or universe, I’m Team Universe,” said **GCI** CEO *Ron Duncan*. Similarly, the thought of the metaverse makes **Ray Hopkins**, President of U.S. Networks Distribution for **Paramount**, want to get out more and socialize with family, friend and colleagues.

**AMC Networks’** Interim CEO *Matt Blank* may have the most on-point answer of what the metaverse means for all of us: “More chargers.” Check out the entire Cablefax 100 issue at [Cablefax100.com](http://Cablefax100.com).

#### CHARTER STEADY AS EVER

Wireless continues to be a golden goose for **Charter**. **Spectrum Mobile** added 373,000 residential and SMB mobile lines in 1Q22, leaving Charter with 3.9 million mobile lines as of March 31. Total residential and SMB internet customers increased by 185,000, and Charter served a total of 30.3 million residential and SMB internet customers as the quarter’s end. During the quarter, broadband subscribers that did not also purchase one of Charter’s video products used approximately 700GB/month. Nearly 25% of those customers now use a terabyte or more of data per month. Charter has begun work in all 24 states where the company won RDOF bids. When those projects are completed, the provider will have added more than 100,000 miles

of new network infrastructure. CEO *Tom Rutledge* identified the RDOF buildouts as well as other grant wins as a huge area of opportunity for broadband growth. “We’ve just started to activate the subsidized plant expansion through RDOF and we’ve actually won quite a few bids at the state level. There’s \$42 billion of additional funding that’s going to be distributed probably next year for additional expansion into rural areas and that’s an opportunity of growth for us,” he said. At the same time, there are construction issues going on right now and supply chain issues are affecting activations of housing developments. Residential video customers fell, but at the slowed rate that has set Charter apart from the rest of the marketplace. Video decreased by 123,000 compared to a decline of 156,000 in 1Q21, leaving the operator with 15.1 million residential video customers as of March 31. As for Charter’s just-announced streaming jv with Comcast, Rutledge basically said that using the Flex box and transforming Charter’s video into more of an IP-based product will allow the company to reclaim some capacity. Charter’s CEO has long been beating the drum on the plague of password sharing, so he had plenty to say when asked about **Netflix’s** recent commitments to combatting the problem. “It’s not just a problem for the company that’s not controlling their passwords, but it’s a problem for everybody in the industry because all that content that’s used without anybody paying for it affects the supply and demand of all content...which diminishes the value of content for everybody, which is the point we have been trying to make for years,” he said.

#### TUBI, NIELSEN EXPAND PARTNERSHIP

**Tubi** is in the process of growing its integration with **Nielsen** that will enhance measurement through Nielsen’s Digital Ad Ratings product. This integration will see Tubi expand coverage of streaming devices, including computer, mobile and connected TV inventory on specific devices, giving advertisers a better view of ad performance.

#### NBCUNIVERSAL TEAMS UP WITH TVSCIENTIFIC

**NBCUniversal** is partnering with and investing in **tvScientific**, a performance advertising platform for connected TV, to launch a self-service ad buying platform called **Peacock** Ad Manager.



## Congrats, Erin

We’re proud to honor our own  
Erin McPherson and all of the  
2022 Cablefax 100 honorees.

**verizon**✓

Cablefax Daily (ISSN 1069-6644) is published daily by Access Intelligence, LLC | [www.cablefax.com](http://www.cablefax.com) | 301.354.2101 | Editorial Director: Amy Maclean, 301.354.1760, [amaclean@accessintel.com](mailto:amaclean@accessintel.com) | VP/Group Publisher, Cablefax and Synopsis: Robbie Caploe, 917.974.0640, [rcaploe@accessintel.com](mailto:rcaploe@accessintel.com) | Managing Editor: Sara Winegardner, 301.354.1701, [swinegardner@accessintel.com](mailto:swinegardner@accessintel.com) | Associate Editor: Noah Ziegler, 301.354.1704, [nziegler@accessintel.com](mailto:nziegler@accessintel.com) | Director of Business Development, Cablefax: Ellen Kamhi, 917.626.5574, [ekamhi@accessintel.com](mailto:ekamhi@accessintel.com) | Dir of Marketing: Kate Schaeffer, [kschaeffer@accessintel.com](mailto:kschaeffer@accessintel.com) | Production Manager: Joann Fato, [jfato@accessintel.com](mailto:jfato@accessintel.com) | Kerry Smith, Divisional President, Marketing & Media Group, [ksmith@accessintel.com](mailto:ksmith@accessintel.com) | Group Subs/Subscription Questions, Client Services: 301.354.2101, [clientservices@accessintel.com](mailto:clientservices@accessintel.com) | Annual subscription price: \$1,799.00/year | Access Intelligence, LLC, 9211 Corporate Blvd., 4th Floor, Rockville, MD 20850

The new solution will combine Peacock AX with geo-targeting and performance measurement across the purchase funnel. Peacock Ad Manager will launch in the second half of this year.

**BLUE RIDGE BUMPS UP**

**Blue Ridge Communications** is increasing broadband speeds in its service area effective Sunday. Starting then, Blue Ridge is improving speeds up to 1 Gig. Its 500mbps tier will jump to 600mbps, while 300mbps will go to 500mbps. It's doubling the speeds of its 200mbps, 150mbps, 100mbps and 25mbps tiers. Prices remain the same.

**PROGRAMMING**

**Showtime** is giving viewers a free preview with select distributors through Monday on the **Apple TV** app. Viewers have access to the network's programming for free with no subscription needed and can visit [apple.co/Showtime](https://apple.co/Showtime) on Apple devices to be directed to the free preview. The free preview is also available on **Cox, Mediacom, Liberty Communications, Breezeline** and others. – The docuseries “Jailhouse Redemption” will premiere May 12 on **discovery+**. The program follows a group of addicts in jail in their paths to recovery. – **Apple TV+** renewed “Pachinko” for a second season ahead of its Season 1 finale Friday night.

**PEOPLE**

**Public Knowledge** elected three new members to its board: Principal at **LC Public Affairs** *Marcus Reese*, GM of **Microsoft's Global Airband Initiative** *Vickie Robinson* and **Slaiman Consulting** founder *Gary Slaiman*. The trio joins eight other board members. – *Keith Broach* joined **OpenVault** as VP and GM, North America. He'll oversee the company's sales activities in North America, including the deployment of emergent products. Broach spent nearly 10 years at **Cisco** and also made stops at **AT&T** and **Southwestern Bell**. – **Estrella Media** appointed *Carlos Díaz Warns* as SVP of News. Díaz comes from **Univision** and will lead Estrella's editorial vision for its local and national broadcast news for the **EstrellaTV** and **Estrella News** linear and digital networks. – **Nexstar Media** made *Rachel Morgan* its EVP and General Counsel, effective June 20. She'll report to Chairman and CEO *Perry Sook*.

**CABLEFAX DASHBOARD**

**Twitter Hits**

**Howard Mortman** @HowardMortman

BIPARTISANSHIP: WEATHER CHANNEL

"40 years ago live from Atlanta, households across America were introduced to the @weatherchannel ...I'm proud to lead House resolution with my colleague fr Georgia @RepLoudermilk to commemorate anniversary "

- @RepLucyMcBath  
cc: @capitalweather

**Shirley Bloomfield** @sbloomfield15

Was happy to be an "adopted" Kansan for an hour tonight with @JerryMoran & @NTCAconnect #broadband providers. From Universal Service contributions reform to ensuring new infrastructure funding stays coordinated between agencies - alot to talk about!

**Rich Greenfield, LightShed** @RichLightShed

Some serious collector swag at LightShed today for the 104th episode of The LightShed Podcast with @WaltLightShed @BrandoLightShed @RichLightShed

@CNNplus 🤪 \$WBBD

**Research**

(Source: [Integral Ad Science's Game Day Digital Strategy](#))

- > Digital viewership for U.S. live sports is expected to reach 90.7 million in 2025.
- > 86% of U.S. consumers anticipate watching at least one major sporting event each year with the most popular events being the Super Bowl, the Olympics and the World Series.
- > 46% of online U.S. consumers usually watch live major sporting events on digital streaming platforms, the most popular of which include Hulu, YouTube TV and ESPN+.
- > 90% of U.S. streaming consumers find the ad experience on digital services to be better than traditional TV platforms during major sporting events.

**Up Ahead**

- MAY 6:** [Free State Foundation 14th Annual Policy Conference](#); Washington, DC
- MAY 6:** [The WICT Network Rocky Mountain Chapter's Walk of Fame](#); Aurora, CO
- MAY 6:** [Cablefax Regional Rainmakers Entry Deadline](#)
- MAY 23-25:** [Media Financial Management Association's Annual Conference](#); Tampa, FL

**Quotable**

"While you are concerned about fiber, listen, you better be thinking about fixed wireless. 500,000 net adds in the first quarter alone. The other interesting thing about the data on fixed wireless, Verizon broke it out by consumer and business... right now, 50% of their fixed wireless are businesses. so don't just think about this as a low-end consumer product. And remember what they're also doing is combining this with their mobile offer. So if you're a Verizon mobile subscriber, you can get this for \$25. This is for real, don't ignore it. I was ignoring it. It exists."

– **Leichtman Research Group President/Principal Analyst Bruce Leichtman** presenting research on the state of the industry at **BCAP's Cable Academy Wednesday**