

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Here We Go: Independent Show

Ready to Ride Again with New Leadership

There have been several memorable **Independent Shows** over the years, but the sold-out conference for independent operators kicking off Sunday will be one for the history books. Not only is it the first in-person show in two years due to COVID, but it's also serving as a changing of the guard ceremony for **ACA Connects** and a coming out party for an **NCTC** refresh.

The conference, held at Disney Yacht & Beach Club in Orlando, will be the first time many ACAC members get to meet new CEO **Grant Spellmeyer**, who joined the association June 1 from **US Cellular**. While he told us he's looking forward to those introductions, he wants the spotlight to be on **Matt Polka**, who retires July 31 after more than two decades leading the association.

"It's Matt's last show. It'll be a nice opportunity for many of his longtime colleagues and friends to gather to wish him well," Spellmeyer said. "I intend for this show to be more about Matt and less about me. There'll be time for the Independent Show where it's just *Lou [Borrelli]* and I."

With Borrelli named NCTC's CEO in May 2021, this will be his first in-person Independent Show as well. Though he spent many years in cable, including at **Marcus Cable** and leading **AOL's** broadband division, this marks his inaugural appearance at the show co-produced by ACAC and NCTC.

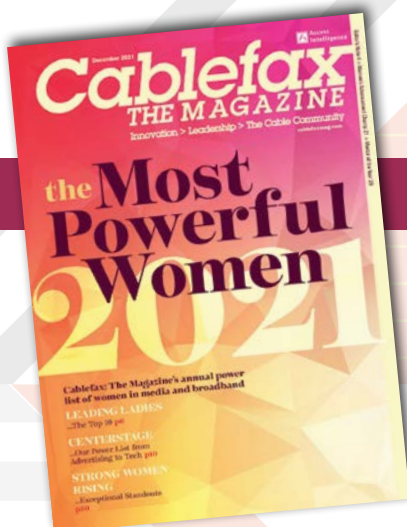
"In a way, it's the last cable show because it's the last one that really has content and programming, along with technology," Borrelli told **CFX**. "It's also unique in that it's an invitation

only—you're a member company, you get to come. And if you're a partner, company on the vendor side, you get to come. That makes for, I think, discussions that are more relevant, probably more on point."

Don't get too hung up on him using the word "cable." NCTC has been teasing for weeks a name change to be unveiled in Orlando. Indeed, with Borrelli having a year to acclimate to his role, he's looking to use the show as a catalyst. "I feel like the this will be the start of making that connection with our members. That our relationship is going to change as we navigate together, and we are in a position to provide them with what they need in order to make that journey successful," he said. "Between COVID and things in the industry, I haven't really met a lot of members. I've met my board several times, and they represent a cross section of our membership. And I've met people via Zoom and made a couple of visits. But this will be my first time to really either feel the love or feel the hate. We'll see how it goes."

As for the C-word, the show is going on even as word came Friday that the in-person component of the **TCA Summer Tour** has shifted to virtual given the latest infection wave. The Indy Show is hardly alone in making that choice, with **San Diego Comic-Con** in full swing this weekend following its pandemic hiatus. Organizers said Indy Show would adhere to Walt Disney World Resorts guidelines, with plenty of complimentary hand sanitizer and masks to go around (there is no vaccine requirement to attend).

After two years of panels that often focused on how the in-



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41485

dustry performed during the pandemic, the agenda seems to put COVID in the rearview mirror. Monday's main stage includes a panel examining industry evolution and its impact on everything from tech roadmaps to staffing. Sprinkled throughout are regulatory panels touching on BEAD funding, **FCC** data mapping and the scene in Washington. Video is on the schedule, but there are more panels focused on fiber and overall marketing.

And of course, since it's the Indy Show, it's a family affair. Regardless of venue, members often make the conference part of a vacation and bring family along. Understanding that, show organizers have put together a robust family schedule that includes a Disney character dinner, family breakfasts and exclusive access Monday night to some rides at Disney's Animal Kingdom.

"Everybody's a little rusty at gathering in person. But I think we're going to have a great show," said Spellmeyer, who recently spent time planning in Kansas City with Borrelli. "What surprises me about the cable industry is it is a very tight-knit group of folks that have been in the industry for a long period of time. So, there's a little bit of a family reunion nature to what I think is going to go on down there. And of course, a lot of people are bringing their families down, which makes it special."

FCC PROPOSES FINES FOR RDOF DEFAULTS

The **FCC** is going after those that defaulted in the Rural Digital Opportunity Fund auction, proposing more than \$4.3 million in fines against 73 applicants. The largest proposed fine is \$2.3 million for **LTD Broadband**. More than \$1.2 million of the proposed forfeitures are aimed at **Charter**. LTD was the largest RDOF winner, scoring \$1.3 billion in funding, followed by Charter's \$1.2 billion. The 73 entities' bid defaults prevented 1,702 census block groups with 129,909 estimated locations in 36 states from seeing timely new investments in broadband infrastructure, according to the agency. The notices aren't final, with each party having an opportunity to respond. "Facts on the ground showed the majority of the RDOF locations returned by Charter already had a provider offering service or one committed to soon do so or were areas with no passings – concerns the FCC itself specifically identified as raising 'significant concerns about wasteful spending,'" Charter said in a statement to **CFX**. "Charter's return of these locations served the public interest by helping to ensure scarce Universal Service funds reach the areas where they are needed most, including the one million currently-unserved homes and small businesses that will soon gain access to reliable high-speed internet service through Charter's ongoing rural deployment initiative." The FCC said it didn't propose forfeitures for applicants that defaulted on bids in response to its letters identifying census blocks that may have been already served or raised significant concerns about wasteful spending.

Charter appears to be saying it found such examples before the agency did. It's a bit tricky calculating the total amount of Charter's fines because it participated in the auction under a number of subsidiaries. The Charter subsidiaries racking up the company's largest fines are TWC South Carolina and TWC Indiana, each receiving proposed fines of \$276,000 for 184 census block group defaults (92 each). Others receiving notice of proposed forfeitures include **Hotwire Communications** (\$84,000), **Ziplay Fiber** (\$42,000) and **Breezeline**-parent **Cogeco** (\$3,281). "The applicants agreed to follow the Commission's auction rules when they signed up to participate in the Rural Digital Opportunity Fund program," Acting FCC Enforcement Bureau Chief *Loyaan Egal* said in a statement. "These defaults have put at risk the timely deployment of broadband access for many and necessitate this strong enforcement action."

VERIZON LOOKS FOR BETTER 2H22

While **Verizon** didn't quite reach some of its estimates set for 2Q22, it's looking toward the second half of the year to improve its financial numbers and operational performance. The company saw a consolidated net income of \$5.3 billion, which was a 10.7% decrease compared to 2Q21. Verizon says this was due to higher device subsidies, wireline revenue declines and inflationary pressures. Fios internet saw 36,000 net adds (compared to 92,000 a year ago) and \$3.2 billion for total Fios revenue—up 0.5% YOY. Fios video lost 86,000 subscribers. "Our second quarter was not a good barometer for where Verizon has been, or where it's going," Chairman and CEO *Hans Vestberg* said on the company's earnings call. "The inflationary environment is clearly impacting consumer behavior and we also saw intensified competition for consumer attention." Verizon had 12,000 postpaid phone net additions with 0.81% retail postpaid phone churn. For comparison, **AT&T** had [813,000 phone net adds](#) and 0.75% churn that it revealed at its own 2Q22 earnings call Thursday. While it's not time to hit the panic button, Verizon is lowering expectations for service and other revenues from approximately even to -1%-0%, adjusted EBIDTA from 2%-3% to -1.5%-flat and adjusted earnings per share from \$5.40-\$5.55 to \$5.10-\$5.25. "Today's numbers paint a clear picture. Verizon is struggling to differentiate itself. [Its] long-standing positioning as 'America's best network' is wearing thin," **MoffettNathanson** analysts wrote in a report. "Verizon's attempt to play the elder statesman role looks more and more to be a losing proposition. The path forward, as we've said before, remains a challenging one." Verizon remains confident it can turn the ship around and finish 2022 strong. CFO *Matt Ellis* said the company believes its assets position it well for long-term shareholder value, but as **MoffettNathanson** analysts stated, its problem lies in its

value proposition.

WWE'S VINCE MCMAHON RETIRES

After temporarily stepping away from duties as **WWE** Chairman and CEO amid an investigation into sexual misconduct, *Vince McMahon* announced his retirement on **Twitter** Friday. "At 77, time for me to retire. Thank you, WWE Universe. Then. Now. Forever. Together," McMahon [tweeted](#). On July 8, [Wall Street Journal](#) reported McMahon paid over \$12 million to "suppress allegations of sexual misconduct and infidelity." McMahon's daughter *Stephanie* and WWE President *Nick Khan* will serve as co-CEOs.

CARRIAGE

FuboTV subscribers can now add **Fox News Media's** DTC offering **Fox Nation** for \$5.99/month. Fox Nation comes with original programming such as "Tucker Carlson Today," "Duck Family Treasure" and "COPS." Subscribers can access the Fox Nation app on connected TVs, mobile devices, tablets and on the web at [fubo.tv](#). – A FAST channel dedicated to chef *Gordon Ramsay* will be on AVOD service **Tubi** starting in September. Series include **Fox's** "Hell's Kitchen," "Kitchen Nightmares" and "Masterchef," as well as additional programs "Ramsay's Kitchen" and "Gordon's Great Escape."

PLENTY TO SHARK ABOUT

Discovery's not the only place to get your shark fix this week. VOD and PPV distributor **INDEMAND** will premiere "Sharknado: The Critics' Roast," available exclusively on demand via **Comcast, Charter, Cox, Astound Broadband** and other cable systems across the U.S. It's a send-up of the first film with added commentary from comedic film critics *The Cinema Snob* and *The Nostalgia Critic*. **INDEMAND** is also serving up the entire "Sharknado" film library to order on demand starting July 26.

PEOPLE

Douglas Bensimon and *Edward Mejia* have been promoted to VP of Current Series at **Disney Television Animation**. Bensimon will lead a team focused on Disney Television Animation's properties for **Disney+** and **Disney Channel**, while Mejia's team will zone in on titles relating to Disney's heritage characters. Both will report to SVP of Current Series *Khaki Jones*.

CABLEFAX DASHBOARD

Twitter Hits

Parks And Cons @ParksAndCons

The set design and acting were really impressive at #HouseoftheDragon 🐉. Loved it #hotdsdcc



Preston Padden @BoulderPreston

The Much Maligned Cable Bundle Rises Like A Phoenix!

Communications Daily: Cable operators are moving increasingly toward acting as over-the-top video service aggregators - a way of replacing the lost customer stickiness due to cord-cutting of traditional linear video packages

6:47 AM · Jul 20, 2022 · Twitter for iPad

1 Retweet 1 Quote Tweet 3 Likes

(((haroldfeld))) @haroldfeld

What is amusing wrt Suddenlink sale is actually think it moves faster with a full FCC than with current 2-2 split. Why? Because Ds are going to want some conditions -- particularly a net neutrality condition. If no Rs willing to agree, deal stays in limbo.

9:32 AM · Jul 22, 2022 · TweetDeck

NCTA - The Internet & Television Association @NCTAItv

The White House has announced that 1 million households have signed up for the Affordable Connectivity Program since May. When combined with low-cost broadband adoption programs, qualifying families can get online at almost no cost to them bit.ly/3onXLlxin

Research

- > **Top 10 VOD Movies July 4-10 per Comscore Rankings**
1. Memory, Universal (VOD release: 07/04)
 2. Father Stu, Sony (6/13)
 3. Everything Everywhere All At Once, A24 Films (7/4)
 4. The Unbearable Weight Of Massive Talent, Lionsgate (6/20)
 5. Last Seen Alive, Vertical Ent. (7/1)
 6. Dog, MGM (5/10)
 7. Morbius, Sony (6/13)
 8. The Northman, Universal (7/4)
 9. Uncharted, Sony (5/9)
 10. The Lost City. Paramount (5/23)

Up Ahead

- JULY 21-24:** [San Diego Comic-Con](#)
- JULY 24-27:** [NCTC and ACA Connects' Independent Show](#); Orlando
- AUGUST 9-11:** [C2HR CON 2022](#), Virtual
- AUGUST 23:** [Fiber Broadband Association Copper Mountain Regional Fiber Connect](#); Frisco, Colorado
- SEPTEMBER 19-22:** [SCTE Cable-Tec Expo 2022](#); Philadelphia

Quotable

"Part of my effectiveness is that I put blinders on and am exclusively focused on being ambassador... I obviously miss my friends at Comcast. I'd be crazy to say there's nothing I miss. I miss Ralph's, the cafeteria, in the building. There are days I have IT problems and miss the IT support at Comcast. I still talk to people at Comcast. I spoke with [CEO] Brian Roberts this morning. But it's just catching up on the big Philly trip. I'm totally disentangled from an ethics perspective. I had to resign from my life. Not only from Comcast, and everything related, but all the nonprofit boards I was on, the National Urban League, the University of Pennsylvania board. The secretary of state and the president, they want me 100% focused. That's what I signed up for." **Former Comcast Senior EVP David Cohen speaking to The Philadelphia Inquirer about his life as ambassador to Canada**