

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Aleutian Solution: GCI Embarks on Connecting Remote Alaska

When **GCI** made a virtual announcement about the early stages of its AU-Aleutians Fiber Project, the company wanted the mayor of Unalaska *Vince Tutiakoff* to join to discuss the future of connectivity in his community. However, he couldn't join online because of a lack of a strong internet connection, forcing him to call in for the announcement. While still able to participate, it perfectly illustrated the need for stronger internet in Alaska's remote regions.

The path to better connectivity began Tuesday as GCI celebrated the first service turn up as part of the AU-Aleutians Project, giving residents in Unalaska 2-Gbps internet service—about 2,000x faster than what folks were receiving before. The company marked the milestone with a celebratory event at the Alaska Native Heritage Center in Anchorage, with red glow sticks for all in attendance and a routine round of applause for each announcement made.

"The first undersea fiber optic cable was laid 10 years after GCI started, but we started with the digital technology and we just kept building and closing that divide slowly to bring more communications to more rural areas," Founder/CEO *Ron Duncan* said. "We've got a ways to go, but today as a result of \$4 billion of investment by GCI over those 45 years, 80% of Alaskans have access to 2-Gig services."

The more than \$70 million project was born in October 2016 when President/COO *Greg Chapados* took a group of employees to Unalaska to speak with local officials, business leaders and residents about the communications needs of the

area. Chapados said the people he spoke to were vocal about what they needed, citing frustrations with the limitations of satellite-based fixed data and 2G wireless service.

That 2016 visit was suggested by Sen. *Dan Sullivan* (R-AK), who felt there was a big need in the state for enhanced telecommunications services. Following the trip came a multiyear effort within GCI to develop a comprehensive plan to bring middle-mile fiber to Unalaska, but it wasn't a simple task. "We needed to prove not only technical feasibility, but also financial sustainability," Chapados said. "That's a critical issue that is often overlooked in Alaska communications projects. It's not whether you can build something ... The issue is can you sustain it over time, especially when there's no more government grant money to be had."

Gov. *Mike Dunleavy* was also among state leaders pushing for a project of this nature. He formed a broadband task force in 2020 to help prepare for federal funding that comes to the state, such as the \$42 million Tribal Broadband Connectivity Program.

The final piece to the financial puzzle came from the **USDA's** ReConnect Program in the form of a [\\$25 million grant](#), which combined with \$40 million of GCI's own capital will also help bring middle-mile and last-mile fiber to Akutan, Sand Point, King Cove, Chignik Bay and Larsen Bay. GCI's overall goal with the project is to treat Unalaska and those future areas it expands to the same as urban markets like Anchorage or Fairbanks. While challenging, the desire is to eventually deploy 5G connectivity.

Even with the financial backing to make it happen, construction was difficult with the many elements of Alaskan weather.

Every year, we ask the Cablefax 100 a variety of questions, from what's their go-to Starbucks order to their predictions for the metaverse to how many companies they've worked for over the course of their careers.

What should we ask the Cablefax 100?

Submit your suggestions to: 100questions@cablefax.com



GCI deployed over 800 miles of subsea fiber for the project, but certain areas like the channel fondly known as “The Devil’s Toilet Bowl” forced its teams to adjust on the fly in order to stick to its schedule. With supply chain shortages adding difficulties to the mix, it wasn’t an easy task to get everything going.

“This project has been one of our most challenging so far,” Chief Communications Officer *Heather Handyside* said. “While we’re excited to successfully turn up 2-Gig service in Unalaska, we have 11 more communities to go. It is going to take an enormous amount of work and coordination to finish this project.”

DAY AFTER DISNEY EARNINGS

For decades, there has been a rumor that *Walt Disney* was frozen in a cryonic chamber so that he could be re-animated and continue his legacy. The urban legend has been repeatedly shot down. But based on the reactions to Disney’s 1Q23 earnings call, maybe the board should look into cloning possibilities for *Bob Iger*, who turns 72 tomorrow. **SVB MoffettNathanson** upped its price target by \$10 to \$130 to reflect increased estimates as well as its belief Disney’s multiple should reflect greater confidence in its trajectory under Iger’s leadership. **Evercore ISI** raised Disney’s price target to \$130 from \$115. What Iger outlined during Thursday’s call, including \$5.5 billion in cost cutting, also sounded pretty good to **Triam Partners** Founder/CEO *Nelson Peltz*. “This was a great win for all the shareholders. Management at Disney now plans to do everything that we wanted them to do. We wish the very best to Bob, his management team, the board. We will be watching. We will be rooting and the proxy fight is over,” Peltz said during **CNBC’s** “Squawk on the Street” on Thursday. Iger appeared on the show earlier, saying that as an observer of the company, there were no surprises when he re-took the reins in late November. He said predecessor *Bob Chapek’s* structuring of the company had created a huge divide between the creative side of Disney and the distribution side. “While I think he had... maybe valid reasons why he wanted to do that at that time, it was very, very apparent to me, both while I was out and when I came back, that that was a mistake,” Iger said. “The people making the content had to be fully accountable for how it performed in the marketplace and have some say in how it was brought to market, timing to market, pricing, marketing.” One of the first exits following the restructuring changes is *Rebecca Campbell*, Chairman, International Content and Operations. She will stay on through June to assist with the transition. Notably, Iger didn’t commit in the CNBC interview to buying or selling **Hulu**. Many had assumed Disney would buy Comcast’s 33% stake in the streamer as soon as January 2024.

MSG+ COMING THIS SUMMER

This summer is the new expected launch period of **MSG Networks’** DTC product **MSG+**. No specific date was given, but

President/CEO *Andrea Greenberg* said the company is progressing in the development of the product type, pricing and technical requirements. “We plan to offer annual, monthly and per-game subscriptions, and look forward to sharing more details, including preliminary pricing, in the very near future,” she said on MSG Entertainment’s 2Q23 earnings call Thursday. MSG Networks remains in

Cablefax Executive Round Up

With the Super Bowl coming up, what’s the secret sauce that makes football must-watch TV in the U.S.?



Michael Mulvihill

EVP/Head of Strategy and Analytics

FOX Sports

“The game itself is a unique balance of athleticism, physicality and strategy, which can make it appealing in different ways to different types of fans. The emphasis on the quarterback position helps a lot. Just knowing the QBs is an easy entry point for more casual fans, while more hardcore fans can dive deeper into the game. And then there’s simple supply and demand. The supply of NFL games on TV hasn’t changed much in 40 years, while the supply of every other sport and genre of programming has exploded. Maintaining scarcity has insulated the NFL from the fragmentation that has defined the rest of TV.”



Dave Phillips Jr.

Head of Sports Programming

BYUtv

“Football is a sport that is not easily replicated on your own. This makes it so when you can see it on TV, you want to tune in. You get invested in it and it becomes a part of you. Football is great on TV. The angles and all of the cameras bring you into the experience.”



Michael Thompson

VP, Programming & Acquisitions

SEC Network

“The secret sauce is personality. Whether it’s the athletes and coaches on the field or our on-air commentators behind the desk, on the sidelines and in the booth, what makes football must-watch is the people: the actual human beings and the intersection of their stories with the viewers’ lives.”



Steve Tseng

EVP, Partnerships

Pac-12 Networks

“The incredible popularity of football on television at the college and professional level is rooted in several key factors, including the strong allegiance that fans have to their university and home city team; the scarcity of games and their importance throughout each season which makes it appointment television; the depth and parity in the game across teams, and of course the incredible level of athleticism and physicality of the game. In the case of the Pac-12, we know that the passion that fans have for their alma mater is unrivaled, and having elite teams, elite athletes and historic and meaningful rivalries and traditions drives the incredible engagement of our fans.”

discussions regarding potential distribution, content and advertising partners for MSG+, but Greenberg noted that the company must be mindful of its traditional linear business, especially on the heels of the launch of FAST channel **MSG SportsZone**. What will happen to **MSG Go**, the TV everywhere app for MSG Networks subscribers? It'll be combined with MSG+ upon release, which opens more doors for the company to capitalize on. "[The combination] will allow for greater utilization by our authenticated subscribers on additional platforms because we'll be fulsome and the number of platforms on which MSG+ will be available," Greenberg said. "That provides us with increased potential combined monetization opportunities." For the quarter, MSG Networks generated \$158.9 million in revenue—down 1.1% YOY. Affiliate fee revenue was also down \$7.5 million, which the network attributed to a 10% decrease in subscribers partially offset by net favorable affiliate adjustments of \$4.1 million and higher affiliation rates. Operating income dropped 29% from the year prior, going from \$35.1 million to \$24.8 million due to increases in direct operating expenses and the impact of restructuring charges. That restructuring included headcount reductions across MSG's Entertainment and Network segments, which resulted in \$13.7 million in restructuring charges for the quarter.

COMCAST MOVING AHEAD ON 10G

Comcast says its 10G network upgrade will launch to 10 million homes and businesses by the end of the month. The operator is ahead of schedule with network upgrades in more than 40 markets, including Atlanta, Denver, San Francisco and D.C. Comcast described the locations as having the "foundational network enhancements in place to begin deploying DOCSIS 4.0," setting the stage for symmetrical multi-gigabit Internet options before the end of 2023. The full deployment of these technical capabilities will reach more than 50 million homes and businesses by 2025. Along with the DOCSIS 4.0 deployments, Comcast plans to roll out new WiFi features in the coming months, including increased support for in-home WiFi and a new device with cellular and battery backup to help keep customers connected in a power outage.

ON THE HILL

A bipartisan, bicameral group of lawmakers reintroduced the Broadband Grant Tax Treatment Act that would amend the tax code to ensure that funding for broadband deployment from the Infrastructure Act and American Rescue Plan will not be considered taxable income. These grants are currently factored into a company's income. – Another bill reintroduced Thursday was the "Protecting Community Television Act," which has the support of **Senate Commerce** members *Ed Markey* (D-MA) and *Tammy Baldwin* (D-WI) as well as Ranking **House Commerce** Member *Anna Eshoo* (D-CA). It would walk back a 2019 **FCC** rule that determined that non-cash, cable-related exactions, such as operational support of PEG channels and free video service, count as franchise fees and are thus subject to a statutory 5% cap. The U.S. Court of Appeals for the Sixth Circuit upheld key parts of the FCC order in 2021.

SLING LAUNCHES FREESTREAM

Sling TV celebrated its eighth birthday Thursday with the launch of Sling Freestream, a mix of more than 200 free

FAST channels and 40,000+ on demand titles. FAST offerings include **Newsy**, **theGrio**, **Stories by AMC**, **beIN Sports Xtra**, **Tastemade** and a large array of international choices. Freestream is available through the Sling app on all **Roku** devices and is rolling out across **Comcast**, **LG**, **Samsung**, **Vizio** and **Xbox** devices. It'll launch across all Sling-compatible devices throughout the coming months. Users can, of course, add a subscription to Sling Orange or Blue service that start at \$40/month or subscribe to more than 50 standalone SVODs, including AMC+ and discovery+. It's a way for Sling to not only bundle up free streaming options, but keep Sling subs in its app if they unsubscribe from the pay vMVPD service when college football ends or their favorite series wraps.

LEBRON'S RATINGS

An average of 3 million viewers tuned into Tuesday night's **TNT** telecast of the Thunder-Lakers game that saw *LeBron James* break the **NBA's** all-time scoring record. That helped it become the network's most-viewed regular-season telecast since 2018 (excluding NBA Opening Night), as well as its most-viewed regular-season game on cable since Jan. 31, 2020 (excluding Opening Night and Christmas). The telecast peaked at 3.7 million viewers in the 11:45pm-midnight window.

STILL TALKING ABOUT JUNK FEES

A day after President *Biden's* speech mentioning an attempt to ban "junk fees," including switching fees for switching cable, broadband or cell phone providers, **Free Press**, the **Consumer Federation of America** and other public interest advocates submitted comments in support of the **FTC's** proceeding to combat such fees. The groups want the FTC to adopt an all-in pricing rule that would show the full amount due at the end of a purchasing process. They noted that the **FCC** is currently crafting rules for a "broadband nutrition label" to provide more transparency in pricing, but said it has been watered down. **Public Knowledge** SVP *Harold Feld* has mused that the FCC may have trouble eliminating such fees for broadband because it's not regulated under Title II. Take note. This might be a new talking point in the push for new net neutrality regulation.

FCC DISMISSES CONDO PETITION INVOLVING COX

The **FCC** Media Bureau dismissed a [petition](#) by WISP **Emerald Harbor** that wanted the agency to declare that the **Communications Processing System** (CPS) is in violation of MTE exclusivity rules. Emerald Harbor asserted that CPS provides services to the residents of a Destin, Florida, condo through **Cox Communications** and is attempting to enjoin Emerald Harbor from providing a competing service. The Bureau said Emerald Harbor has not identified a controversy or uncertainty appropriate for the FCC to resolve with a declaratory ruling. "It appears that Emerald Harbor is arguing that the Commission's prohibition against exclusive contracts in MTEs should apply to entities not subject to Section 628, including private cable operators. However, the decision as to whether the Commission should expand the application... to new entities is an inquiry for a rulemaking proceeding, rather than a petition for declaratory ruling," the Bureau said in the order released Thursday.

PROGRAMMER'S PAGE

Lots of Shine for 'Moon Girl and Devil Dinosaur'

The fact there is a new **Marvel** animated series debuting Friday is headline worthy enough, but there's a bit more at play in "Marvel's Moon Girl and Devil Dinosaur" (8pm ET **Disney Channel**, premieres Feb. 15 on **Disney+**). "For me, it's about representation and the fact there's a Black superhero out there—13 years old, Marvel's first Black teenage girl superhero. I'm just proud of that, and I hope that the audience can see what a great show it is. I feel like we've already accomplished something that we could have never even dreamed of," *Diamond White*, who voices the show's star Lunella Lafayette, told **CFX**. Based on Marvel's comic books and executive produced by *Laurence Fishburne*, Moon Girl tells the story of Lunella, a kid genius living in NYC who loves to invent. Through her experimenting, she accidentally brings Devil Dinosaur to present day New York—thus a superhero and sidekick are born to protect the city's Lower East Side. Helping along the way is Lunella's best friend Casey (*Libe Barer*). She glams up the duo's superhero image, designs their get-up and serves as de facto manager. Barer takes a lot pride in the show's representation as well. "This show really does it right. The writers' room is diverse, and I think right now all female. They are constantly asking us about our experiences," she said. "Casey was originally just Latina when I auditioned for it. They found out I'm Latina and Jewish, and they're like 'Casey's Jewish too.' They're really doing it right—telling diverse stories that are really fun and compelling." Speaking of fun, even the pressures of superherodom can't squash the junior high friendship bond between Lunella and Casey. Thinking back to her own middle school days, White said she can draw some parallels but Lunella has her beat on style. "I would say I was just as colorful as Lunella, but not in the tasteful way that she is," she said, laughing. "Through the help of Casey, they've got it together. Me as a 13-year-old? Absolutely not." — *Amy Maclean*

REVIEWS

"Shrinking," new eps on Fridays, **AppleTV+**. Bless, AppleTV+ for offering quirky series like "Shrinking." It's not loaded with ratings-grabbing sex, violence or cliff-hangers. On the other hand, watching 80-year-old *Harrison Ford's* deadpan, irascible comedy stylings is a delight. Yet Ford is just one member of a top-notch ensemble, featuring series creator *Jason Segel* as a therapist grieving a sudden death in his family and *Jessica Williams* as a therapist with tremendous intuition. Ford's Dr. Phil Rhodes rounds out this unlikely trio of therapists. Yet their unconventionality fades compared with the family of Segel's Dr. Jimmy Laird. Initially, viewers may think Laird's neighbor Liz (*Christa Miller*) is or was his wife. She's basically parenting Laird's teen daughter Alice (*Lukita Maxwell*). Excellent writing and acting make this new series an enjoyable hoot. — "Dear Edward," new eps on Fridays, AppleTV+. As loyal readers know, it's the rare week when we feature 2 show from the same network. Yet, "Dear Edward" deserves praise. Like "Shrinking," it's not a ratings buster. Instead, it's a highly emotional character study that follows the lives of plane crash victims. At the center is 12-year-old Edward (*Colin O'Brien*), an awkward genius forced to live his slightly unstable aunt. *Connie Britton's* Dee Dee, a rich widow, ostensibly is the series' emotional glue, until she's not. Idris Debrand is a scene-stealer. — *Seth Arenstein*

BASIC CABLE P2+ PRIME RANKINGS* (01/30/23-02/05/23)		
MON-SUN	MC US AA%	MC US AA (000)
FNC	0.714	2230
MSNBC	0.325	1016
HGTV	0.295	920
HALL	0.264	825
ESPN	0.253	790
HIST	0.233	727
INSP	0.231	720
USA	0.203	635
TBSC	0.190	594
FOOD	0.183	571
CNN	0.182	568
TLC	0.178	557
DISC	0.178	556
TNT	0.170	529
ID	0.169	526
A&E	0.160	500
TVLAND	0.159	496
HMM	0.150	467
GSN	0.133	416
BRAVO	0.129	403
LIFE	0.128	400
REELZ	0.112	349
AMC	0.109	341
WETV	0.109	339
NATGEO	0.107	334
SYFY	0.096	300
OXY	0.096	300
APL	0.091	285
BET	0.091	284
ESPN2	0.089	277
NAN	0.083	258
FRFM	0.080	250
FX	0.080	249
TRAVEL	0.080	249
COM	0.078	244

*P2+ L+SD rankers are based on national Nielsen numbers, not coverage.

Mark Your Calendars!

Cablefax 2023 Award Submission Deadlines

The FAXIES Awards	Deadline: March 24 Final Deadline: March 31
Top Ops Nominations	Deadline: April 21
The Diversity List Nominations	Deadline: May 12 Final Deadline: May 19
Most Powerful Women Nominations	Deadline: August 11 Final Deadline: August 18