

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Round and Round: FCC Title II Vote Set for April 25

And just like that, net neutrality is back on the **FCC's** voting schedule. Chair *Jessica Rosenworcel* announced Wednesday that the Commission will vote during its April 25 open meeting on a proposal that would give the agency oversight over broadband services under Title II authority.

The draft order won't be released to the public until tomorrow, but here's how Rosenworcel sees it positively impacting the agency and stakeholders: Title II authority would allow the FCC to require ISPs to report outages and collect outage data and give the agency greater ability to address national security concerns. She also argues this would create a national standard for everyone to follow rather than a patchwork of state laws and would give the Commission more tools to protect consumer data that is given to broadband providers from being sold.

We'll be able to dive into further details when the full order is out, but according to a senior FCC official, it will absolutely not allow the Commission to institute rate regulation. **New Street Research** said in a note to clients this week that it believes the risk of general price regulation that investors generally have a fear of is close to zero.

"We think the risk... is that states in reaction to the demise of ACP, create mandates for low-income plans," the firm said. "What we're watching for in the new FCC order is the extent to which the language helps the states or those challenging any state action."

Early reactions from industry associations were ones of disappointment over the seemingly endless battle over Title II and the FCC's decision to move forward with a vote on the order. **ACA Connects** President/CEO *Grant Spellmeyer* said in his statement that the agency should be celebrating and empowering smaller and independent broadband providers, not looking to tie their hands with century-old common carrier regulations.

NCTA President/CEO *Michael Powell* accused the FCC of barreling ahead with a backward-looking, unnecessary proposal, and a change to a Title II regulatory framework that at this point in time could have more consequences, unintended and otherwise, than ever before.

"Its repeated legal flip-flopping has become a tiresome political ritual unmoored from congressional direction that radically upends what should be a stable regulatory environment," Powell said in a statement. "But this time, reimposing heavy-handed regulation will not just hobble network investment and innovation, it will also seriously jeopardize our nation's collective efforts to build and sustain reliable broadband in rural and unserved communities."

Commissioner *Anna Gomez* is looking for community input on the proceeding and will be hosting roundtable discussions to hear directly from those who will be impacted by an FCC vote. They will be hosted on April 10 and 11 in person at FCC headquarters and will be recorded with those recordings to be placed in the docket. Those interested in participating will need to fill out a [participation request form](#) by Friday at midnight ET.



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NOMINATE NOW

The announcement of the vote comes one day after Senators *Ed Markey* (D-MA), *Ron Wyden* (D-OR), *Richard Blumenthal* (D-CT) and *Amy Klobuchar* (D-MN) sent a letter to Rosenworcel supporting the reclassification of broadband under Title II. The lawmakers also asked the Commission to be careful of potential workarounds ISPs could use to circumvent the new regulatory framework. Those methods could include improperly labeling certain broadband apps and services as non-broadband data services or by speeding up certain applications.

“By reclassifying broadband under Title II, the proposed rule will protect the free and open internet, strengthen national security and provide the FCC with the rightful authority to oversee the country’s most important communications network,” the letter said. “As part of this rulemaking, the FCC should ensure that ISPs cannot exploit loopholes to circumvent these protections.”

PARAMOUNT SPIKES ON SKYDANCE MEDIA DEAL TALK

Paramount Global shares spiked nearly 15% shortly before the markets closed Wednesday as *Bloomberg* [reported](#) that Paramount controlling shareholder *Shari Redstone* had reached a tentative agreement to sell her stake to **Skydance Media**. The *WSJ* [reported](#) earlier in the day that Paramount’s board has agreed to enter into exclusive merger discussions with David Ellison’s Skydance, putting a pause on any talk with other bidders for 30 days. Others interested include **Apollo Global Management**, which, according to *WSJ*, offered \$26 billion in cash on Sunday to buy out all of Paramount. Of course, no one’s talking on the record. There’s been M&A chatter swirling for months, but Wednesday’s developments are the strongest signs of a potential deal.

DISNEY BEATS ACTIVIST INVESTORS AT SHAREHOLDER MEETING

After a heated months-long battle, **Disney** successfully fought off activist investors **Triun Fund Management** and **Blackwells Capital** during its annual shareholder meeting Wednesday. Voters, by a substantial margin, put their support behind Disney’s slate of 12 nominees for the board. That’s according to a tabulation by Disney’s proxy solicitor, and the final results will be included in reports to be filed with the **SEC** in the days ahead. “I want to thank our shareholders for their trust and confidence in our board and management,” CEO *Bob Iger* said. “With the distracting proxy contest now behind us, we’re eager to focus 100% of our attention on our most important priorities: growth and value creation for our shareholders and creative excellence for our consumers.” Following the vote, Iger held a Q&A session where he addressed topics including *Taylor Swift*, broadening the reach of Disney films and

The WHO and the WHY

CFX’s spotlight on recent new hires & promotions



SCOTT
Roberts
CRO
SEGRA

3 THINGS TO KNOW

- After holding the CRO role at TruVista Communications since February 2022, Scott is taking the same position at Segra. He’ll be responsible for the fiber company’s revenue growth and market expansion and report to CEO Kevin Hart.
- At TruVista, which serves areas in Georgia and South Carolina, he led the sales, marketing and product teams that were responsible for top-line revenue growth. Those were similar responsibilities he had as CRO of the managed WiFi solutions provider Single Digits, which specialized in internet management services to multifamily and hospitality property owners.
- Scott has held several other leadership positions during his career. He spent four years at Hotwire Communications overseeing customer experience, revenue growth and general management for the company’s southwest and central Florida regions. That followed another four-year stay at Comcast Business where he managed P&L and customer experience. Other stops along the way for Scott include 11.5 years at Level 3 Communications (now CenturyLink) and 1.5 years at Time Warner Cable Business Class.

streaming ventures involving **ESPN** and sports programming. Iger said he has never been more bullish when it comes to women’s sports, pointing to this week’s Elite Eight showdown between Iowa and LSU drawing in more than 12 million viewers as evidence of its skyrocketing popularity. “That’s just a tremendous affirmation that not only have women’s sports arrived, but their potential is so tremendous,” he said. “In fact, [ESPN] recently announced an eight-year extension of its rights to the NCAA championships, which includes a lot of women’s sports, including women’s basketball, so we’re very bullish on women’s sports.”

NAD HANDS CHARTER ANOTHER RECOMMENDATION

The **National Advertising Division** is making another recommendation for **Charter** to modify certain claims, this time for its Spectrum Business Wireless Internet Backup service. The challenged claims were filed by **AT&T** and were made in a one-minute ad for Spectrum Business. NAD looked at whether the claims conveyed a misleading message about the performance

and availability of Spectrum Business Wireless Internet Backup. The division determined that one takeaway from the commercial is that the Spectrum Business Wireless Internet Backup provides the same level of service during a power outage rather than providing some continuation of service, indicating that a user will “never miss a beat.” “Although NAD concluded that the onscreen disclosure is not sufficiently prominent, it also noted that even a more prominent disclosure of the specific limitations of the backup service may be ineffective in a context that claims, ‘complete connectivity and reliability’ and emphasizes ‘you never miss a beat,’” NAD said. NAD is recommending Charter modify the claims that its service provides “complete connectivity and reliability,” maintains the same level of connectivity and reliability during a power outage as during normal operating conditions and that it’s “made to keep you online even when the power’s off, with the complete connectivity and reliability you get from wireless internet backup.” Charter, while it disagrees with NAD’s conclusions, said it’ll comply with the recommendations.

NIelsen BRINGS GRACENOTE FAST PROGRAM TO THE U.S.

Nielsen’s content data business unit **Gracenote** is making its FAST program available to the U.S. Content owners based in the U.S. will now be able to distribute their TV programming to streaming platforms along with Gracenote metadata, which assists in making content monetizable and finable. The FAST Program was introduced in Europe in late 2023. Gracenote’s program ensures important metadata and assets are available to its distribution network of platforms for FAST channel deployment. Content owners then submit their programs and schedules before Gracenote sends out the program and EPG data to platforms.

FOX CORP. LAUNCHES ADRISE

Fox Corp. is launching a new expanded audience network and ad tech platform called AdRise. It’s an advanced, integrated technology platform designed for CTV and linear inventory, but Fox has grown it to become an enterprise-wide platform for the company. Fox originally acquired the platform as part of its deal to purchase **Tubi** in 2020. AdRise will now fuel Fox’s cross-portfolio inventory product OneFOX, which encompasses **Fox Sports, Fox Entertainment, Fox News Media** and **Tubi**. Advertising clients will now be able to use AdRise to streamline inventory and audience across linear, streaming and digital through a highly targeted media buying process. AdRise also offers inventory access and unified planning against streaming and linear content across TV OS, web, gaming and mobile devices.

WOMEN’S ELITE EIGHT RATINGS

We saw the 12.3 million viewer record announcement for Iowa vs LSU come from **ESPN** late Tuesday afternoon, but the rest of the Elite Eight’s slate helped the network have its most-watched

women’s quarterfinal round on record. The network averaged 6.2 million viewers across the four games. UConn vs USC, which was also on ESPN, averaged 6.7 million viewers. Oregon State vs South Carolina had 3.1 million viewers, while Texas vs NC State came in with 2.5 million. Those two games were on **ABC**. Regarding the record-breaking Iowa-LSU game, ESPN also revealed it became the second-highest audience for any basketball game on the network since 2012 and the most-watched men’s or women’s college game ever on ESPN—more than doubling the prior largest audience and outdrawing four of the five games in last year’s **NBA** Finals. The broadcast peaked at 16.1 million viewers.

CARRIAGE

EstrellaTV is now available on a new affiliate station KMMC Channel 30 in San Francisco. That gives EstrellaTV distribution across San Francisco, Oakland and San Jose in addition to extended coverage in Petaluma and Rohnert Park. EstrellaTV is now available on 13 owned or operated stations and 42 affiliated or managed stations.

RATINGS

MSNBC ended 1Q24 as the fastest-growing cable network, according to **Nielsen**, gaining 112,000 average minute viewers and notching an average minute audience of 814,000 viewers—which was No. 2 across all of cable TV. Viewership was up 16% among total viewers and 5% for the A25-54 group. – “NBA Today” on **ESPN** saw viewership increase 8% YOY during March, finishing the month with an average of 267,000 viewers. It had its best episode on March 27 with 354,000 viewers. Hispanic viewership was also up 38% YOY and Black viewership improved by 3% YOY.

FIBER FRENZY

The charge in Alaska continues for **GCI**. The company revealed that the first stretch of AIRRAQ Network fiber has been deployed, building 45 miles of fiber between Eek and Napaskiak to help connect 13 Yukon-Kuskokwim Delta communities. It’s part of the joint **Bethel Native Corporation-GCI** project that will offer 2.5 Gig residential internet speeds. The initial deployment begins the project’s middle mile work, which is expected to be completed this year. Elsewhere in the Last Frontier, GCI finished construction in Akutan, and its project team is undergoing technical network testing before launching 2.5 Gig internet speeds in the summer. – **Breezeline** has started the process of activating fiber internet in previously unserved areas of King William County, Virginia. The project will bring fiber to more than 1,500 homes and businesses by August 2025, which will coincide with Breezeline’s Stream TV service being available to customers as well. Breezeline is also working on projects to extend service to nearly 7,500 unserved residents and businesses in Caroline and Essex Counties through the Virginia Telecommunication Initiative and RDOF.

Think about that for a minute...

Hubris

By Steve Effros

OK, so here's the theory now being propounded to the FCC which it sure sounds like they might adopt at the end of this month: they'll be fully in charge of vetting all future developments for services provided by the broadband infrastructure. Sound like a good plan to you?

Yes, folks, we're back at "net neutrality," and the real implications of the idea are coming into clearer focus. If you will remember, this all started with the fear that the Internet Service Providers (ISPs such as Comcast, AT&T, Charter, etc.) would "block" or "throttle" some content providers in favor of others. Broadband customers, that is, those folks who pay to have broadband service in their homes, would thus be harmed. The fear mongering went so far as to suggest that ISPs would "pick" one search engine, or restrict access to only special video streaming services.

Never mind that nothing even close to that was ever done by any major ISP. Blocking and throttling has never really been a problem. A fear, yes. A reality, no. As was pointed out repeatedly the first time we went through this net neutrality exercise, it's not in a broadband provider's interest to limit the things a subscriber wants! You lose (or never get) subscribers that way. So "net neutrality" rules were first adopted, then they were eliminated as unneeded, and now they're back.

But this time there are new fears being bandied about to justify making ISPs "common carriers" or "utilities" subject to massive government control. The claim now is that the fact that the providers have the technical ability to offer different types and levels of service to different users raises the theoretical danger that those other offerings may impinge on, or stultify the "basic" utility service of "Broadband Internet Access Service." They call it BIAS for short, which is a biased acronym to begin with, but we won't go there.

Here's the idea: if a broadband provider can offer different levels of service then the "faster" service, which will cost more, or the one with less latency, or the one that gets priority during

emergencies might result in the "BIAS" service users somehow getting less. That's not "neutrality" according to these folks, and the FCC, with lots of squishy language in the proposal, can decide if any proposed service is a violation of their rules. So they may say it's OK for emergency services, but not for something else, like a priority delivery guarantee, such as the one the Post Office has routinely offered for years. Please note that "regular" (biased?) mail service actually improved when those new added postal services, at higher prices, made the entire system more efficient.

Those who are pushing for more regulation and more restrictions on additional services say that it's far more important to "protect" the base service than it is to allow experimentation and the offering of additional services. Or at least they want the FCC to have the final say on any of those new service offerings. So the FCC, in essence, becomes the arbiter of how far and where the business plans of broadband providers can go. You know, the government is so good at that sort of thing.

It's as though car companies like Toyota would be ruled by a government agency deciding if they could also offer the Lexus for fear that by making the Lexus there would be a reduction in the jazzy new gimmicks added to the "base" Toyota. Of course if all that glitzy stuff could only be on the base model it would make that model far more expensive and the average standard car buyer would wind up paying more! Great idea.



Anyway, that's the current plan and debate. The Commission once again may display its hubris in thinking it should control the future of telecommunications.

Steve

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