

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Joined Hands: FCC Alumni on Cooling Political Tensions

Tension over political ideologies is peaking ahead of the 2024 presidential election, and a number of **FCC** alumni believe the agency can be a positive example of unity despite party lines and differences.

“It takes me back to when I was 20 in the year 1968 and we saw *Martin Luther King Jr.* assassinated... it’s just as bad as that year, and hopefully, somehow, the passions and the hatred and the inclination to violence will be tempered,” Former FCC Chairman *Reed Hundt* said Wednesday during the 6th Annual **MMTC** Former Chairs Symposium. “I think it’s very important that the Republicans and the Democrats at the FCC take a stand in the year 2025... and express support for the basic values that make our society a success—values of free speech and tolerance and respect for each other.”

Michael Copps, who served on the Commission from 2001-2011, said there are small reforms he pushed for that would subtly show a vision of unity and help break down barriers. One he has always advocated for is eliminating the closed meeting rule to allow all five FCC commissioners to get together in a room and discuss issues prior to open meetings.

“I just say from the standpoint of civility, getting to know each other and lowering the rhetoric coming out, doing away with that closed meeting room would be a very good idea,” Copps said.

Of course, the vibe wasn’t entirely harmonious as the former commissioners went back and forth on their beliefs on the im-

pacts of the Supreme Court’s decision to overturn the *Chevron* doctrine. *Mignon Clyburn* believes the change will bring about more litigation and increased costs that will be passed on to consumers because of that increase in litigation.

“I think these are anti-regulatory shifts that will cause delays and possibly either the prevention or extreme slowdown of new rules,” she said. “I just really think that this decision has a long, deep, troubling impact because we all know that compromises are made when it comes to legislation when it comes to policy, when it comes to statute and that means there’s ambiguity.” Copps agreed with Clyburn, calling it a catastrophic policy reversal that takes the modern government back to the days of the horse and buggy. He also said Congress is incapable of writing legislation for every contingency and technicality that comes before an expert agency.

Hundt built on that point, saying this will add huge hurdles to the legislative process, making it challenging for any law to be passed.

Former FCC Chairman *Ajit Pai* took a different view to his colleagues, saying the decision wasn’t a huge negative because it vests elected officials with the responsibility to act, pronounce a judgment on a regulatory issue and then let the experts at the agencies implement the law in a way that is faithful to the statute.

“Moreover, I would also say, look, we have the system that we have for a reason. It cannot be the case that the agency makes the law, essentially interprets the law for itself, either through *Skidmore* deference or through administrative law

DIVERSITY
& THE PRIDE LIST
+ WORKPLACE CULTURE IN 2024 & BEYOND

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judges or whatever, and then expects everyone else to simply yield,” he said. “It doesn’t seem to me to be a Republican or Democratic issue. It’s just simply a question of accountability.”

The commissioners also tackled issues like the future of the Universal Service Fund, and Pai said the program should go through a major transformation over the next decade as every American is connected to high quality mobile and fixed broadband. At that point, he believes USF shifts from more of a capex program to a program focused on operating expenses.

“We are supporting those consumers who just don’t have the ability to access it for whatever reason. So how do we get from here to there? What is the transition period? I don’t have an answer to that,” he said. “But I do hope we think carefully about how do we really repurpose universal service over the next 10 years as networks will be built out so that people just aren’t falling through the cracks.”

REPORT: T-MOBILE INTERESTED IN FIBER PROVIDER METRONET

Global investment firm **KKR** and **T-Mobile** are reportedly in discussions over a potential JV deal for fiber provider **Metronet**, according to a TMT Finance [report](#). KKR joined **Oak Hill Capital** as an investor in Metronet in 2021. According to the report, KKR and T-Mobile would split ownership 50/50, similar to T-Mobile’s JV with **EQT** for FTTH provider **Lumos**. Metronet has been on an expansion tear, now offering fiber in 17 states, including Florida, Kentucky, Indiana and Illinois. There was no mention specifically of **Vexus Fiber**, but given its merger with Metronet in 2022, it would presumably be included if a deal comes to fruition. Vexus has customers across Texas, Louisiana and New Mexico. The Lumos and T-Mobile transaction was announced in April and is expected to close in late 2024 or early 2025. Given Lumos’ relatively small footprint, it opened the door to speculation that T-Mobile may strike more fiber deals as it explores convergence. **New Street Research** analysts think it still would need to complete more transactions. “When the Lumos deal was announced, we wrote that the JV would help T-Mobile reach 2-3% of US households by 2028. If this deal goes through, it will give T-Mobile immediate access to ~1.5% of US households. It would be the largest fiber deal that T-Mobile has entered into so far,” the firm said in a research note. “While these are smart transactions, they do not provide enough scale to T-Mobile for nationwide convergence. If converges becomes the need of the hour, we would expect T-Mobile to enter into larger transactions.” TMT Finance’s report comes just weeks after reports that **Frontier** and private equity firm **Stonepeak** are contemplating a JV.

The WHO and the WHY

CFX’s spotlight on recent new hires & promotions



BRIAN Doherty
PRESIDENT, AD SALES
AXS TV AND HDNET MOVIES

3 THINGS TO KNOW

- Brian joined the Anthem Sports & Entertainment family after a long stay at The CW Network and Nexstar. He’ll report to Andy Schuon, President of AXS TV and HDNET MOVIES, and oversee ad sales for the two Anthem properties while also being tasked with monetizing AXS TV’s programming and HDNET MOVIES’ library.
- Brian first joined The CW in 1999 and held multiple executive roles over the course of his 23-year journey with the network. He helped develop new revenue streams for shows like “The Flash” and “Gossip Girl” while he was SVP, Multiplatform Sales. Once The CW was acquired by Nexstar, he stepped into the position of EVP, Multiplatform Advertising Sales, where he spearheaded a multi-network go-to-market strategy, helped launch CW Sports and assisted in increasing NewsNation’s revenue by over 40% in 2023.
- Brian’s talents extend beyond advertising and onto the soccer pitch. He played soccer at St. Bonaventure University from 1990-94, where he also received a Bachelor’s in Marketing.

NETFLIX SHINES IN EMMY NOMS

We’re getting back to a normal Emmy Awards calendar after last year’s writers’ and actors’ strikes pushed the 2023 event to January. This year saw **Netflix** lead streamers and networks with 107 total nominations, which unseats **HBO/Max** after they combined to lead noms from 2021-23 (this year they had 91). Netflix saw 35 of its programs earn noms, including “The Crown” (18), “Ripley” (13), “Baby Reindeer” (11), “3-Body Problem” (six) and “Beckham” (five). Second was **FX**, which set a single-year record with 93 noms and shattered its previous mark of 57 in 2016. That 93 number was thanks to “Shogun” earning 25 noms, “The Bear” getting 23, “ Fargo” notching 15 and “What We Do In the Shadows” grabbing eight. “Welcome to Wrexham” and “Reservation Dogs” had six and four, respectively. HBO’s “True Detective: Night Country” grabbed 19 noms while “Hacks” added 17 and “The Gilded Age” and “Last Week Tonight with John Oliver” had six apiece. **Apple** came in with the fourth-most noms at 70. “The Morning Show” and “Palm Royale” had 16 and 11 noms, respectively, with “Lessons in Chemistry” tacking on 10 and “Slow Horses” adding nine. Broadcast nets **ABC** and **CBS** each had 38 as **Prime Video** was close behind with 37. **NBC**’s 33 beat out **Hulu**’s 26 and **Disney+**’s 19.

FIBER FRENZY

Omni Fiber, a regional provider based in Ohio and Pennsylvania, secured \$150 million in debt financing from **Stonepeak Credit**. The money will be used to accelerate Omni's pace of expansion as it gets ready to announce more communities in the coming months. Omni has invested more than \$250 million in building an XGS-PON fiber network since its founding in 2022. It's on pace to reach approximately 200,000 locations by the end of this year. – **Metronet** has started construction of a \$30 million fiber-optic network in Wilmington, North Carolina. The first customers to receive service are expected to come in the fall. It's part of Metronet's two-year construction plan that also includes nearby areas of Bay Shore, Myrtle Grove, North Chase, Ogden, Porters Neck and Silver Lake.

ECHOSTAR LOOKS TO BOOST ITS MOBILE OFFERING

EchoStar's Boost Mobile became the first nationwide carrier to combine its prepaid and postpaid mobile services under one name, launching a new unified digital experience Wednesday at [BoostMobile.com](https://www.boostmobile.com). It has also rolled out new pricing plans, with unlimited plans starting at \$25/month with a forever price lock for customers who sign up now with autopay. Be on the lookout for a nationwide brand and ad campaign for Boost Mobile. It's also launching a 30-day money-back guarantee to let customers try Boost Mobile's 5G network risk-free.

RNC RATINGS

Do you even need to ask who led Night 1 ratings of the Republican National Convention? **Fox News** dominated with more than 6.1 million viewers from 8-11pm, according to **Nielsen** data. By comparison, **CNN** averaged just over 1 million viewers and **MSNBC** had 1.4 million. **USA Network** averaged more (1.7 million) for "WWE Monday Night Raw." The #2 network for 8-11pm was **ESPN**, whose coverage of the Home Run Derby helped it nab 4.8 million viewers. Fox News' audience swelled to 6.9 million for the 10pm hour, well ahead of runners up **ABC** (2.28 million) and **NBC** (2.24 million). At 9 PM/ET, *Sean Hannity's* exclusive interview with Republican VP candidate *JD Vance* delivered 6.1 million viewers and 1 million in the 25-54 demo, outpacing *Lester Holt's* NBC sit down with President *Biden* by more than 100% with viewers and 58% with the 25-54 demo. Early Nielsen numbers show Fox News again in the lead for Night 2, delivering 5.2 million in primetime.

NAB'S OWNERSHIP RULE BRIEF

NAB's fight continues against the **FCC's** broadcast ownership rules, with the association filing its initial brief this week in its challenge of the rules. "It is long past time for the FCC to modernize its broadcast ownership rules; these are relics from a bygone era, created before the internet, smartphones, social

media and streaming," President/CEO *Curtis LeGeyt* said in a statement. The rules limit the number of radio and television stations an entity may own in a particular market, including prohibiting combinations among the top-four TV stations in the same geographic market. "The broadcast industry remains saddled with antiquated restrictions—first imposed before the attack on Pearl Harbor—that prevent broadcasters from combining stations to achieve critical economies of scale, diversify programming, and attract valuable advertisers," NAB told the Eighth Circuit Court of Appeals. It argued that the FCC failed at its Congressional requirement to determine whether broadcast ownership rules remain necessary in light of competitive change. It alleged that the FCC's actions violate Section 202(h) and are arbitrary and capricious under the Administrative Procedure Act.

DISNEY SLACK HACK

With cybersecurity becoming a larger issue, **Disney** finds itself among companies sustaining data breaches as of late. The *Wall Street Journal* [reports](#) that data from Disney's internal Slack platform has been leaked online by the anonymous hacktivist group NullBulge. The data includes information about advertising campaigns, studio technology, interview candidates in addition to unreleased projects and software development. The amount of data leaked hasn't been confirmed nor the way that data was obtained, but Disney confirmed it's looking into the matter.

NTIA OK RI'S BEAD PLAN

Rhode Island is the latest state to earn **NTIA** approval for its initial proposal as part of the BEAD program. The agency allocated more than \$108 million for the deployment of broadband networks in the state.

GCI, STARLINK SIGN RESELLER AGREEMENT

GCI is looking for more ways to connect businesses in the Last Frontier, and it's doing so by entering an enterprise reseller agreement with Starlink. The deal allows GCI to implement Starlink's satellite technology into its connectivity solutions for business customers across Alaska. Starlink has been available to customers in Alaska since late 2022.

PROGRAMMING

AMC Networks is bringing 13 of its original series to **Netflix**, with most debuting Aug. 19. The lineup includes "The Walking Dead: Daryl Dixon" S1, "Anne Rice's Interview with the Vampire" S1, and seasons 1-3 of "Into the Badlands." AMCN has had great success in the past with originals such as "Breaking Bad" and "The Walking Dead" on the streamer. The new slate will on Netflix will carry the AMC brand. Last year, the programmer struck a two-month deal that saw some 200 episodes of its shows hit **Max**.

Think about that for a minute...

Pushing the Envelope

Commentary by Steve Effros

It's always good, every once in a while, to step back from our roles as part of the telecommunications industry, whether CEO, CSR, CFO, local manager, marketing director, linesman, installer, lawyer, consultant, or whatever and just look at things from the point of view of a user of our services. News flash: you don't need a sophisticated survey to find out what your customers or subscribers think. All you have to do is use the product yourself and consider your reactions. Have you listened to your "music on hold" lately?

I remember some time ago when "DBS," direct broadcast satellite, "the DISH," was just being introduced. Bill Bresnan, one of the early, wonderful pioneers of the cable industry had one of those new, small antennas put up right near the front door of his offices. Everyone could see it walking into the building. They hooked it up to monitors in key offices. He wanted all his folks to see what the competition looked like. It made a major impression.

Looking at those new, digital (remember, cable was analog, not digital at the time) pictures was an eye-opener. Needless to say, a lot of folks in the cable industry back then started working a lot faster on already-hatched technical plans to make the cable infrastructure digital ready. It didn't take a genius to see what any consumer would see; better pictures, especially with those new, flat-screen, digital television sets!

The point behind this is that when you just look at what your company is doing, either with its marketing, its customer service, its billing or whatever, and you react, the odds are that your customers will be reacting the same way.

So let's run through a few things that I'm reacting to these days and see if you have the same issues. How about surveys? Are you as tired as I am with just about every company asking you to fill out or respond to an electronic survey after having provided you with a product or a service? It seems to me I'm getting those things on an almost daily basis! I'm supposed to rate, on a scale of one to five how the person I was talking

to on the phone did. Were they helpful? Did they solve the problem? Would I recommend the company to others? Hey, enough already! The person I talked to already warned me that I would be getting one of these things and had already asked that I give them a good "grade." It's getting more than just silly, it's getting totally annoying. The thing I miss in these surveys is the ability to rate what I think of the repeated surveys! I suspect a clear answer would emerge.

And what about the increasing use of ads that pop up covering the material you are trying to read on the Internet? Yes, I understand, just as I've reviewed many times in these columns, that it's not clear if anyone (other than Google and Meta) has figured out a decent business plan that generates enough revenue to support all the information being provided. But the "pop ups" have gotten so ubiquitous and annoying that my instinct, just as with the surveys, is to simply "hang up" on them. That's not a formula for long-term success.

The same is true for ad insertion in streaming video if those ads are randomly chopping up the product. Sure, "advertising" works in video. Look at the old TV broadcast industry. But when there is no effort to be sensitive to the content you are sending out, once again, the user, the customer, the viewer is likely to go elsewhere.

Companies have been "pushing the envelope" of customer acceptance. Experience your own services and see if you're doing the same thing.



Steve

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(Steve Effros was President of CATA for 23 years and is now an advisor and consultant to the cable industry. His views do not necessarily reflect the views of Cablefax.)

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