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WHAT THE INDUSTRY READS FIRST

Safe Bet?: AT&T's Commitment to Convergence Continues

AT&T isn't slowing its fiber push, adding 226,000 AT&T Fiber net adds in 3Q24. That's in spite of disruptions including severe weather and a work stoppage in the Southeast during negotiations with the **Communications Workers of America** on a new collective bargaining agreement. The company now passes 28.3 million consumer and business locations with fiber, and it continues to see the payoff in areas where it is able to sell both fiber broadband service and mobile offerings.

"While our 5G and fiber businesses are performing well on their own, it's increasingly clear that customers prefer to purchase mobility and broadband together as a converged service," CEO *John Stankey* said on the company's earnings call. "This is driving a reinforcing cycle where the success of our fiber business drives growth in mobility and vice versa." Approximately four out of every 10 AT&T Fiber households also choose AT&T as their wireless provider, and fiber revenues grew 16.7% YOY.

It's no secret that convergence is not only the centerpiece of AT&T's strategy moving forward, but also its competitors. **T-Mobile** and **Verizon** are both making M&A moves to add to their wireline footprints, and now we wait to see how AT&T works to stay in the race.

"As with Verizon and T-Mobile, AT&T doesn't have a wireline answer in the vast majority of the country, and there is no path for them to get one. If the world moves in the direction of convergence—or worse, if they help move it there themselves—then

AT&T loses everywhere they don't have a wireline network," **Mof-fettNathanson** said in a note to clients. "That's currently ~87% of the country." And while AT&T is expanding its fiber network, there are questions about how many attractive areas are left to swipe up.

Stankey was asked about his view on using HFC assets as a complement to the AT&T Fiber network, and he said there was a time in his career when he believed a pivot to HFC would have been the right capital allocation decision. He even complimented the cable industry on its ability to demonstrate that HFC is a fairly resilient and capable infrastructure from which you can receive attractive returns.

"But every decision, it has its time and place, and my belief is even if you look at the dynamics of what is necessary to service DOCSIS 4.0, we're on this steady march that eventually fiber is moving its way to the customer... we're not starting to get into the final innings of that game," Stankey said. "In the what I would consider to be a more mature technology cycle of HFC, jumping into something that ultimately ends with fiber having to show up at the customer's home doesn't seem like a well-timed decision at this juncture."

AT&T's overall revenue totaled \$30.2 billion, down 0.5% YOY due to lower business wireline service revenue and declines in mobility equipment revenues driven by lower sales volumes. Stankey did mention the pending transaction between **DISH** and **DirecTV**, saying the sale of AT&T's stake in DirecTV would give the company more optionality as it considers opportunities to aggregate products and services that customers want.

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WBD: TREAT DEI AS A KEY BUSINESS METRIC

If a company looks at DEI as though it's something owned by its Chief Diversity Officer, it's not going to make much progress, senior **Warner Bros. Discovery** leaders said at **NAMIC's** opening session Wednesday. "It's my responsibility," *JB Perrette*, CEO and President, Global Streaming and Games said during a fireside chat with Chief DEI Officer *Asif Sadiq*. "We've set up two councils with business leaders like myself and my peers, where you help provide insights about how to do it. At the end of the day, the metrics, the initiatives, the momentum, the championing happens at the operating leaders level and you are facilitating and helping drive a lot of the just awareness and the tooling around what can we do to accelerate that change. And then we do the same thing on the creative side." This year, for the first time, WBD has introduced DEI as a metric that's part of bonus calculations. It also launched a sponsorship program focused on African American and Latinx execs, with senior leaders such as Perrette working with those four ranks down from them. "Many of you will know that usually diverse communities are over-mentored and under-sponsored. Sponsorship naturally happens for the majority, who are usually white men within an organization. That's not a bad thing. It's not pointing fingers, but it doesn't naturally happen to other communities," explained Sadiq. He said there's a move away from "random acts of diversity" because those aren't what's going to bring about long-term sustainable change. "I think we need to treat DEI like any other business element, and that requires difficult conversations when it's not working. What are we doing when it's working? What can we do better? And I think we're there. I think we've got to that nice stage where we're not just giving compliments around this work, but we challenge each other," added Sadiq.

FCC TACKLING CUSTOMER SUPPORT IN BROADBAND, CABLE

The **FCC** voted 3-2 to launch a Notice of Inquiry Wednesday taking a deep dive into the quality of customer support offered by cable, broadband, satellite TV and voice service providers. Specifically, the FCC is seeking comment on providing simpler cancellation options, whether providers obtain explicit customer consent before automatically renewing a service or increasing prices after a promotional period expires and easy access to live representatives. Additionally, the agency wants to hear opinions on whether it should extend cable operator installation, outage and service call rules to satellite TV, voice and broadband services and if cable customers require expanded resources given changes to the marketplace and technologies. FCC Commissioner *Brendan Carr* was one of the dissenters when it came to the item, arguing that the Com-

mission would be better served focusing on freeing up spectrum and eliminating regulatory barriers to broadband deployment. "We should leave those cross-cutting protection issues to the nation's lead consumer protection agency—the **FTC**," Carr said.

INCLUSION IN ADVERTISING

A **NAMIC** panel dissected a **Paramount** advertising study, based on surveys of 3,600 consumers and 450 industry professionals, which revealed that while representation has improved, it has declined for Black and Hispanic communities. Key findings include 85% of consumers believing representation influences real-world perceptions and 73% viewing it as important. From 2019 to 2022, Black representation decreased from 16.5% to 14.8%, while Hispanic representation fell to 5% from 6.2% in 2019. "This is surprising considering the Hispanic community is oftentimes prioritized by brands and considered a growth target to connect with because of their significant purchasing power. They're also the largest ethnic community, yet the representation is the most disproportionate to their population size," said *David Pangilinan*, Manager, Insights and Cultural Intelligence at **Paramount**. "You'll notice that Hispanic communities only have 5% presence in advertising despite being 20% of the US population... Basically, there are more white people in ads than there are actual white people in the U.S." The panel said the lack of inclusion especially doesn't make sense since there is a halo effect where representation resonates with audiences beyond those in an ad. "There is a real business imperative—\$6.8 trillion for under-represented communities. That's the actual spending power that is in the U.S. alone," said *Denya ChinQueen*, Senior Director of Market and Cultural Intelligence for Paramount and NAMIC NY's President.

MLS, APPLE TV GOING ALL IN ON MESSI FOR CUP PLAYOFFS

The **MLS** Cup Playoffs arrived Tuesday with the start of the Wild Card round. This year saw attendance records shattered across the league, but it also marked the second season since **Apple TV** began streaming games exclusively via **MLS Season Pass**, which reportedly surpassed 2 million subscribers during the 2023 season. A big catalyst for that is the arrival of *Lionel Messi* to the league, and with the Argentinian set to make his MLS Cup Playoffs debut this Friday at 8:30pm when Inter Miami takes on Atlanta United, MLS and Apple TV are pulling out all the stops. The game will be free to watch on compatible devices as well as on the web. Apple will also have the match playing at various store locations around the world and there will also be a Messi-dedicated livestream available on **TikTok**, the first time that the social media platform will have streamed an entire live match centering on a specific player.

In The
WILD

A Cablefax feature highlighting industry doings spotted in the real world.

Ritter Communications' 'Fiber is the Future' Mural

Folks in northwest Arkansas will see some new artwork when traveling through Bentonville. Earlier this month, Ritter Communications unveiled a new mural created by local artist Susan Idlet decorating its Fiber Optic Shelter. The design, titled "Fiber is the Future," is intended to show Ritter's commitment to technological advancement and the different ways people can remain connected through fiber broadband.

"Part of the Ritter Communications expansion strategy and our 'Right by You' motto is to leave construction areas better than we found them," CEO Heath Simpson told **CFX**. "Our utility cabinets typically have shrubbery planted or a privacy fence installed to enhance the area visually. While we were evaluating how to best operate the site of the fiber optic shelter in Bentonville, AR, this exciting and creative opportunity for the space emerged."



With a dark backdrop accompanied by vibrant colors and designs, the mural also stands as a way for Ritter to deepen its connection to the communities it serves. That's part of the reason why Ritter decided to collaborate with a local artist like Idlet on the project after finding her through the local Public Arts Council's website. Simpson said Idlet's work—which is often described as "surrealistic folk art"—stood out because of her creative use of color and imaginative style when it comes to incorporating everyday concepts.

"Bentonville has a vibrant community of artists as well as a Public Arts Council. The Council has done an incredible job of developing a process for exploring the work of artists in the community who are interested in projects like ours and partnering on public art projects," Simpson said.



It's been a busy few years for Ritter since launching its FTTH service RightFiber in 2021 and undergoing a \$28 million expansion project to connect businesses that same year. The company spans five states in-networks and 11 states out-of-network when including partners'

networks, but as the internet landscape evolves and grows, so will Ritter.

"The landscape speaks to our ongoing efforts to connect homes, schools and businesses throughout the region," Simpson said. "In the long term, this work illustrates how connectivity is evolving. Ritter Communications is powering future-proof technology in cities like Bentonville, further supporting the community's economic growth and development opportunities." – Noah Ziegler

NAMIC NOTEBOOK

ESPN EVP, Programming & Acquisitions *Rosalyn Durant* and **NFL**, SVP of Global Brand and Consumer Marketing *Marissa Solis* shared their career experiences during a Tuesday session, emphasizing the importance of claiming one's place and bringing authentic perspectives to the table. Durant talked about finding her voice to point out things from a perspective that wasn't always being considered. "If you invite me to the table, I'm going to use my seat, and that's what I encourage everyone else to do," she said. "If my unique perspective isn't heard before that decision is made, there's something missing." Solis recalled being asked while at **PepsiCo** to lead and create a business unit for the Latino community. She wanted to be seen as a business leader, not a Latina business leader and initially said no. But a mentor, who was a white male leader in the company, convinced her that she had important insight and connection to bring. "I just didn't ever see it that way until this mentor told me that. So, I took that role, and honestly, that's probably one of the proudest moments in my career. And my career took off after it," she said – The 38th annual NAMIC Conference concluded Wednesday, wrapping up with the 2024 NAMIC Awards Luncheon. NAMIC's Luminary Awards and Next Generation Leader Awards were distributed at the affair, and **Comcast's** SVP of Technology Operations and Engineering, *Tony Speller*, was awarded the 2024 Diversity in Technology Award. **Spectrum News** journalist and talk show host *Cheryl Willis* received the 2024 Mickey Leland Humanitarian Achievement Award. The 39th annual NAMIC Conference is scheduled for Oct. 21-22, 2025, at the Marriott Marquis in New York City. The theme will be "The Next Frontier."

CARRIAGE

Primera Network, an ad-supported cable network that it claims is the first and only one tailored toward women over 50, will launch next year with **Charter** as a distributor. Spectrum will distribute the channel across its footprint for Spectrum TV Select customers. The net began talks with MVPDs [last year](#).

PEOPLE

Fox Corp. is shaking up its ad sales team under the leadership of President, Advertising Sales, Marketing and Brand Partnerships *Jeff Collins*. The new structure keeps sales executives dedicated to content verticals in sports, news, entertainment and Tubi, while also shifting to a cross-portfolio-oriented model focused on operators, technology and strategy. *Ebony Moore* will join the ad sales team as SVP, Client Services and *Brian Schepis* will become SVP, Yield Management. Both Moore and Schepis join from **Warner Bros. Discovery** and will report to EVP, Revenue Management & Strategy *Michael Falco*, who'll now oversee **Fox News Media** revenue management. *Matthew Jamison* is making the switch from **DirectTV** and become SVP, Ad Sales Strategy and Partnership. *Kym Frank* will step in as SVP, Ad Sales Research.

Think about that for a minute...

Who Rules?

Commentary by Steve Effros

Well, it can't come as much of a surprise, we're in the last throes of an election that was billed, many months ago, as a very tight race. And now, with the various parties having shelled out almost a billion dollars in advertising, guess what? It's still too close to call. The broadcasters, however, love it. So do the owners of ad platforms like Google, Meta, TikTok, etc. They like this idea of political campaigns that go on forever!

But for the rest of us, particularly in either various businesses or as consumers or policy wonks, the underlying question is who's going to rule? Obviously I can't tell you that this week, but I'm relatively sure I know who's going to have the "last say," and that's the judiciary. You see, no matter who wins, the regulatory and legal battle lines in telecommunications have already been drawn, and it's not a pretty picture for anyone.

Let's start with those who are already in power and have worked very hard, for instance, to reinstate the "net neutrality" rules. As I've mentioned before, this really isn't about guaranteeing access or preventing "blocking or throttling" some internet delivered service. It's about rate regulation. Those folks who have fought for so long to get net neutrality on the books want to use that "Title II" designation to attain the authority to regulate broadband rates, or at least use that threat to affect rate making decisions.

The problem for them is that the judiciary, in the form of the Supreme Court, has gutted the ability of administrative agencies to stretch the bounds of their existing statutory powers. This particular case is already in the lower Courts, with the FCC having already been told that its effort to now reclassify broadband delivery as a "Title II" common carrier service is not likely to survive legal challenge.

On the other side, there are suggestions that if power changes hands, there would be threats of cancellation of government broadcast licenses if those politicians didn't like what the broadcasters were saying. Just as with net neutrality, this is not likely to get very far. There is no statutory language suggesting that

the FCC, or anyone else, could revoke licenses based on dislike of First Amendment protected speech. Ironically, it's the most conservative Supreme Court in our lifetime that would have to look at that issue, if it got that far (I doubt it would) and "strict constructionists" would have a daunting time explaining how such a government overreach could possibly comport with the Constitution.

So that's the situation we find ourselves in. No matter who wins, the most radical proposals being bandied about would not likely survive judicial review. Of course, in theory, Congress could start writing new statutes; one, for instance, that declared broadband a common carrier, and another that "nationalized" the broadcast industry and put it under the direct editorial control of federal regulators and politicians. Think either one of those is likely? Neither do I. Congress, regardless of who wins the upcoming election, will be relatively evenly divided, and therefore unmanageable regarding any major piece of legislation. And these two issues, needless to say, would be considered major questions!

The real problem with all this is that we are inevitably going to be left in limbo. There are likely to be multiple legal challenges to any major action, either taken based on the existing regulatory makeup or any new one. And this all at a time when we are facing some of the most significant new telecommunications challenges we have ever had: gaining some modicum of control over

whatever "social media" is becoming, and "AI," and how it will affect not only what we see and hear, but how those things are even created and identified. Stay tuned.



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.)



Congratulations 2024 Diversity & Pride List Honorees!

VIEW HONOREES

The Cablefax team is thrilled to announce the honorees for this year's Diversity & Pride List, recognizing the most influential multi-ethnic and LGBTQ+ executives in the industry along with our D&I Champion. New this year, we've interspersed Cablefax's Work Culture Awards to highlight the innovative and attractive work environments alongside the dynamic individuals of our Diversity and Pride Lists. [Visit our site to view the digital issue and read the Q&As from the honorees.](#)