

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## Liberty University: John Malone Lectures on Current Media Landscape

Liberty Media's investor day covered a lot of ground Thursday, from Charter's upcoming acquisition of Liberty Broadband to GCI's future and Qurate's upcoming rebrand to the QVC Group. But it wouldn't be a Liberty event without some prognosticating from the Good Doctor, with John Malone weighing in on everything from M&A under the new administration to video's future.

"The idea that Charter should be limited to 30% of the U.S. terrestrial footprint, while the big tech guys have the globe, and even Elon has the globe. Wireless companies have national footprints. I think it's silly," he said (while the FCC's 30% cable ownership cap was overturned by the courts in 2009, government concerns in 2015 over the size and influence of a combined Comcast-Time Warner Cable are what sunk that deal). "I think that Charter should be allowed to merge with Comcast or Cox or T-Mobile, or anybody that would reduce capital intensity, improve efficiency, maintain competition and improve the quality and cost effectiveness of the services they provide. That's my point of view. And I think tying an industry's hands behind its back and allowing big tech to run wild in every direction that they choose to run in, I think is inappropriate."

Of course, consolidation isn't limited to the distribution side. On the content side, Comcast has said it's exploring potential cable network divestitures. Once again, Malone gives big tech the upper hand. "Very clearly, the tech players, given network neutrality and the fact that they have access to distribution

platforms at no cost to them, it really favors a shift to streaming technology for that simple reason. It's free, compared to making a deal with linear transport," he said.

Malone's prediction: the broadcasters will morph into streamers. "Obviously sports investment right now is the best because it works really well across both platforms, and it is going to be the essential reason why broadcasting lives longer than it otherwise would. But I'm afraid that the damage will be done to localism as important programming becomes national or global and streamed. Comcast, with the NBA, is hoping that NBC will essentially evolve to a hybrid and then to a streamed subscription service," he said. "I do believe that an easier regulatory environment would lead to faster consolidation of the creators of entertainment content. Sports content, I think, is doing quite well."

As for why Charter's Liberty Broadband transaction won't close until 2027, some of that's around the complexity of what to do with GCI and some of it's around the pay-down schedule to make Liberty Broadband less levered at the moment it becomes consolidated, according to outgoing Liberty Media and Liberty Broadband CEO Greg Maffei. Additionally, Charter appreciates having Liberty's participation as a shareholder and on its board. "This is a very highly sophisticated, savvy group of people who adds a lot of value to the business," said Charter President/CEO Chris Winfrey. "And yes, we're very much interested in helping collapse the discount at Liberty Broadband and capturing some of that discount for Charter shareholders. But there's real value to the participation in the

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# Please join us at NECTA 2024

*How We Connect*

## November 17-19

Newport Harbor Island Resort, Newport, RI

*Come for a day, panel, mixer or the whole show*

Full Agenda: [connectingne.com](http://connectingne.com)

### New England Connectivity & Telecommunications Association



#### SUNDAY, NOV 17

NECTA CoChair

5pm: Keynote

5:30pm: Streaming into the Future



Steve Iannazzi  
Cox



Honorable  
Gabe Amo (RI)



Ben Grad  
Fubo



Brian Mahony  
OTT Executive Community



Patty Boyers  
ACA Connects

#### MONDAY, NOV 18

NECTA CoChair

9am Keynote

10am: Evolving Media: Linear, Streaming, FAST

11am: Digital Equity



Stephanie Frederico  
Cox



Elad Nafshi  
Comcast Cable



Mark Gathen  
Cox



Heidi Newman  
Cogeco Inc/Breezeline



Jennifer Tillman  
Cox

#### MONDAY, NOV 18

1pm: Women Industry All-Stars: Resilient Leaders on Reinvention & Reflection



Pat Kehoe  
PK Network



Denise Denson  
Mead Street Consulting



Tonia O'Connor  
The Kite



Gemma Toner  
TONE Networks



Stacey Slaughter  
NCTI

#### MONDAY, NOV 18<sup>th</sup>

2:05pm: Streaming: Programming, Platforms & Advertising

2:05pm: Policy Panel



Mark Romano  
Dooya Media Group  
Moderator



Jana Hartz  
Amagi



Mitchell Freund  
Philo



Chris Pizzurro  
Leap Media



Ron Pruett  
Boston Associates



Mike O'Reilly  
Fmr. FCC  
Commissioner

#### MONDAY, NOV 18<sup>th</sup>

2:45pm: Tech Forward: Improving the Customer Experience – Docsis 4.0, 10G & more

3:45pm Keynote



Sandra Howe  
ATX Board



Aaron Brace  
Breezeline



Evan Davis  
Aispire



George Goncalves  
ATX Networks



Cedric Maxwell  
Celtics Legend

#### TUESDAY, NOV 19<sup>th</sup>

10am: Revenue Generation: Advertising, Shopping & more

NECTA

SCTE



Amy Maclean  
Cablefax  
Moderator



Dana Kalvort  
Digital Sales &  
Strategy



Tim Wilkerson  
NECTA President



Ellen Schned  
NECTA Advisor



Jess Zelaya  
ATX Networks



Josh Barstow  
Open Vault



Join us in Newport RI  
Sunday, November 17<sup>th</sup>

**Cable TV Pioneers Reception at NECTA**  
4:00pm-5:00pm

Newport Harbor Island Resort (Torpedo Lounge)

Calling on all Cable Pioneers in the NE area  
Join Us & attend for Free (Mixer & NECTA Sunday)

RSVP: Pat Kehoe: [pat@pknetwork.com](mailto:pat@pknetwork.com)

JOIN US IN BOSTON  
FOR A PRE-NECTA MIXER

*with a Salute to  
Breezeline / Atlantic Broadband Alums*

Saturday, November 16<sup>th</sup>  
6-8pm EST

Boston Marriott Long Wharf  
296 State St., Boston, MA  
(Midnight Ballroom)

RSVP: Chap Hanley 603.765.3214 (Zoom link Avail)



Info & Registration:  
(Ask about discounted rates)

- Ellen Schned 310.367.3414  
[el.schned@gmail.com](mailto:el.schned@gmail.com)
- Seth Caplan 617.455.9362  
[Scaplan@connectingne.com](mailto:Scaplan@connectingne.com)

*There's still time to join this incredible crew!*

past of Liberty Broadband, and there still is going forward, and we wanted to frankly hold on to that as long as we could while still getting the best outcome for our shareholders.”

Winfrey also touched on why GCI is not part of the transaction, explaining that it's a fantastic and unique operation that doesn't fit its blueprint. “When you think about how we've done M&A at Charter, we look for the ability to scale our operations—do everything virtualized, national, centralized—and have a consistent operating strategy in rural, suburban and urban markets as it relates to pricing and packaging and service. That's good from a regulatory standpoint. But Alaska is a completely different animal,” he said.

Malone called GCI an interesting asset because it could be used to build an additional collection of assets because “it will have tax attributes that exceed the need to shelter its own cash flow.” It's Liberty. Everything relates to taxes in some way. “So for a profitable enterprise that can handle an unusual set of assets, it probably is more valuable than you would think. It could also be thought to be a core of a private or semi-private effort to build a new venture,” he added. “If some strategic is willing to buy it at a full valuation, we'd probably end up selling it. If on the other hand, it doesn't command for the reasons Chris just explained, what we think it's worth as a core for a new development effort, then we'll keep it and we'll treat it as a core asset around which to build other assets.”

Meanwhile, Qurate Group, which houses **QVC**, **HSN** and **Cornerstone Brands**, will morph into QVC Group. The legal change will happen when it files its 10-K with the **SEC** in February, with the NASDAQ ticker changing to QVCG. There will be an emphasis on social shopping, with a social first format across all leading formats, according to CEO *David Rawlinson II*. “We are seeing exciting signs of success here already. We have over 7 million QxH followers across Facebook, Instagram, TikTok and YouTube. We had over 5 million views of a single creator video recently. Social is already growing very quickly,” he said. “Our experimental launch on TikTok shop just a few months ago resulted in a 2x increase in followers in just 100 days, and over 9000 creators have been seeking information on how to partner with us.”

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## DISNEY DOESN'T NEED TO SPIN OFF LINEAR NETWORKS, IGER SAYS

Don't expect **Disney** to dive into any M&A spending spree that might kick up when President-elect *Donald Trump* steps into the White House on Jan. 20. During Disney's 4Q24 earnings call Thursday, CEO *Bob Iger* made it clear that he believes the company has everything it needs to be successful now and over the next several years. “In 2017 when we announced initially we were acquiring assets from **21st Century Fox**, we specifically mentioned that

we were doing so through the lens of streaming. We saw a world where streaming was going to proliferate, and we knew we needed not only more content, but more distribution... people forget that came with control of **Hulu**, and ultimately ownership of Hulu,” Iger said. “In a way, we're already consolidated and while I think we'll always look opportunistically at opportunities... we don't really need more assets right now, either from a distribution or from a content perspective, to thrive in basically a disruptive media world.” Disney leadership was also questioned on **Comcast's** decision to consider spinning off its cable networks and if a similar move could be beneficial to the mouse house. CFO *Hugh Johnston* said he had previously looked at options around divestitures and the like from a financial perspective, asking questions around the frictional cost, operationally, of separating those assets and the prices that could be achieved from certain sales. But he said that it is pretty clear to him that there isn't a value-creating opportunity at Disney. Iger even said there's some enthusiasm around linear, particularly around ad opportunities. He spoke to President, Global Advertising *Rita Ferro* on Wednesday and she said linear continues to have strength because of its live content, including sports, and the way it provides a differentiated audience from streaming. “The way we integrate those businesses, not just from a programming perspective or technology perspective, but from an advertising perspective, gives us some interesting leverage in the business and enables us to offer advertisers a much broader, even deeper offering in terms of avails,” he said. “It's basically the combination of both is working for us.” As for streaming, Disney ended the quarter with 122.7 million **Disney+** subscribers, 47.4 million Hulu SVOD subscribers and 4.6 million Hulu Live + TV subscribers. A moment of levity came toward the end of the call after Iger revealed that 60% of all new subs are choosing ad-supported options when subscribing to one of Disney's streaming services. Approximately 37% of total U.S. users subscribe to ad-supported tiers, and that comes out to 30% when you examine global trends. On a hot mic during the next section of the Q&A, Iger was heard saying, “I don't think I was supposed to disclose those AVOD numbers.” Revenues in the quarter rose 6% YOY to \$22.6 billion. Revenue in linear networks domestically fell 5% due to higher marketing costs and lower affiliate revenue.

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## DIAMOND SPORTS OFFICIALLY EMERGING FROM BANKRUPTCY

**Southern Texas Bankruptcy Court** Judge *Christopher Lopez* gave **Diamond Sports** the approval it needed to emerge from Chapter 11 bankruptcy at a hearing Thursday, marking the end of a 20-month saga for the company and its RSNs. The plan Diamond set forth received nearly unanimous support from its nearly \$9 billion in funded debt holders. Under the terms of the greenlit plan, Diamond

will restructure its balance sheet to reduce its debt from almost \$9 billion to \$200 million. Once that restructuring is complete, Diamond will also have more than \$100 million in cash and cash equivalents. It expects to complete the restructuring process in the coming weeks. Importantly, we now know that **FanDuel Sports Networks** RSNs will be home to 13 NBA teams, 8 NHL teams and 6 MLB teams upon emergence from bankruptcy. CEO *David Preschlack*; President, Distribution and Business Development *Eric Ratchman* and COO/CFO *David DeVoe Jr.* will all remain in their respective roles at Diamond, but its board will receive new members when it emerges. Diamond has been building to this moment for months, striking hard-fought distribution deals with the likes of **Comcast** and **DirecTV**, but it was also able to clear up and sign a multi-year commercial agreement with **Prime Video** less than 24 hours ahead of the hearing. FanDuel Sports Network RSNs will be available via Prime Video as an add-on subscription for customers living within each team's designated geographic area. Amazon will market the availability of FanDuel Sports Network content on Prime Video. Diamond also earned a mention during **Liberty Media's** investor day with **Atlanta Braves** President/CEO *Derek Schiller* noting his team had spent the last couple of weeks reformulating the Braves' deal with Diamond. He said the largest improvement has been in improving accessibility for the MLB team's games. "I'm proud to say that contract is going to grow, and the ability of our fans to watch the game is going to be even more than it was before. So some exciting stuff that's led by a direct-to-consumer streaming subscription service that we will offer for the first time to our fans," Schiller said.

## CHSN'S DTC PRODUCT INBOUND

**Chicago Sports Network** isn't taking long [after launch](#) to introduce a direct-to-consumer service. The RSN will release the app Friday and be available through two subscription packages: A one-team deal for \$19.99 per month, or full CHSN access for \$29.99 per month. The single-team offer comes with live streams of games as well as pre- and post-game coverage for one of the Blackhawks, Bulls and White Sox. The full-access plan enables access to all three teams' live games as well as CHSN's entire programming slate. Authentication via pay TV provider will be made available in the coming weeks, followed by access to games via CTV platforms like **Roku**, **Fire TV**, **Apple TV** and more.

## UPSTREAM CONTINUES UPSWING, OPENVAULT FINDS

**OpenVault** released its 3Q24 Broadband Insights report, finding that the growth rate for downstream decreased to 6.8% in the quarter while upstream growth improved to 13.9%. Average downstream speed was 564 Mbps and average upstream speed came in at 31 Mbps. Overall growth was 7.2%—OpenVault's lowest YOY rate recorded—with the monthly average data consumed by subscribers at 590.1 GB. Super power users, or those consuming 2 TB or more per month, increased by 24.6% YOY while extreme power

users (5 TB or more) increased by 44.2%. The latest OVBI report also had data from select demographics. Households with incomes under \$50,000 have the highest average data usage at 639 GB. The \$50,000-\$99,000 range came in at 590 GB and \$100,000-\$149,000 at 603 GB. \$150,000 and up recorded an average of 622 GB. OVBI also found similar data usage and speed levels between metro and rural areas. Metro areas had an average data usage of 617 GB and 566 Mbps of average provisioned download speed, while rural areas checked in with 594 GB and 583 Mbps.

## SO LONG MAFFEI

**Liberty Media's** investor day served as a sort-of send-off for *Greg Maffei*, who will step down as CEO at year-end and transition to the role of senior adviser. Liberty Media Chairman John Malone will assume the role of interim CEO. "He's irreplaceable, and we're not going to pretend that's not the case," Malone said Thursday. "We're going to have a stringent board of directors that will be able to provide historical guidance. I can't talk too much about that yet. And we'll be looking for a good administrative, operating executive for the holding company to oversee the staff and the organization." Malone said the board will probably be realigned some to focus on managing Formula One and growing involvement in racing, but to also put together diversified assets that represent strong, long-term investments for shareholders. During an appearance on **CNBC**, Maffei said it was mission accomplished: "There will be another chapter of Liberty, but I got to declare victory on the ones that I did. And we've had some great deals. It seemed like a good time to say all the table is cleaned up there. All the stage is set. My contract was expiring at the end of the year. And I thought I'd go check out another chapter."

## GCI ON COMPETING WITH STARLINK

With **Starlink** expected to get more attention in a *Trump* administration, it's interesting to hear **GCI** CEO and co-founder *Ron Duncan's* take on competing against the LEO satellite broadband offering. "What we're discovering in Alaska, when we had a massive undersea cable outage last year and a number of our northern communities got driven back to dial-up speeds for a period of time, they'd sell 60 or 70 Starlinks right in the same community and they'd congest it," he said. "They had to shut down the sales. They had to put a waiting list out on Starlink because the capacity limitations work really, really well in the Wyoming model, where you got 20 miles between each terminal, but when you put 100 terminals in the space of a half a mile diameter, you get the congestion, and it doesn't deliver the speeds." He acknowledged some of that will change with next-generation satellites, but he doesn't see Starlink being able to match the speeds or pricing in a dense area, particularly as cable marches toward 10G and beyond. "In the very diverse rural areas, it is a better deal, and it's better than us building fiber to little teeny, teeny places out in the middle of nowhere," Duncan said.

**CHARTER RAMPING UP AI**

Today, about 10% of call center calls are taken by conversational IVR at **Charter**. By the end of the year, it should be around 50%, according to CEO *Chris Winfrey*, who addressed how the company is using AI during **Liberty Media's** Investor Day Thursday. "It's doing a great job, so much so that the customers at the end are saying, 'Thanks for your help. Can you remind me your name again?'" he said. But Winfrey said the real benefit is that it's making the jobs of call center agents and field techs better and more effective. For example, when a call does make it to a live agent, they are able to look at the telemetry on all the equipment in the home and AI is prompting the agent based on the next best action. As of last week, field techs now have access to a call summary so they can address those issues and not waste time getting up to speed. "The applications are pretty limitless," Winfrey said.

**GRACENOTE UNVEILS DATA HUB**

**Nielsen's** Gracenote introduced a Data Hub to provide insight into what the state of SVOD programming is like and the global content trends that emerge over time. It'll illustrate the makeup of **Prime Video**, **Apple TV+**, **Disney+**, **Netflix** and **Paramount+** content catalogs and complement both The Gauge and The Media Distributor Gauge. It'll also help with Gracenote's 2024 State of Play report that was released Thursday. It found that TV programming at an episodic level accounts for 89% of the overall content available on platforms. Of the five providers analyzed, 93% of programs distributed are exclusive to one service, and over 70% of the content available has been released since 2010. Other findings include Prime Video distributing more than 72% of movies and 57% of TV shows offered by the five SVODs, Netflix having 68% of its offerings produced outside of the U.S. and Disney+ having over 78% of its content exclusive to the platform.

**VIAMEDIA ADDS FOUR PROVIDERS**

Independent ad rep firm **Viamedia** signed on four service providers from four states. The company will manage ad sales for **Sequachee Valley Electric Cooperative** in Tennessee, **MTCO** in Illinois, **Cunningham Telephone & Cable** in Kansas and **Hart Telephone Company** in Georgia. Viamedia manages sales and operations for 76 cable operators across 65 DMAs in the U.S.

**CARRIAGE**

Over 150 local **PBS** Stations and the **PBS Kids Channel** will be introduced to **Prime Video's** FAST offering over the coming months. It's the first time that programming will be available for free on a major streaming service, and coming soon from PBS Distribution (PBSd) will be two new FAST channels: PBS Drama and PBS Documentaries. Those two will be available for a limited time on Prime Video starting Nov. 26. PBSd will also offer a pop-up FAST channel featuring a rotating selection of classic PBS shows—with the first being "Reading Rainbow."

**FIBER FRENZY**

**Zipty Fiber** is set to acquire the Pacific Northwest assets of **Unite Private Networks**, a Cox-owned, Kansas City-area provider of fiber-optic communications infrastructure services to schools, governments, carriers, data centers, hospitals and enterprise business customers. Zipty will obtain UPN's fiber assets, network and customers across Washington, Idaho, Wyoming and Montana, adding over 7,000 fiber miles that'll enable both lit and dark fiber services and other commercial solutions to its customers. - **Archtop Fiber** was tapped to help expand broadband access to more than 22,000 homes and businesses in Sullivan County, New York. The county received \$29.9 million through the ConnectALL Municipal Infrastructure Grant Program to grow broadband infrastructure throughout the state. The county will build 253 miles of fiber and one new communication tower in addition to the 11 towers it already owns.

**ON THE CIRCUIT**

It's almost time for the **New England Connectivity & Telecommunications Association's** annual convention. NECTA 2024 is set to kick off in Newport, Rhode Island, on Sunday and run through Tuesday, featuring the likes of **Fubo's** SVP, Strategic Partnerships and Operations *Ben Grad* on the future of streaming, **Comcast Cable's** EVP/Chief Network Officer *Elad Nafshi* delivering a keynote and former FCC Commissioner *Mike O'Rielly* leading a policy panel. There's still time to register: contact Ellen Schned at el.schned@gmail.com.

**PEOPLE**

**Comporium** upped *Karl Skroban* to VP, Marketing, Media Services and Video Strategy. He'll be help develop the company's marketing strategy and oversee Comporium's Media Service group and DashHhound along with video strategy.

BASIC CABLE P2+ PRIME RANKINGS* (11/04/24-11/10/24)		
MON-SUN	MC	MC
	US	US AA
	AA%	(000)
<b>FNC</b>	<b>1.326</b>	<b>4205</b>
<b>ESPN</b>	<b>0.680</b>	<b>2157</b>
<b>MSNBC</b>	<b>0.498</b>	<b>1579</b>
<b>CNN</b>	<b>0.372</b>	<b>1181</b>
<b>HALL</b>	<b>0.275</b>	<b>874</b>
<b>PRMNT</b>	<b>0.203</b>	<b>644</b>
<b>HGTV</b>	<b>0.161</b>	<b>511</b>
<b>USA</b>	<b>0.145</b>	<b>459</b>
<b>INSP</b>	<b>0.144</b>	<b>456</b>
<b>DISC</b>	<b>0.137</b>	<b>434</b>
<b>TBSC</b>	<b>0.128</b>	<b>405</b>
<b>FOOD</b>	<b>0.123</b>	<b>391</b>
<b>NWSMX</b>	<b>0.121</b>	<b>385</b>
<b>HIST</b>	<b>0.113</b>	<b>358</b>
<b>TLC</b>	<b>0.110</b>	<b>350</b>
<b>HALLMYX</b>	<b>0.107</b>	<b>340</b>
<b>ESPN2</b>	<b>0.105</b>	<b>334</b>
<b>TVLAND</b>	<b>0.092</b>	<b>291</b>
<b>ID</b>	<b>0.089</b>	<b>281</b>
<b>GSN</b>	<b>0.079</b>	<b>252</b>
<b>REELZ</b>	<b>0.079</b>	<b>251</b>
<b>LIFE</b>	<b>0.075</b>	<b>239</b>
<b>A&amp;E</b>	<b>0.073</b>	<b>232</b>
<b>TNT</b>	<b>0.070</b>	<b>223</b>
<b>BRAVO</b>	<b>0.070</b>	<b>222</b>
<b>AMC</b>	<b>0.069</b>	<b>220</b>
<b>NAN</b>	<b>0.069</b>	<b>217</b>
<b>OXY</b>	<b>0.068</b>	<b>216</b>
<b>FX</b>	<b>0.067</b>	<b>213</b>
<b>BET</b>	<b>0.063</b>	<b>201</b>
<b>FBN</b>	<b>0.062</b>	<b>196</b>
<b>WETV</b>	<b>0.061</b>	<b>195</b>
<b>ADSM</b>	<b>0.060</b>	<b>192</b>
<b>CMT</b>	<b>0.060</b>	<b>191</b>
<b>FRFM</b>	<b>0.054</b>	<b>172</b>
<b>COM</b>	<b>0.051</b>	<b>162</b>
<b>FETV</b>	<b>0.048</b>	<b>153</b>
<b>GAF</b>	<b>0.046</b>	<b>145</b>
<b>NATGEO</b>	<b>0.045</b>	<b>144</b>
<b>TRAVEL</b>	<b>0.045</b>	<b>142</b>
<b>SYFY</b>	<b>0.044</b>	<b>138</b>
<b>FS1</b>	<b>0.043</b>	<b>136</b>
<b>FXX</b>	<b>0.042</b>	<b>134</b>
<b>NFL</b>	<b>0.042</b>	<b>132</b>
<b>IFC</b>	<b>0.042</b>	<b>132</b>
<b>SNDNCE</b>	<b>0.041</b>	<b>129</b>
<b>MTV</b>	<b>0.040</b>	<b>126</b>

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