

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## Shaking Hands: Verizon Ready to Support AI Pioneers

With AI set to be the buzzword of the year, Verizon is positioning itself as a partner for businesses looking to scale up their artificial intelligence capabilities.

Verizon is calling their strategy and suite of AI-related offerings “AI Connect.” The goal is to utilize existing assets for the project with Verizon Business EVP/CEO Kyle Malady telling investors on the company’s 4Q24 earnings call that the wireless provider is building new capabilities on the network to give users more insight and control into AI workloads.

“Essentially, we are allowing them to program their network resources to optimize their operation as they see fit,” he said.

But he feels the real opportunity for Verizon is in the moment when AI models move beyond the training phase into deep deployment across enterprises. At that point, distributed computing will become ever more important for real-time decisions and predictions, and Malady believes Verizon has the facilities and capacities to bear that weight. Across the thousands of distributed telco facilities it has, many have the power, space and cooling available to power this edge compute.

“We have facilities across the United States that either have spare power, space and cooling or can be retrofitted... Also, as we move through our network transformation work, we will continue to free up more resources that could be made available for AI Connect,” he said. “In addition, we have between 100 and 200 acres of undeveloped land, some currently zoned

for data center build and much of it in prime data center-friendly areas. This is not a theoretical discussion.”

Google and Meta are among those that have already purchased capacity on Verizon’s networks with the intent of using it for their own AI workloads, and Verizon is in talks with Nvidia and others to consider how telco functions can work alongside AI operations. It also announced a new partnership with cloud computing provider Vultr that will see the company deploy its GPU-as-a-service infrastructure into a Verizon data center and tap into its fiber network for distribution.

“We anticipate helping to broaden their reach and enable our mutual customers with AI training and inference capabilities at the edge over time,” Malady said.

As for the company’s quarterly results, broadband net additions were 408,000. Fixed wireless access accounted for 373,000 net adds, bringing the total customer base to nearly 4.6 million fixed wireless subscribers, while Fios grew by 51,000 subscribers in the quarter. Verizon is still aiming to reach 8-9 million fixed wireless access subscribers by 2028.

Verizon plans to continue building out its broadband opportunities throughout 2025 through the launch of a fixed wireless solution designed for MDUs. It also plans to increase the pace of its fiber build from 500,000 in 2024 to 650,000 in 2025. Once its merger with Frontier closes, that number should grow to one million. Verizon CEO Hans Vestberg said the reason for the increase ultimately comes down to an overall better economic environment and the ability to deploy fiber cheaper

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than it could before. This also doesn't include any assumptions around how Verizon will participate in the BEAD program.

"We will participate where it makes sense for us, where we think that we will have a good opportunity to get subsidies for building out in maybe rural areas, etc. We've got to participate," Vestberg said. "We will participate where we think it makes sense from a return on investment."

**Verizon Consumer Group** EVP/CEO Sowmyanarayan Sampath expects broadband net adds in 2025 to range between 350,000 and 400,000 each quarter with variability from the rollout of C-band spectrum in Tier II and Tier III markets, the launch of the MDU product and the Fios build.

While the increase in the Fios network expansion is good to hear, investors worry this pace, while improved, is far from enough to keep Verizon competitive with the other major wireless providers.

"Their current plans have them building at half the pace of **T-Mobile** and a quarter of the pace of **AT&T**. If convergence matters as much as the company says it does, they are moving too slow," **New Street Research** told clients. "In addition to building fiber faster, we think the company should be exploring further fiber M&A. The most valuable target is **Lumen's** Mass Markets business (not just the fiber piece; the whole thing). They could do this through a JV to keep it off balance sheet."

## PARAMOUNT PLOT THICKENS

**Paramount Global** shares closed up nearly 2% Friday following a [Variety report](#) that a consortium of investors is prepping a \$13.5 billion offer in the hopes of upsetting the **Skydance/RedBird's** \$8 billion transaction. **Project Rise Partners**, which previously bid on the media company, is offering \$19 per B share compared to Skydance's \$15, according to a letter obtained by Variety. It's not clear who is part of the consortium beyond **Cin moi's** *Daphna Edwards Ziman* and ANM Group's *Moses Gross*, but the pub quotes sources as saying the group includes one of the richest men in the world as well as a partner that is a pioneer in the satellite industry.

## COMCAST, VERIZON BIG WINNERS IN MASSACHUSETTS

The **Massachusetts Broadband Institute** gave out \$12,671,242 to bring broadband to 96 towns with unserved and underserved locations across the state. **Comcast** won the majority of the funding, taking home \$11,317,283 to build out to most of the communities covered through the program. **Verizon** will cover Eastham, Millville and Templeton, the remaining areas, with \$1,353,959. The funds were awarded through the second

round of the state's Gap Networks Grant Program which funds deployments in areas lacking broadband with download speeds of at least 100 Mbps and upload speeds of at least 20 Mbps.

## AT&T WRAPS REAL ESTATE DEAL WITH REIGN CAPITAL

**AT&T** is rethinking its real estate footprint, completing a structured sale-leaseback of underutilized central office facilities with real estate firm **Reign Capital**. The transaction closed on Jan. 8 and included the asset transfer of 74 properties located across the country. In all, the deal encompassed more than 13 million square feet of space, and its structure opens the door for future profit sharing from redevelopment opportunities. The move is part of AT&T's network evolution from copper to fiber and wireless technologies, and the technological evolution ultimately leads to a more efficient equipment footprint for the company. The transaction impacts only a small portion of AT&T's central offices and will have no impact on employees.

## FIBER FRENZY

**Comcast** is investing \$15 million to build and expand its network across Charlotte County, Florida. Areas included in the build are Rotunda West, Gulf Cove, South Golf Cove and Port Charlotte. Construction is ongoing with services becoming available as projects are completed. – Approximately 854 homes and businesses in York and Chester Counties, South Carolina, can now get **Comporium's** multi-gig internet offerings. Comporium used money from its own private investment as well as state-issued funds from the American Rescue Plan Act, leading to the placement of more than 64 miles of fiber-optic network in order to reach areas across each county. – **Metronet** is a go in Killeen, Texas. The first residents gained access to speeds of up to 5 Gbps last week, while businesses will be able to get up to 10 Gbps. Construction began in the spring of 2024 and will continue through-out the coming months.

## DOING GOOD

**Paramount Global** announced an initial \$1 million donation to organizations assisting with the wildfires in Southern California, including L.A. Fire Department Foundation, United Way and World Central Kitchen. Its brands are also engaging in relief efforts, with **CBS** helping raise over \$1.3 million for the Red Cross, **Paramount Pictures** donating catering from "Better Man's" premiere to the Arcadia Police Department and **Comedy Central's** "Daily Show" driving viewers to do-

nate to the California Fire Foundation via in-show and social promotion. Paramount employees directly impacted by the fires can receive cash grants through Paramount’s Employee Assistance Fund and can seek housing assistance through the company.

Gutoskie with six-part docuseries “Confessions of Octomom” on March 10. – A new weekly primetime show is coming to **Newsmax** featuring conservative radio host and author Dr. *Michael Savage*. “Savage Nation” will make its debut Sunday and air weekly at 8pm. It’s the same name as Savage’s former nationally syndicated radio show that ran from 2003-2020 and garnered over 11 million weekly listeners.

**PROGRAMMING**

**Food Network** is bringing back a fan favorite seasonal competition in the “Spring Baking Championship.” This edition premieres March 10 at 8pm and will also stream on **Max**. – **Court TV** is looking back at the double murder trial of *O.J. Simpson* in a seven-part original limited series. “Trial & Error: Why Did O.J. Win?” debuts Feb. 16 at 8pm. – **Paramount Network** renewed reality series “Bar Rescue” for a 10th season. The show returns for its ninth season on Feb. 23 at 10pm. – **Lifetime** will debut “I Was Octomom: The Natalie Suleman Story,” March 8, and follow the movie starring *Kristen Lee*

**PEOPLE**

**Comscore** named *Frank Friedman* as Chief Data and Analytics Officer and Head of Measurement. He previously served as SVP, Data Research Analytics for **E.W. Scripps**. – **FCC** Chair *Brendan Carr* continued his staff appointments Friday, naming *Tom Sullivan* Acting Chief of the Office of International Affairs and *Ira Keltz* as Acting Chief Engineer of the Office of Engineering and Technology. *Katie Gorscak* is Acting Director of Media Relations.

 **CABLEFAX DASHBOARD**

**Social Media Hits**

 **Ajit Pai** @AjitPai  
Grateful to @FCC Chairman @BrendanCarrFCC for inviting me to his first address to the staff! He discussed his rich agency pedigree, emphasized staff’s role in proposing innovative ideas, and outlined an ambitious agenda to bring the benefits of communications to all Americans. 🇺🇸



 **Stephen Neukam** @stephen\_neukam  
CSPAN is great.  
Caller just called into the inauguration coverage to complain about the CFP committee leaving Alabama out of the playoff

 **Attorney General Matt Platkin** @NewJerseyOAG  
Businesses serving New Jerseyans must adhere to our consumer protection laws. We’re closely monitoring the ongoing dispute between Optimum and MSG Networks and urge them to reach a fair resolution so @NJDevils, @nyknicks, @NYRangers, and @NYIslanders fans can watch their teams.

 **Up Ahead**

- FEB. 3-7: [NATPE Global and Realscreen Summit](#); Miami**
- FEB. 11: [Fiber Broadband Association Regional Fiber Connect](#); San Antonio**
- FEB. 23-25: [NCTC Winter Educational Conference](#); Atlanta**
- FEB. 23-26: [NTCA’s RTIME](#); San Antonio**
- MARCH 4-6: [ACA Connects Summit](#); D.C.**
- MARCH 10-13: [CableLabs Winter Conference](#); Orlando**