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WHAT THE INDUSTRY READS FIRST

D.C. Disarray: Confusion Spreads As OMB Freezes Federal Grant Programs

The potential fallout from a bombshell memorandum from the **Office of Management and Budget** temporarily freezing federal grant programs is nearly impossible to measure.

For ISPs and state broadband offices, the order gave rise to a flood of questions around how it could impact programs like RDOF, Rip & Replace and the E-Rate program. Top of the list of concerns were the implications for USF and the BEAD program and how this could play into additional action to reform these initiatives in the days to come.

The memorandum, released late Monday by OMB Acting Director *Matthew Vaeth*, directs federal agencies to review all federal financial assistance programs and identify any that may be impacted by a number of the executive orders signed by *President Trump* over the last week. In the meantime, federal agencies have been directed to temporarily pause all activities tied to the obligation or disbursement of financial grants or loans.

The pause was originally set to go into effect at 5pm ET today, but District Judge *Loren AliKhan* temporarily blocked it through at least 5pm ET on Feb. 3. The administration will not be allowed to freeze funding for open awards before that time. The action came after the **National Council of Nonprofits** filed a motion for a temporary restraining order in the District Court for the District of Columbia to block the OMB order.

New Street Research believes the language and context included in the memorandum likely covers BEAD, but even if

it didn't, its analysts would not have been surprised to see NTIA temporarily pause spending while awaiting guidance from the White House on how to move forward. As for USF, the OMB memorandum could lead to the **FCC** stopping any and all expenditures related to the fund. At the least, the broad reading of the document could encourage administrators to wait for further guidance. But OMB also laid out that it may grant exceptions to agencies on a case-by-case basis. The FCC did not respond to questions about the order.

"Because of the bipartisan consensus for USF, we think that the FCC will be able to obtain permission from OMB to continue to spend funds in the relatively near term. We don't think a short pause in USF funding is material to any of the publicly traded enterprises we cover, though such a pause may be material to privately held rural telephone companies," the firm told clients in a note.

The OMB memorandum sparked furious responses from Democrats questioning the legality of the action as well as the motives behind it. **House Appropriations** Ranking Member *Rosa DeLauro* (D-CT) and **Senate Appropriations** Vice Chair *Patty Murray* (D-WA) sent a letter to Vaeth urging him to reverse the action and ensure all federal resources appropriated by Congress are allowed to be distributed.

"The scope of what you are ordering is breathtaking, unprecedented, and will have devastating consequences across the country. We write today to urge you in the strongest possible terms to uphold the law and the Constitution and ensure all

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federal resources are delivered in accordance with the law,” they wrote. “This Administration’s actions will have far-reaching consequences for nearly all federal programs and activities, putting the financial security of our families, our national security, and the success of our country at risk.”

A coalition of state AGs are also taking a stand against the action, filing a suit to block the order from going into effect. States involved in the effort include New York, California, Illinois, New Jersey, Rhode Island, Massachusetts and Delaware.

“This administration has unleashed mayhem with its latest illegal action, affecting kids who rely on federal funds for their next meal, seniors on Medicaid, and law enforcement fighting drug and gun crime,” NY AG *Letitia James* said in a post on X. “These chaos cuts jeopardize resources that millions of Americans rely on.”

The White House worked to calm the widespread anxiety Tuesday afternoon with Press Secretary *Karoline Leavitt* saying during her first press briefing that the action by Vaeth was never meant to be a blanket pause on federal assistance. Specifically, Leavitt said benefits that are directly supporting individuals like food stamps or Medicare will not be impacted. Instead, it was meant to root out spending related to DEI programs, the Green New Deal and other efforts directly targeted through executive orders signed by Trump in his first week back in the White House. She also addressed the legality concerns surrounding the action, reaffirming that White House counsel believe this is fully within the rights of the President.

Some Republicans also defended the move, with Virginia Governor *Glenn Youngkin* calling claims that programs like Medicaid were being impacted misleading. “President Trump is doing what an executive should do at the beginning of a term, which is find out where the money is and where it’s going, not unlike what we did at the beginning of our term here in Virginia when we identified \$1.4 billion in appropriated but unspent taxpayer money,” Youngkin said on X.

The memorandum is sure to be a topic raised during the confirmation hearing of Commerce Secretary nominee *Howard Lutnick*, set to kick off Wednesday at 10am ET.

RANGERS LAND TV DEAL

MLB’s Rangers found its streaming home with **Victory+**, and now it has a linear home as well with **DirecTV**. The MVPD signed a multiyear distribution deal with the team to air Rangers Sports Network (fitting that its acronym is RSN) across Texas, Oklahoma, Arkansas, Louisiana and eastern New Mexico. The agreement encompasses DirecTV’s satellite and streaming line-ups, and all DirecTV customers with access to Rangers Sports Network can use credentials to stream via Victory+. Additionally,

DirecTV for Business will continue to distribute game coverage in Globe Life Field and its adjacent entertainment complex.

FUBO PRICES ON THE UP, GOING GOLFING WITH TROON

Fubo is the latest streaming service to up its prices after **Netflix** announced its own rate hikes last week. The vMVPD unveiled increases to all English-language plans by \$5 in a move it blames on programming costs. “The regular prices of the English-language plans have increased \$5 due to rising costs from our programming partners,” Fubo said in a statement to **CFX**. “We only make adjustments when necessary, and we’re committed to keeping Fubo competitive while ensuring our subscribers have access to the channels, features and live events they enjoy.” Changes include the baseline Essential option that was introduced in December moving to \$84.99/month. That brings it to the same rate as the Pro plan, but the Pro offering also includes an additional RSN fee that received a \$1 bump. Fubo’s RSN fees can be up to \$16/month depending on the market. The most expensive package, Fubo Elite, is now \$94.99/month. The vMVPD is running a few deals as the price increases go into effect. New customers can get \$25 off the first month of their subscription, while the Pro and Elite options offer a \$20 discount for the first month. The Latino plan is available at an \$8 discount for the first month before its usual rate of \$32.99/month. In other Fubo news, it’s now the official streaming partner of **Troon Partners Network**, a golf and club-related hospitality services group. It’s the first time Troon has joined forces with a streaming partner, and it’ll allow the vMVPD to use Troon’s golf and club industry network of 900+ locations to expand market reach and increase brand visibility. Fubo will be promoted across all of Troon’s U.S. properties and be marketed to Troon’s consumer email database, in addition to offering members promos and discounts.

MAX’S NAVIGATION TWEAKS

Max is making a few changes to its navigation menu in an effort to streamline the browsing experience on CTV devices. For adult profiles in the U.S., the updated menu moves the Home, Series, Movies, **HBO**, **B/R Sports** and **CNN Max** content lenses from the top of the page into the utility menu on the left side of the home page. A new “What’s New” navigation page will display content that recently arrived on the platform as well as titles that are departing the platform or joining soon. Additionally, the “Categories” section will let users browse titles based on genre, brand and thematic collections. The updates will be implemented in waves, starting with a small number of accounts and increasing as time goes on. The rollout follows successful beta testing in Latin America.

Cablefax Daily (ISSN 1069-6644) is published daily by Access Intelligence, LLC | www.cablefax.com | 301.354.2101 | Editorial Director: Amy Maclean, 301.354.1760, amaclean@accessintel.com | Managing Editor: Sara Winegardner, 301.354.1701, swinegardner@accessintel.com | Associate Editor: Noah Ziegler, 301.354.1704, nziegler@accessintel.com | Director of Business Development, Cablefax: Ellen Kamhi, 917.626.5574, ekamhi@accessintel.com | Production Manager: Joann Fato, jfato@accessintel.com | Kerry Smith, Divisional President, Marketing & Media Group, ksmith@accessintel.com | Group Subs/Subscription Questions, Client Services: 301.354.2101, clientservices@accessintel.com | Annual subscription price: \$1,999.00/year | Access Intelligence, LLC, 9211 Corporate Blvd., 4th Floor, Rockville, MD 20850

NIelsen STREAMING NUMBERS

Nielsen is doing something new with streaming insights, introducing the ARTEY Awards that highlight shows and movies that drew large audiences throughout the year. The report found that more than 12 trillion minutes—equivalent to 8.4 billion days or 23 million years—were spent streaming in 2024, representing a 10% increase compared to 2023's streaming total. The ARTEY Awards' top new original drama series was **Prime Video's** "Fall-out" after recording 11.95 billion minutes streamed. **Netflix's** "Nobody Wants This" was the top new original comedy series with 4.9 billion minutes viewed, and the streamer also took the top new unscripted/documentary series with "American Nightmare" reaching 3.57 billion minutes. "Bluey" on **Disney+** was the most-streamed show overall with 55.62 billion minutes while "Bridgerton" on Netflix was the top streaming series at 21.42 billion viewing minutes. Disney+ also had the top streamed movie as "Moana" cruised to 10.03 billion minutes viewed.

CARRIAGE

The auto entertainment network **Speedvision** joined the lineup of **MyFree DirecTV**. Speedvision comes with over 700 content hours with shows such as "Graveyard Carz Classics" and "AmeriCarna." The network [returned in 2022](#) and is also found on **Prime Video, Fubo, Plex, LG Channels** and more.

NEWS NETS' JANUARY NUMBERS

It was quite a busy January for news networks with a presidential inauguration and coverage of the L.A. fires. **Fox News** led the month in total day with 1.92 million viewers, helping the network record its highest-rated January in cable news history while also having the top 270 cable news telecasts this month. And while **ESPN** and Fox News easily had the most viewers in prime for January (4.76 million and 2.78 million, respectively), **MSNBC** is hoping its viewership erosion is ending. Since Trump was sworn in, MSNBC's primetime viewership has increased 61%, jumping from an average of 799,000 for the three weeks between Dec. 30 and Jan. 17 to 1.3 million for Jan. 20-24. It also wasn't alone in seeing a bump after Trump's inauguration. Fox News saw its highest-rated week across total day since the week of the 2020 Presidential Election, averaging 3.9 million in prime and 2.6 million in total day. For January, MSNBC averaged 734,000 in prime for the month and 591,000 in total day. **CNN** continues to grapple with its ratings declines, averaging 522,000 in prime and 421,000 in total day. On Tuesday, *Jim Acosta*, who's been at the network for 18 years and often sparred with President *Trump* during his first term, announced it was his last day at the network. Following [changes to its programming lineup](#), Acosta was offered a new late-night gig that he ultimately turned down. He [announced](#) on **X** he was going independent for now and will post content on Substack. The nonstop news that dominated the month helped **Spectrum News** solidify itself as the most-watched news network among Spectrum households in January

after averaging 2.1 million daily viewing households across linear and digital platforms. The network posted 81% month-over-month viewership growth in Dallas in addition to a 90% spike in the L.A. market during Spectrum News 1 SoCal's coverage of the fires. It also had coverage of President Trump's inauguration beat the broadcast nets, CNN and MSNBC in viewership.

DOING GOOD

As folks continue to support those involved with recovery and restoration efforts stemming from the L.A. fires, some are coming together to put on a benefit concert called FireAid. The two-venue event will be held at L.A.'s Kia Forum and Intuit Dome on Thursday, with funds going toward critical wildfire recovery and prevention efforts. Artists set to perform include *Billie Eilish, Gracie Abrams, Lady Gaga, Green Day, Red Hot Chili Peppers* and *Stevie Nicks*. FireAid already has over 25 broadcast partners including **Apple TV, DirecTV, Disney+/Hulu, Max, Netflix, Peacock** and more. Viewers will be able to make donations at [FireAidLA.org](#), and every donation will be matched by former **Microsoft** CEO and Clippers owner *Steve Ballmer* and his wife *Connie*. **DirectTV** got the ball rolling with a \$1 million donation.

PROGRAMMING

MGM+ dished out an eight-episode order for "American Classic." The half-hour comedy series will begin production later this year in New Jersey. – After finishing 2024 as the No. 1 entertainment program on Friday and Saturday nights among A25-54, **Reelz** is giving "On Patrol: Live" a fourth season and a 90-episode order. Reelz is also giving the spin-off and lead-in show "On Patrol: First Shift" an order of 90 one-hour episodes. In November, **A+E Networks** settled a lawsuit against Reelz and **Amazon-owned Big Fish Entertainment** over the series, which it had claimed was too similar to its canceled "Live PD." As part of the settlement, A+E and Amazon closed a multi-year licensing deal.

PEOPLE

Srinivasan Gopalan is joining **T-Mobile** U.S. to become its COO, a move from his current position as Managing Director of T-Mobile parent **Deutsche Telekom's** operations in Germany. – Media measurement firm **VideoAmp** named *Dan Donnelly* its Head of Sports Strategy as the company looks to expand its footprint within sports. Donnelly spent the last two years consulting for tech companies and sports content, but previously spent time at **Fox Sports** as SVP, Ad Sales Strategy and at Publicis Media Sports & Entertainment as EVP, Managing Director. – **TVB** is making *Trisha Ripperger* its new SVP, Strategic Communications & Category Development following the retirement of *Abby Auerbach* late last year. She joins from Tom Wood Automotive Group where she was CMO and led marketing for the company's 28 businesses.