

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Comcast Converge: Operator Shows D.C. Its Mettle During Showcase

Comcast held an event akin to a Capitol Hill upfront Wednesday, hosting those shaping the policies of the future at a D.C. gathering that showcased its impact as an American-made company.

It was the company's second-ever Comcast Converge, but this edition had a somewhat different focus than the flashy showcase held at the Comcast Technology Center in Philadelphia [a year ago](#). The operator's one-hour program began and ended with executives charged not only with crafting Comcast's policy priorities, but also communicating those to Congress and agencies with industry oversight.

Chief Legal Officer *Tom Reid* believes the future of the nation depends on having the best technology delivered by a wide variety of competing equipment, broadband and cellular companies. But to reach that goal, he told policymakers it will require a level playing field as well as balanced legislation and regulation that encourages companies like Comcast to invest in communities.

"Policies must avoid picking winners and losers or favoring one technology or one industry over another. We have too many recent examples of putting all our eggs in one basket only to go back and find the eggs are all cracked, or to see that China has built a better, faster basket," Reid said.

He also called out the immense level of competition broadband providers face today, highlighting not only other cable operators, but companies offering fixed wireless products as well as **Starlink** and **Amazon** building satellite products meant

to compete in the most hard-to-reach corners of the nation. It's also hard to ignore the mountain of private equity money that has been poured into the industry over the last five years.

Cable advocates have been asking regulators to prioritize making available more unlicensed spectrum to support WiFi networks as well as to continue to explore spectrum sharing models that they argue allows more innovators access to a resource that is in short supply.

"Our laws and our regulations have to reflect this dynamic reality in spectrum regulation... and as it becomes more scarce, we must find new ways to innovate auction policies to ensure the greatest return for our fellow citizens, and we must do so while also preserving the ability of our military to defend our homeland," Reid continued.

Comcast also took time to discuss its advancements in cybersecurity and automation thanks to leadership from folks like EVP, Chief Network Officer *Elad Nafshi* and EVP, Chief Information Security and Product Privacy Officer *Noopur Davis*. Davis dove into the millions of sensors across the company's network and products as well as how the data is being used by scientists to develop machine learning models that can sense and detect malicious behavior on its systems. Beyond that, she emphasized that some of Comcast's most important relationships are those it holds with its government partners including the **FBI**, **Department of Homeland Security** and **CISA**. Davis serves on the President's National Security Telecommunications Advisory Committee, and her comments come at a time

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when the Department of Government Efficiency is reviewing the federal government's contracts with various partners and the allocation of funds across different priorities.

"The fact that we build our own gateways means that we can do more firmware updates and bring the best security right into your homes, so anything that Americans connect to their WiFi through our network devices is automatically protected from connections to suspicious sites and more," Davis said. "For our residential customers, this is like having your own personal cybersecurity team."

Of course, the event wasn't without some news for the operator. Comcast and **Dolby** are teaming up to deliver Super Bowl LIX in both Dolby Vision and Dolby Atmos for Xfinity customers watching through X1 or the Xfinity Stream app. The experience will be available to Comcast video customers as part of its Enhanced 4K offering, which provides 4K video at the highest possible bitrate as well as ultra-low latency. Approximately 70% of internet traffic is tied to entertainment, Global Chief Product Officer *Fraser Stirling* said during his part of the program, and live sports continue to be a massive driver of that.

"Our mission is simple—to deepen every fan's relationship with the teams and sports they love whilst also taking out that massive frustration that comes with searching for the game all across the different services that are out there," Stirling said.

DISNEY+ SUBS DOWN, DTC PROFITABILITY UP

Although **Disney+** saw its subscriber count fall by 700,000, **Disney** remains encouraged by the progress it's making in its streaming segment. Direct-to-consumer operating income went up by \$431 million YOY to \$293 million in the fiscal year 1Q25, accompanied by DTC revenue going up 9% YOY to \$6.07 billion. Disney+'s 1% subscriber dip brings its total to 124.6 million in 1Q25. **Hulu**, on the other hand, went up 3% in subscribers to 53.6 million. "As we have said very publicly, we had a lot of work to do, and while we've made progress already, in some ways, we're just getting started," CEO *Bob Iger* said on Wednesday's call. "The only way you succeed in global streaming, both from a subscription perspective and a profitability perspective, is with a great combination of high-quality product with volume and technology. And we feel, if you look at all the competitors that are in that space, we're very well positioned to both grow subs and grow profits over the over the long run." A large part of that "long run" lies in the hands of **ESPN's** flagship DTC product that's currently slated to arrive toward the fall. Disney already has the ESPN tile available on Disney+, but that will eventually also be used to allow folks to subscribe to flagship and add an integrated ESPN experience to Disney+. The overall goal is to put ESPN in

every arena of distribution possible. That includes skinny bundles, which Iger said ESPN plans to be aggressive with because of the distribution advantages it offers. Those skinny bundles are rising in popularity lately because of the **Venu Sports** settlement, which also paved the way for **Fubo** to merge with **Hulu + Live TV**. Iger said the prospect of a merger was enticing because the live TV aspect wasn't a core business to Hulu. "The emergence of these skinnier bundles surfaced, and Venu basically looked redundant to us," Iger said. "This was a great opportunity for us to make ESPN available in multiple skinny bundles, and then to actually merge the [Hulu + Live TV] and Fubo channel business as one." But Disney's bullish stance on streaming doesn't mean it thinks its linear portfolio is withering. Although Iger wouldn't rule out selling some of Disney's smaller linear networks, he went as far as calling the company's linear portfolio an asset. That's despite the fact Disney's linear networks revenues fell 7% YOY to \$2.62 billion and operating income dipped 11% to \$1.1 billion. "We are programming them and we are funding them at levels that actually give us the ability to enhance our overall television business," Iger said. "While I won't rule out the possibility [of] some of the smaller networks in some form or another being configured differently in terms of how we bring them to market, maybe even ownership, but we're not right now."

MSGN'S NEW DEBT DEADLINE

Take another drink. **MSG Networks** was able to extend its forbearance period once again after agreeing to a deal with guarantors, though this time is at least longer than the one-day extensions it's done twice this week. According to an **SEC** filing, the new deadline for MSGN to begin repaying its loan debt is March 26 at 11:59pm, subject to certain financial conditions. We'll see if that time is used to work out a [possible deal](#) with **Amazon** to give MSGN a cash infusion in addition to distribution on **Prime Video**, and/or if it's spent coming to terms with **Altice USA/Optimum** to end the blackout that began at the new year.

FCC COLLECTING COMMENTS ON CBS '60 MINUTES' COMPLAINT

The **FCC** is taking its investigation into a news distortion complaint over the airing of a **CBS** "60 Minutes" interview with former Vice President *Kamala Harris* to another level. It established a docket and opened a comment cycle and is making available to the public an unedited transcript and video of the interview in question provided by **CBS**. "We have concluded that establishing this docket would, in this case, permit broader public participation and thereby serve the public interest," the Commission said. Com-

ments are due March 7 while replies must be in by March 24. FCC Commissioner *Anna Gomez* spoke out against the move, saying the transcript and footage of the interview made available to the FCC provide no evidence that CBS and its affiliated broadcast stations violated Commission rules. She sees no reason to continue pursuing the investigation, and called it reckless for the agency to disclose the status of an active investigation and publicly share materials before its conclusion. “This action sets a dangerous precedent that threatens to undermine trust in the FCC’s role as an impartial regulator,” she said. “The FCC should stop trying to keep up with this Administration’s focus on partisan culture wars and return to its core focus of protecting consumers, promoting competition and securing our communications networks.”

LUTNICK ADVANCES, TALKS EXPANDING TECH FOR BEAD

Senate Commerce on Wednesday advanced **Commerce** Secretary nominee *Howard Lutnick* to the full Senate for consideration. His nomination was approved on a vote of 16-12, with *John Fetterman* (D-PA) the only Dem to vote in favor of *Trump*’s pick to lead Commerce, which houses **NTIA**. A vote on the Senate floor could come next week. During his nomination hearing, Lutnick repeatedly addressed the \$42 billion Broadband Equity Access and Deployment (BEAD) program that is being administered by NTIA by pledging to work to deliver “the benefit of the bargain.” He said he’d heard a story of plans to run \$200,000 in fiber to a house worth only \$125,000. “I expect the states to provide the most cost efficient and effective way to get broadband to every house,” said Lutnick, noting during the hearing that it could include satellite and fixed wireless. “The waste of America is over in the Commerce Department.” Democrats pushed him on an order to freeze federal funding, with Sen *Ed Markey* (D-MA) asking if he thought it was lawful. “I rely on the president. If his advisers say it was, then I rely on him,” said Lutnick. Markey declared his response unacceptable and questioned how Congress could be reassured that when it passes an appropriations law for Commerce that he would execute that law and spend the funding as written. “It is my promise that I will try my best to give this Committee and the Congress the benefit of the bargain that you have passed. If you want broadband, if you want [semi-conductor] chips in America, my job is to execute on that plan,” Lutnick said. “This pause will allow me time to be confirmed and for us to study and attack it rigorously.” He argued that the timing of appropriations hasn’t really been impacted because BEAD hasn’t connected anyone with broadband and the CHIPS Act hasn’t distributed much money. Lutnick is currently CEO of financial firm Cantor Fitzgerald. He said he would resign and divest all his business interests and assets within 90 days of his confirmation.

AWS-3 AUCTION, LOUD ADS ON FCC FEBRUARY AGENDA

The agenda for the Feb 27’s **FCC** open meeting includes a

vote to kickstart the process of reauctioning returned AWS-3 licenses. This all harkens back to the \$3.4 billion in licenses **DISH** returned to the FCC after the Commission decided it had de facto control over the two winning bidders, thus making them ineligible for bidding discounts. “This auction will be a win-win. It brings new spectrum into play for commercial use. And the proceeds from this auction will also cover the costs of the national security initiative known as ‘rip and replace’—an effort that is removing untrustworthy technology, like **Huawei** and **ZTE** gear, from networks, Chair *Brendan Carr* wrote in a [blog](#) Wednesday. The FCC has a statutory obligation to complete this auction by June 23, 2026. Also on tap for the meeting is a notice of inquiry on whether the Commission should open up additional portions of the C-band (3.98-4.2 GHz) for more intensive use. Citing an uptick in consumer complaints, the agency is also set to consider a notice of proposed rulemaking to see if there are additional actions it could take to ensure TV viewers aren’t hit with exceedingly loud commercials. It’s been an ongoing issue that resulted in the 2010 CALM Act, which requires TV stations and MVPDs to apply standards to ensure that ads have the same average volume as programming. There have been attempts in Congress to extend the CALM Act to ad-supported streamers.

HOUSE COMMERCE QUESTIONS AGENCIES OVER FEDERAL FREEZE

Democrats serving on **House Commerce** are not so sure that the *Trump* administration is complying with orders from federal judges to halt a freeze on federal grants and loans from going into effect. Letters were sent to the leadership of the **EPA**, **Department of Energy**, **Department of Health and Human Services** as well as the **Department of Commerce**. In them, the lawmakers spoke to how important that funding is to a wide variety of programs and they referenced reports that continue to indicate the funds approved by Congress are not being released. “Federal funds also ensure that America can manufacture semi-conductors and microchips domestically to compete with our adversaries and fuel innovation. Other federal programs work to provide all Americans with reliable high-speed internet,” the lawmakers said. “The full list of federal programs that Americans rely on is extensive and the harm of withholding these critical services is incalculable.” They are asking the agencies to confirm by Friday whether they intend to comply with court orders preventing the federal freeze from going into effect and for them to identify what they are doing to ensure compliance.

CARRIAGE

The bundles and promotions continue to come at **Starz**. Its latest partnership is with **YouTube** to offer 30 days of access to Starz’s programming included with a YouTube TV subscription and through YouTube Primetime Channels. It’s the first time YouTube TV is doing such a promotion, and both new and existing customers can get in on the offer, which is available



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

Looking Back at 2024 FAXIES Winners

For over two decades, **Cablefax** has searched far and wide to find who sits in the highest echelons of PR, marketing and communications. We've honored campaigns such as C-SPAN's "50 Capitals Tour" which celebrated the 25th anniversary of the famous C-SPAN bus in 2018, as well as individuals and groups like Paramount Global's Kate Keough for 2022's Marketing Executive of the Year and WWE as 2019's Digital Team of the Year.

As we gather [nominations](#) for this year's FAXIES (entries close March 14, but get them in before the price increases Feb. 17), it's good to look back at previous years' winners and see how different aspects of PR and marketing continue to grow and evolve. Take the National Geographic team that won last year's Campaign of the Year for the release of "Queens" as an example. It used a breadcrumb strategy to give fans little bits and pieces of series elements to generate buzz while also inviting press, influencers and others to events that showcased the show's female-led production staff.

There are also those keeping the momentum for shows going. Paramount's "Yellowstone," which began Season 5 with 16 million viewers during the premiere and ended it with 11.4 million for the finale, brought the Dutton Ranch to the Stagecoach Music Festival in California. The setup included the Dutton Ranch archway, a double-sided photo op with a barn, landscaping and saddles, a leather branding station and plenty more for fans to experience in person, giving Yellowstone's Stagecoach presence the award for Marketing of a Continuing Series.



One thing that's constantly evolving is technology, which is put on display if you tune in to Prime Video's Thursday Night Football streams. Prime Video was last year's winner for Outstanding Work in Artificial Intelligence or Emerging Technologies, having introduced Next Gen Stats that use AI and machine learning for fans to get extra insights into the game they're watching. For example, Prime Targets follows receivers running their routes while Defensive Alerts shows the movements of players and identifies "players of interest."



There are several more categories for folks to submit nominations for. Campaigns must have taken place either partially or fully from April 2024 to March 2025. Nominations for multiple categories are encouraged, and there's no limit on how many can be sent in.

through April. Starz recently signed a multi-year partnership extension with the vMVPD that includes bundles and new offers. – **Hemisphere Media Group's** trio of **CentroAméricaTV**, **Televisión Dominicana** and **WAPA América** were added to **Verizon Fios'** base package. Verizon customers will get access to live sports, news and entertainment programming from the three networks, showcasing content centered on Central America, the Dominican Republic and Puerto Rico—the third, fifth and second-largest U.S. Hispanic communities, respectively.

ENERGY AGREEMENT REUPPED

NCTA, The Consumer Technology Association, broadband providers, **PG&E** and device manufacturers announced an extension of their voluntary agreement to improve the energy efficiency of home internet equipment such as modems, routers and Wi-Fi extenders through 2028. Under the extension, the partners said energy efficiency of new devices will improve by an additional estimated average of 10% starting in 2026. The core commitment pledges at least 90% of all new devices purchased by each service provider or sold by each manufacturer at retail each year will meet efficiency levels established in the agreement. The voluntary agreement's been heralded as a success with an independent report by D+R International finding 98.6% of equipment purchased or sold by the signatories in 2023 met the efficiency levels of the agreement, and that the energy efficiency of new home internet devices has improved by 89% relative to broadband speeds. Signatories include **Altice USA**, **AT&T**, **Charter**, **Comcast**, **Cox**, **Frontier** and **Verizon**, which collectively represent approximately 85% of the U.S. wireline internet access market.

RATINGS

Sunday's match that saw Arsenal beat Manchester City 5-1 was the third-most-streamed **Premier League** game on **Peacock** as it recorded 1 million viewers. Two of the six biggest Peacock-exclusive audiences for Premier League matches have come in the last nine days, with Jan. 25's Chelsea-Manchester City match reeling in 884,000 viewers. Arsenal vs Liverpool from last February still holds the record with 1.15 million viewers.

ON THE CIRCUIT

The WICT Network is taking applications for the Nomi M. Bergman Fellowship and the Martha Soehren Women Veterans Fellowship. The former is a one-year program made for women employed by a tech company looking to utilize the association's educational programs and professional network. [Deadline](#) is Feb. 14. The Soehren fellowship seeks to enhance career development for high-potential women veterans working at a programmer, operator or technology firm. The recipient will get a one-year course that builds leadership skills through WICT Network's programs and resources. Its [deadline](#) is also Feb. 14.

Think about that for a minute...

Danger Will Robinson!

Commentary by Steve Effros

OK, I'm showing my age, again. But some of you out there must remember the 1960s television series "Lost in Space." The metallic cry (because it was issued by a robot) of "Danger Will Robinson" let the hero know that there was something amiss and the adventure for that hour proceeded from there.

Well, it's "Danger Will Robinson" time for real, now, and while a lot of what seems to be going on might mimic science fiction, the "adventure" is just beginning, and I fear it's not going to have a happy ending.

Without getting too deeply into today's politics, which we're all going to have to deal with on an almost daily basis as most of the regulatory and legal institutions we're used to get upended, it's useful to realize that one of the most powerful new players in this "norms overhaul" is Elon Musk, a "media mogul" among other things, who has made it clear he takes the "simulation hypothesis" seriously. That's the theory that we are actually living in a simulation, like "The Matrix," and presumably there are lots of other ones around as well, so if you blow one up, it's no big deal. Well, it is to me.

I say all that by way of reiterating the warning I wrote about in my last column which, unfortunately, has already come true. The new Chair of the FCC has demanded that CBS turn over all the scripts, outtakes, edits, original copies, etc., of the network's "60 Minutes" interview with then VP Kamala Harris during the presidential campaign. Why? He said it was to examine complaints of "news distortion."

News distortion? We've been contending with that for years. Complaints have swirled on all sides noting the "liberal media" or the Fox News bubble. And in many cases there's some truth to the allegation that various media outlets can be described as presenting "news" and "commentary" (it's often hard to distinguish the two) from a particular point of view. Indeed, one could call it a "bias." So what? This is certainly nothing new. What's new, and very disturbing, are efforts to suppress various points of view by creating significant apparent legal or regulatory risks for the speakers.

Now I'm not opposed to that in the context of an individual or a company bringing a legal action claiming actual malice or of knowing libel. That's what the law allows. But for the government to start jumping in to the editorial game by saying it will "judge" whether an edit is correct or the claim of a "news distortion" will result in the endangering of other, required governmental approvals of other business actions (like the CBS/Paramount merger plans with Skydance Media, which has to get FCC approval) is a whole different thing.

CBS has apparently chosen not to challenge what the FCC has demanded even though most lawyers think they would have a very good case. It's also reportedly negotiating a settlement with President Trump over his "billion dollar" suit against the company for "bias" against his presidential campaign. Will Robinson had better duck for cover! If that's the standard for journalism going forward; that those in power can threaten enough economic harm, even though they have very little likelihood of legal success, the cost of the litigation or the risk of regulatory delay becomes a cudgel that almost can't be ignored. That seems to be what's happening, and it's dangerous for all of us.

This isn't, obviously, just about the presidential campaign, CBS, Fox, or Musk or the FCC. It's about the entire scenario of the courts and government getting involved in the business of content review and approval. It's not just a "slippery slope" to be avoided. It's a murky pit we have apparently already fallen into. Will Robinson....Help!



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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