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WHAT THE INDUSTRY READS FIRST

Next Steps: Altice USA Reveals Phase Two of Its Upgrade Plans

Altice USA is continuing its upgrade journey, planning to deliver multi-gigabit speeds across 65% of its service footprint by 2028. That would double the availability of those speeds on Optimum's network over the next three years.

To reach that goal, the provider plans to utilize mid-split upgrades in parts of its hybrid-coax network while also continuing to build out its fiber footprint, the latter of which will allow for the delivery of 8 Gbps symmetrical.

"On the mid-splits, we can do that very efficiently on a per-passing basis, just over \$100 per passing. It is a very capably efficient way to drive network performance," CFO **Marc Sirota** said on the company's 4Q24 earnings call Thursday.

Speaking of fiber, Optimum has now reached three million passing with the technology with most of those being in the New York tri-state area where it competes with **Verizon Fios** for new customers. Altice USA plans to expand its network by an additional 175,000 passings this year, the majority of which will be fiber. In the fourth quarter, the operator celebrated its highest-ever fiber net additions. It gained 57,000 subscribers and now counts 538,000 total fiber customers.

This doesn't change the fact that Altice USA continues to lose broadband subscribers, dropping 39,000 in the quarter compared to a loss of 27,000 in the same quarter last year. The operator attributed the decline in part to impacts from Hurricane Helene's destruction in North Carolina as well as

various go-to-market and base management pilot programs.

CEO **Dennis Mathew** revealed plans to launch a new slate of offerings this year specifically for low-income households designed to attract and retain those customers. That will include a mobile offering as well.

"They're looking for simplicity. They're looking for transparency. They're looking for predictability and we're going to deliver all of that. We're going to deliver that in a way that will resonate and ensure that we can compete," Mathew said.

His hope is this will ease some of the challenges Altice USA sees in its western markets, which was more heavily impacted by competition from fiber overbuilders and fixed wireless. The west has also been where Altice USA has centered a number of its pilot programs, including those that launch more competitive pricing in markets where competition is peaking.

"We've started to run some market tests, we've done four of these tests and we've seen 20% improvements in sales and install. That's really all about elevating our acquisition strategies where there is elevated competition and being able to do that in a surgical fashion," Mathew said. "Unfortunately, prior to joining, we just did not have the right go-to-market when other overbuilders were coming into our footprint, and so we had lost anywhere from five, 10, 15, 20 points of share. These market tests are helping us really navigate what it's going to take to be able to start winning that share back."

Wireless, as it is for other cable operators, is a bright spot for Altice USA. **Optimum Mobile** grew by 40,000 lines in the

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quarter, marking the business's best performance period in the last five years. A huge area of growth could be on the B2B side as Optimum Mobile is primarily selling to very small businesses right now. By the middle of the year, Mathew expects to have solutions available for midsize and larger businesses.

Altice USA ended the year with 4.3 million total broadband subscribers and a base of 460,000 mobile lines. Total revenue of \$2.2 billion in 4Q24 was a 2.9% decline YOY.

ALTICE USA AVOIDS MSG WHEN TALKING VIDEO

Altice USA did not directly address its feud with **MSG Networks** during its 4Q24 earnings call, but said it would not provide guidance on 1Q24 impacts. The operator also noted it adjusted its rates in December, and that could impact next quarter as well. For 4Q, Optimum lost 64,300 residential video customers. But overall, CEO Dennis Mathew is proud of his team for ensuring that every deal struck ensures the right level of quality and value for Altice USA's video customers. "We are crystal clear that we want to work with partners when they put the customer at the center, and we do not believe customers should be forced to pay for content that they don't watch," Mathew said. "We've had a chance to engage with over one million of our customers and over 50% have not even tuned into some of these programs." CFO *Marc Sirota* also highlighted how the operator has been able to shrink its programming costs over time with a more than \$200 million decline YOY in that figure. Some of that is tied to volume, but rate inflation also plays a role. While rate inflation was historically around 6-8%, Altice has been able to bring that down to closer to 4%. At the same time, video ARPU is up 7% YOY, and customers are gravitating toward the revamped video products Altice USA launched in the back half of 2024. Those include a \$30/month Entertainment TV product with 80 channels, the \$85/month Extra TV package with 125+ channels including news and sports and the \$140/month Everything TV offering with regional sports and other premium channels. Mathew said the changes have led to improvements in the video gross add attachment rate that he anticipates continuing into 2025.

YOUTUBE TV, PARAMOUNT COULD HEAD TOWARD BLACKOUT

The clock is ticking down on **Paramount's** carriage deal with **YouTube TV**. On Wednesday night, the company began notifying YouTube TV subscribers that all 23 of its networks could go dark on the vMVPD if the two failed to reach a deal before Thursday's deadline. That includes **CBS** stations, **BET**, **CBS Sports Network**, **Comedy**

Central, **MTV**, **Nickelodeon** and others, in addition to streamers **Paramount+** and **BET+** being pulled from YouTube TV Primetime Channels. "We have made a series of fair offers to continue our long-standing relationship with **Google's** YouTube TV, providing subscribers access to the full array of Paramount's entertainment, news and sports programming," a Paramount spokesperson said in a statement provided to **CFX**. "YouTube TV is attempting to pressure Paramount to agree to one-sided terms, and these non-market demands may lead to an avoidable loss of Paramount's networks on YouTube TV, in addition to the removal of Paramount+ and BET+ from YouTube's Primetime Channels, on February 13." Paramount pointed to carriage agreements with **Charter**, **Comcast** and **Scripps** as recent examples of getting deals done before having networks go dark. It's also directing folks to [KeepParamount.com](https://www.KeepParamount.com) and encouraging them to contact YouTube TV customer service as well as post on social media platforms. YouTube TV didn't sound optimistic either when it notified subscribers late Wednesday that all Paramount channels "will likely become unavailable" on the platform and that previous recordings of Paramount content would also be impacted. While negotiations are ongoing, YouTube TV has already committed to offering customers an \$8 credit if the networks remain dark for an extended period of time. "We've been working hard to reach a fair agreement with Paramount that allows us to keep their channels, including CBS and CBS Sports, on YouTube TV without passing on additional costs to our subscribers. Unfortunately, despite our good faith negotiations, we haven't been successful yet," the vMVPD wrote. It's not exactly great timing for YouTube TV considering it recently [raised its base plan pricing](#) by \$10 from \$72.99/month to \$82.99/month. The same can be said for Paramount as it tries to clear regulatory hurdles and finalize its merger with **Skydance**, which has been muddled by an [FCC probe](#) and [lawsuit](#) from President *Donald Trump* over a "60 Minutes" interview. We'll see if CBS and YouTube TV can agree to terms by March Madness next month (Selection Sunday is March 16) or when it takes over broadcast duties for The Masters' third and fourth rounds (April 12-13).

DEM LAWMAKERS CONDEMN FCC INVESTIGATIONS

Senators *Ed Markey* (D-MA), *Ben Ray Lujan* (D-NM) and *Gary Peters* (D-MI) sent a letter to FCC Chair *Brendan Carr* and Republican FCC Commissioner *Nathan Simington* Thursday with grave concerns over agency actions threatening certain broadcasters. The senators specifically point to the reopening of three closed complaints against stations affiliated with **ABC**, **CBS** and **NBC**, absent any new evidence while leaving one against a **FOX** station untouched. They also expressed concern over an announced investigation into **PBS** and **NPR** member

stations and whether their broadcasts are violating federal law by underwriting announcements. "Taken together, these efforts appear politically motivated and designed to punish, censor or intimidate members of the free press based on political disagreement with editorial choices," the letter said. "This weaponization of the FCC is unacceptable. We urge you to immediately cease such conduct and respect the First Amendment."

MLB NETWORK MOVING HOMES

With pitchers and catchers beginning to report for Spring training, **MLB Network** is getting ready to load up the moving truck. The network announced it's moving its entire operation and office space to Elmwood Park, New Jersey, after having spent the last 16 years in Secaucus. Network President *Bill Morningstar* said the move "is an opportunity for us to transform our operations and deliver a future-proofed workplace that enables our team to produce exceptional content." The new space spans 207,000 square feet and will accommodate all MLB Network production studios and offices as well as MLB's video tape library. MLB Network expects to be fully moved in ahead of the 2028 MLB season, which is shaping up to be a momentum-shifting year for MLB's distribution plan. Commissioner *Rob Manfred* previously stated that he wants all teams tied with **FanDuel Sports Network** to have their deals expire no later than 2028 as the league looks to take a nationally focused approach to each team's game distribution. It's also the same year that the league's deals with **ESPN**, **Fox** and **Warner Bros. Discovery** expire, but a [report](#) from *The Athletic* indicates the ESPN agreement could be cut short. ESPN has the option to opt out of its national MLB deal in March, ending what will be a 37-year partnership between the two (ESPN will air the 2025 season no matter what). However, there could always be a reconciliation in two years' time, which doesn't seem off the table in ESPN Chairman *Jimmy Pitaro's* mind. "It seems like every day I'm reading about a different team that is changing their approach in terms of local in-market games, and we want to be at least part of the solution," he said at [ESPN's Media Day](#) in August.

A+E'S NEW DISTRIBUTION LEADERS

A+E Networks is going with a one-two punch with its distribution. The company named *Jane Rice* and *Michelle Strong* as Co-Presidents,

Distribution, following the departure of *David Zagin*. Rice and Strong will jointly manage distribution operations for A+E's domestic, Caribbean and Canadian portfolios, including platform distribution, partnerships and marketing. Both Rice and Strong joined A+E 15 years ago and have served on the global Board of Directors for **The WICT Network**. Additionally, Strong spent time on **NAMIC's** national board. Zagin, who first joined A+E in 1999 as SVP, Affiliate Sales & Marketing, will remain with the company in an advisory role where he'll provide strategic counsel and guidance on company initiatives. He's credited with redefining how A+E approaches content partnerships and affiliate relationships, having led negotiations for the past 13 years including some of the first VOD and TVE agreements. Zagin also spent time on the board of **CTAM's** Educational Foundation as well as the **T. Howard Foundation** as the nominating committee chair.

MALONE MEMOIR ON DECK

Moving to the top of our to-be-read pile is "[Born to be Wired](#)," *John Malone's* upcoming memoir. Former Multi/B&C Content Managing Director *Mark Robichaux*, author of "Cable Cowboy: John Malone and the Rise of the Modern Cable Business," worked with the media mogul on the tome. The book's lengthy subhead—"Lessons from a Lifetime Transforming Television, Wiring America for the Internet, and Growing Formula One, Discovery, Sirius XM, and the Atlanta Braves"—puts into perspective the multitude of businesses that Malone has touched along with the transformative media deals he's delivered. The memoir, set for release on Sept. 2 from Simon & Schuster, also promises to deliver the **Liberty Media** Chairman's thoughts and encounters with other media titans, from *Ted Turner* to *Reed Hastings*.

PEOPLE

CW Network tapped *Michael Perman* to the newly made position of SVP, Sports. He'll be based out of NYC and report to CW president *Brad Schwartz*. Perman was most recently SVP, Global Media Rights for the media agency **Ag-gregate Sports** and also spent time at **NBC Sports** as VP, Programming. — *Eshena Roman* is being upped to VP, Multicultural Marketing for **UP Entertainment**, overseeing multicultural marketing across **aspireTV**, **aspireTV+** and **Cine Romántico**. Roman joined UP Entertainment in 2023 and rose to Senior Director, Multicultural Marketing after six months.

BASIC CABLE P2+ PRIME RANKINGS* (02/03/25-02/09/25)		
MON-SUN	MC US AA%	MC US AA (000)
FNC	0.934	2962
MSNBC	0.358	1135
ESPN	0.229	725
HGTV	0.187	593
CNN	0.154	488
HALL	0.152	482
HIST	0.151	479
INSP	0.144	455
TNT	0.141	449
TBSC	0.135	429
USA	0.135	427
FOOD	0.122	388
DISC	0.116	369
A&E	0.098	310
NWSMX	0.095	303
TVLAND	0.094	299
TLC	0.090	285
LIFE	0.089	283
HALLMYS	0.086	274
FX	0.086	271
ID	0.083	264
GSN	0.082	261
BRAVO	0.080	254
ESPN2	0.075	238
OXY	0.074	234
WETV	0.073	232
NAN	0.071	226
REELZ	0.064	203
NFL	0.064	201
BET	0.061	192
ADSM	0.057	181
AMC	0.057	180
NATGEO	0.055	176
FRFM	0.054	171
SYFY	0.052	166
FETV	0.047	151
COM	0.047	151
PRMNT	0.047	149
MGNLA	0.042	134
HLN	0.042	134
IFC TV	0.041	130
MTV	0.041	129
FX	0.040	128
TRAVEL	0.038	122
SNDNCE	0.038	121
BBCA	0.037	119
NICK	0.036	115

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