

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Hope Ahead: Charter Mitigates Video Losses as Mobile Grows

Despite losing 60,000 internet and 181,000 video customers during 1Q25, **Charter's** stock rallied following its earnings call Friday morning, ultimately closing the day up 11.43%.

The internet and video losses do come with some context. First-quarter results included effects from the L.A. wildfires, which Charter attributed approximately 9,000 disconnects to. Charter had 72,000 internet losses in the same quarter prior year. Video may still be going through attrition, but the decline of 181,000 is a considerable difference from 1Q24's drop of 405,000.

President/CEO *Chris Winfrey* gave partial credit for the change to the inclusion of direct-to-consumer apps in recent carriage agreements. But he also pointed to new pricing and packaging that feature lower prices with video.

"The reason that we're able to do that is because we had more confidence in the value of the video product that we were putting in front of customers," Winfrey said. "We felt good about standing behind the products that we offer, and that's a real testament to the programmers who have worked with us over the past year and a half to get to that space."

Charter is now at a point where it's comfortable enough to ramp up advertising that promotes its video bundle benefits. At the end of 1Q25, the company had 12.71 million total video customers. It hopes to see video rebound enough to further entice customers to group it with other offerings like internet and/or **Spectrum Mobile**. Charter's total mobile lines

increased during the quarter by 514,000.

The approach to convergence is something Charter said helped lower churn in video and mobile while keeping internet churn stable YOY. Nearly 20% of internet customers are also mobile customers, and Winfrey pointed there continues to be a substantial difference in the internet churn rate for a customer who takes a mobile line as well. He did, however, add a slight heat-check.

"There's a natural tendency for customers who are already going to churn less from internet to be attracted to taking more of your products. So there's a self-fulfilling prophecy, and we try not to get too far over our skis in estimating the benefit of that churn reduction to internet. It is significant ... it isn't just product convergence that is driving that. It's really value convergence," Winfrey said.

Comcast's and Charter's respective calls this week were enough for **MoffettNathanson** to stake the claim that the latter is now viewed as the "safer" choice between the two among cable investors. Though some of that is due to Comcast being involved in cyclical sectors like theme parks and ad-supported media, the firm is more intrigued by Charter's movement in cable.

"Even within the cable segment, there is a growing sense that it is Charter's business that is operating at a higher level," MoffettNathanson wrote. "The biggest difference, though, is more subtle. Comcast has always tilted towards higher prices and higher margins, Charter towards lower prices and faster unit growth. Those differences in pricing and ARPU between the two may be relatively small—and Comcast seems to be (finally) moving in Charter's direction—but they matter. Char-

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ter's approach is much easier to defend.”

As with the other earnings calls from media companies this week, investors were curious for Charter's input on the potential ramifications of tariffs. CFO *Jessica Fischer* said the company doesn't currently anticipate them having a significant impact on capex for 2025 as well as the next several years. She reaffirmed this year's total capex guidance of \$12 billion.

Winfrey's input included a positive take on tariffs, a sentiment not felt as much on the other aforementioned calls. Charter has made having a U.S.-based workforce a priority, including for all call center employees. Its moves drew [praise](#) from Trump in his first term.

“Saying the obvious, I think tariff imbalances are, by definition, unfair. Clearly, President Trump has taken a strong stand that, at least from the outside, it appears to be creating an important opportunity for other countries to lower their tariffs, eliminate trade barriers and from our perspective, to benefit U.S. workers like ours and our U.S.-based customers. But again, stating the obvious, we hope that can all happen soon, and we're hoping that's the case,” Winfrey said.

Charter posted 1Q25 revenue of \$13.74 billion, up 0.4% YOY. Residential internet revenue was up 1.8% to \$5.93 billion while video revenue fell to \$3.58 billion, but residential mobile service recorded a 33.5% jump to \$914 million. Advertising revenue fell by 12.9% to \$340 million, primarily from less political revenue. Excluding political, the decrease is 5.1%. Charter finished the quarter with 31.37 million total customer relationships, excluding mobile-only users.

CABLE HALL OF FAME 2025

When it comes to understanding the wide breadth of the cable industry, there's no clearer example than Thursday evening's **Cable Hall of Fame** celebration. The night's honorees included the first inductee whose career was devoted to business services, a small business owner who has supported a wide-range of cable companies for decades, a regional sports network and HDTV pioneer, a leader who played a critical role in the industry's transition from analog to digital, a can-do marketing whiz (and the industry's unofficial beacon of positivity) and a business journalist who also co-created a popular cable drama. In a time of industry evolution, the celebration by the **Syndeo Institute at The Cable Center** was a reminder of how the fast-paced technological shifts of today were built on the back of the cable industry. With such an impressive lineup, it's impossible to detail their individual contributions here, so instead we'll serve up some of the night's highlights and encourage you to read our [interviews](#) with this illustrious class. Honoree *Bill Stemper*, Chairman Emeritus of **Comcast Business**, transformed **Comcast's** business services

from nothing to a \$10 billion enterprise after spending 25 years at **AT&T**. “I can tell you the success of Comcast Business could never have happened anywhere else but cable. This industry is led and influenced by all of you and those that came before you. It has a culture and DNA that is unique and unstoppable,” he said. Fellow inductee *Ed Breen*, the former CEO of **GI** and **Motorola**, is credited with helping move cable into the digital world, reaching a deal with **TCI** for digital set-tops with other operators following. “If you've never negotiated a contract with *John Malone* over a year-and-a-half period, you're missing one of life's real pleasures,” he quipped. *Joe Cohen*, President of **The Switch Sports Group** and the first president of **MSG Networks**, talked about how after the recent wildfires took his Pacific Palisades home, his daughters returned to find his NY Rangers hockey stick battered, but largely intact. “It symbolizes endurance, like our industry, our communities, and all of us,” he said. “Even now, content is still king, no matter what anybody says. And sports is the king of content and king of kings. Some might call it the GOAT.” **Point Broadband** CMO *Zenita Henderson* summed up the relationship building that cable is known for: “Tonight in the culmination of the friendships, the love, the mentorship and the sponsorship that each and every one of you have invested in me,” she said. **PK Network** Founder and President *Patricia Kehoe* talked about how small businesses like hers are the backbone of cable. “We were a woman-owned business in a male-dominated space. Some days it felt like pushing a boulder uphill in heels,” she said. “But PK had a secret weapon—we got cable. We understood it, lived it and had the privilege of supporting the biggest names in the business.” **CNBC** “Squawk Box” co-anchor *Andrew Ross Sorkin* (and co-creator of **Showtime** series “Billions”) reflected on the current state of digital fragmentation and issued a plea. “Cable news itself was once blamed for dividing us. But the truth is, we have a unique opportunity right now to bring people back together that I genuinely believe is our collective responsibility,” he said. “I think that opportunity in this room exists in a way that it hasn't in a very long time. Our audience, the public, wants the truth.”

TU ON MEXICO'S LINEAR MODEL, SKINNY BUNDLES

Interesting to hear **TelevisaUnivision** CEO *Daniel Alegre* give his current reading of what the linear situation looks like in Mexico to help explain why the company saw a 13% YOY drop in advertising revenue. Broadcast makes up 60% of TV viewing and accounts for 90% of TU's linear ad revenue. Unlike in the U.S., it can't charge a retransmission fee for broadcast channels in Mexico, and most broadcast is consumed free OTA. However, laws give it the option to choose must-carry status with any cable provider. But as ViX introduced free ad-supported streaming to the Mexico market,

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TU has seen viewership somewhat migrate from pay TV to the streamer. “In the long run, this is the right thing for the market as broadband penetration is growing while pay TV packages are declining,” Alegre said on TU’s 1Q25 earnings call Thursday. “All these factors together created some challenging renewals in the first quarter with each of our Mexico distribution partners, and that resulted in a 32% decline in Mexico linear subscription revenue on an earnings-neutral basis. We view 2025 as a necessary reset to reflect to these changing dynamics and content consumption preferences.” On skinny bundles, Alegre said it’s a significant area of growth for TU. It’s already seeing benefits in some distribution partners like **DirectTV** and **Charter**, with Alegre viewing it as an opportunity for growth while providers get a financial boost.

move forward in its merger with **Skydance**, there may be some movement starting soon. The *Wall Street Journal* [writes](#) the FCC and Paramount have started talks regarding the preliminary steps necessary to obtain merger approval from the agency, citing people close to the discussions. One of the steps includes a pledge to refrain from certain corporate diversity initiatives.

PEOPLE

Plume tapped former **Comcast** exec *Daniel Herscovici* as its new President and CEO. Co-founder *Adam Hotchkiss*, who had been serving as interim CEO, will transition to chief product officer, continuing to lead Plume’s long-term product vision and technology roadmap. Herscovici was most recently a partner at **Edison Partners**, helping scale high-growth companies across the B2B and consumer tech landscape. He spent more than a decade at Comcast, most recently as SVP, GM of Xfinity Home.

PARAMOUNT, FCC TALKING

On the heels of recent reports indicating **Paramount Global** was struggling to receive guidance from the **FCC** on how to



CABLEFAX DASHBOARD

Social Media Hits



Ajit Pai
@AjitPai

Great to be back at the @WhiteHouse discussing spectrum, infrastructure, and other key components of wireless innovation! I appreciate the Administration’s sharp focus on U.S. leadership in next-generation technologies.

Quotable

“When I entered this industry a little over 10 years ago, two things really struck me. The first was the depth and knowledge of leaders. You walk into a boardroom and within five minutes, a conversation would go from spectrum allocation to marketing to technician experience to the intricacies of how you get a legacy set-top box to instantly add a movie channel. As I stayed longer, I started to realize that it was used to continuously reinvent the industry. Taking that knowledge and turning it into solving broadcast TV issues to multichannel video to voice to internet and to today, where we’re innovating in mobile and seamless entertainment applications.” - **Jake Perlman, Charter EVP, Software Development & IT, receiving the Syndeo Innovation & Intrapreneurship Award.**

Just launched my official Instagram account! I’ll be sharing updates on our work at the @FCC, key policy issues, and more. Follow along:

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Up Ahead

APRIL 27-29: [NTCA 2025 Legislative and Policy Conference](#); Washington, D.C.

APRIL 28-MAY 1: [CableLabs Interop Labs CPMP XGS-PON](#); Louisville, CO

MAY 5-7: [International Telecoms Week 2025](#); Washington, D.C.

MAY 6: [The WICT Network Signature Awards Luncheon](#); Los Angeles

MAY 16: [Extended Deadline for 2025 FAXIES](#)

JUNE 1-4: [Fiber Connect 2025](#); Nashville