WEDNESDAY, APRIL 30, 2025 VOLUME 36 | NO.081

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Next Step: Trusty FCC Nom Advances to Full Senate

The nomination of *Olivia Trusty* to serve as a Commissioner for the **FCC** is now headed for a full Senate vote. **Senate Commerce** voted 21-7 in favor of bringing the President *Trump* nominee one step closer to being confirmed. However, while Trusty had support from both sides of the aisle, there were concerns about the Trump administration's approach to independent agencies that could throw a wrench into things.

Trusty, whom Trump picked in January to take the seat held by former Chairwoman *Jessica Rosenworcel*, would break the FCC's 2-2 party balance toward the Republican side. During Wednesday's Executive Session, Committee Chairman *Ted Cruz* (R-TX) applauded her as "someone who understands the need for a spectrum pipeline to free up bands for commercial use." He added that he looks forward to working with her and FCC chief *Brendan Carr* to restore the agency's commercial auction authority this Congress.

While others shared the belief that Trusty is qualified for the job, that doesn't mean there aren't any trepidations. Ranking Member *Maria Cantwell* (D-WA), *Amy Klobuchar* (D-MN) and *Jacky Rosen* (D-NV) staked their support for Trusty, but on the condition that a Democratic nominee is paired with her. Current Democratic Commissioner *Geoffrey Starks* announced plans to retire this spring. However, he's yet to specify exactly when that'll be, making his replacement process unclear for now.

Cantwell said she's had conversations with Senate Majority Leader *John Thune* (R-SD) about the committee's ability to continue to move on FCC nominations. As long as there's support for both Democratic and Republican nominees, Cantwell will support Trusty.

"I believe that her testimony reflects her knowledge and experience on these important policy issues. I may not always agree with her, but as long as [Thune] plans to continue to move nominees of both sides, I will continue to support her nomination," Cantwell said.

Rosen's worry goes back to mid-March when Trump fired the pair of Democratic **FTC** Commissioners *Alvaro Bedoya* and *Rebecca Slaughter*. Since then, Trump's nominee for the third FTC seat *Mark Meador* was confirmed by the Senate, but Rosen wants assurance that precedent will be followed.

"I do believe [Trusty is] well qualified for the role, but I am deeply concerned with this administration's threats to independent commissions like the FCC as the President has illegally fired Democratic commissioners of the FTC," she said. "While I'm supporting Ms. Trusty for this position today, I cannot commit to supporting her on the floor if there are not commitments from the White House that they will respect the independence of the FCC, and as has been precedent, this nomination is paired with a Democratic nominee on the floor."

Klobuchar subsequently added, "I join Ms. Rosen. I support advancing her nomination because of her experience and work, but I do not believe she will have my vote on the floor if we have not advanced a Democratic nominee."

Several organizations and leaders extended their congratulations following the vote, including **NCTA – The Internet &**

Television Association, **INCOMPAS**, the **Computer & Communications Industry Association**, **NTCA–The Rural Broadband Association** and **NAB**. FCC Commissioner *Nathan Simington*, **ACA Connects** President/CEO *Grant Spellmeyer* and **CTIA** President/CEO *Ajit Pai* also joined in via posts on **X** as well.

"Ms. Trusty's extensive work in Congress, including in senior-level positions, has given her a deep understanding of the Commission's complex policy, regulatory, and technological issues. We look forward to working with Ms. Trusty, Chairman Carr, and the full Commission to promote policies that encourage the investments needed to expand broadband access to all Americans," NCTA said in a statement.

The FCC was involved in other topics discussed during the session. The Enhancing First Response Act, which seeks to reclassify 911 dispatchers as a protective service occupation and require the FCC to issue reports or hold hearings on disasters and 911 outages, passed by voice vote. The Foreign Adversary Communications Transparency (FACT) Act—also passed by voice vote—will direct the FCC to assess the foreign ownership details of communications licenses and authorizations.

And if you're curious if daylight saving time will become the new standard time, the jury is still out. Although it was a nonpartisan 16-12 vote in favor of advancing the Sunshine Protection Act of 2025, a revote is needed as those in favor didn't have a sufficient number of committee members present.

AMAZON EXEC NAMED HEAD OF TENNIS CHANNEL

Sinclair tapped *Jeff Blackburn* as the new Chairman, CEO of **Tennis Channel**. He joins following a 24-year career at **Amazon**, where he helped engineer the company's expansion into streaming and sports. His appointment comes after the launch of Tennis Channel's DTC offering in November ($9.99 per month or $109.99 per year and free to authenticated MVPD customers). Most recently, Blackburn served as SVP, Global Media and Entertainment at Amazon, overseeing the company's entire media portfolio. A passionate tennis fan, Blackburn helped launch "Thursday Night Football" on Amazon and played a key role in Amazon's acquisition and full integration of **MGM** to create Amazon MGM Studios. He sits on the boards of **Roku**, **DoorDash** and **UTR Sports**. Longtime Tennis Channel chief *Ken Solomon* was ousted in September over ties to *Dr. Phil McGraw*'s media company. COO/CFO *Bill Simon* was serving as Interim President.

SPECTRUM SQUABBLE

Content companies are banding together to express concern over the **FCC** contemplating further disruption to the repacked Upper C-band (3.98-4.2 GHz spectrum band). "Proposals to reallocate this crowded band ignore the fact that Upper C-band spectrum forms the backbone of the infrastructure for producing and delivering sports, entertainment, news and other video programming to some 125 million households (or over 315 million people) throughout the United States," said a filing this week by **A+E Global Media**, **Fox Corporation**, **NBCUniversal Media**, **Paramount Global**, **TelevisaUnivision**, **The Walt Disney Company** and **Warner Bros. Discovery**. In February, the FCC issued a Notice of Inquiry seeking comment on whether, and if so how, to free up additional mid-band spectrum for new services in the Upper C-band. Comments were due to the agency Tuesday. "Video delivery in the United States is dependent on the Upper C-band, and there is no substitute for Fixed Satellite Service links that can ensure universal and reliable delivery of popular programming to over 1,000 local broadcast affiliates, thousands more cable head-ends, and other distributors," the content companies said. **NCTA** also chimed in, stressing the vital role that the Upper C-band plays in content distribution and urging that the FCC consider all competitive and technical implications of expanding the band. **NAB** also wants assurance that incumbent operations remain fully protected from interference. "In the five years since the Commission last looked at this band, there have been no major technological shifts that would make a further reallocation and 'repacking' of incumbent users easier now than it was then, nor has there been any decrease in programmers' demand for C-band spectrum," NAB warned. On the other side of the argument is **CTIA**, which sees the spectrum as key in supporting expanded 5G and next-generation service. "Today we are substantially behind our peer nations in the amount of mid-band spectrum available for full-power licensed spectrum," **Verizon** said in comments that called for the FCC to swiftly move to the next step of a notice of proposed rulemaking to consider repurposing the entire Upper C-band for licensed full-power, wide-area, commercial terrestrial wireless operations. The aviation industry is also interested in this proceeding, having sounded the alarm following the 2020 order over safety concerns and potential interference. "While the aviation industry does not endorse action in the Upper C-Band in the immediate term, there are several lessons learned that will benefit the Commission in any potential future rulemaking. Such lessons can be summarized under a single broad recommendation: Deliberately bring together the involved industries and regulators early to find proactive solutions to the inevitable challenges facing coexistence in the Upper C-Band," said a joint filing from several aviation parties, including the Airlines Pilots Association International, Boeing, Lockheed Martin and the Aerospace Industries Association.

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 | SVP Media Group: Dave Colford, 631.786.9796, dcolford@accessintel.com | Editor: Noah Ziegler, 301.354.1704, nziegler@accessintel.com | Sales Director Cable & Broadband Group: Amy Abbey, 410.979.0171,aabbey@accessintel.com | Account Executive: Harry Singh, 917.832.0064, hsingh@accessintel.com | Brand Director, ScreenShift, CTV Connect: Stephanie Cronk, scronk@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

SNY CONTEMPLATES SALE

In the city that never sleeps, New York's RSNs are staying busy. Shortly after **MSG Networks** struck a deal to restructure its debt (and possibly open the door to merge with **YES Network**), **SNY** hired bankers to evaluate all deal options and find new financial backers, per the *Wall Street Journal*. Those options include a sale, which is expected to yield heightened interest due to the fact that SNY has the Mets' exclusive rights through 2035. SNY is primarily owned by Sterling Entertainment Enterprises, but **Charter** and **Comcast** possess partial ownership as well.

CUSTOMERS HAPPY WITH FWA GROWTH, HOROWITZ FINDS

With FWA going live in more areas across the U.S., **Horowitz Research** finds that customer satisfaction for the service is in the same realm as with traditional home internet products. In Horowitz's annual State of Media, Entertainment & Tech: Subscriptions 2025 report, it found that market penetration of FWA is now 12%, and 56% of non-FWA subscribers are likely to consider the service if it becomes available in their area. A 5G home internet subscription is more common among consumers between the ages of 18-34, posting an 18% rate compared to 35-49 (11%) and 50+ (9%). Approximately 76% of 5G customers give high satisfaction ratings for speed and 83% laud reliability. For traditional internet folks, those figures are 80% and 76%, respectively. Additionally, Horowitz found 5G home internet is growing at similar rates across income segments, including higher-income households. The survey was conducted throughout January and February of this year with 2,200 consumers 18+ who are the decision-makers about subscriptions in their home.

FRONTIER STILL FIBER FORWARD

Fiber continued to lead the way for **Frontier** in 1Q25. The company added 107,000 fiber broadband customers during the quarter, representing 19.3% growth YOY. It increased fiber passings by 321,000 to reach 8.1 million total locations as well, helping fuel 24% growth in fiber broadband revenues in 1Q25. Consumer fiber broadband revenue jumped 25.6% YOY to $471 million. Business and wholesale fiber revenue went up 8% YOY to $324 million. Overall, Frontier's quarterly revenue was $1.51 billion along with a net loss of $64 million and an operating income of $76 million. Its merger with **Verizon** is still anticipated to close by 1Q26, subject to regulatory approvals.

ESPN'S NBA, MLB RATINGS

In a season where the **NBA** has had its TV ratings under a microscope, the postseason seems to be giving it a boost so far. **ESPN** revealed it has recorded the largest NBA Playoffs audience ever across its platforms through 11 games, averaging 4.45 million viewers—a 13% improvement compared to last season's playoffs. The Timberwolves' Game 4 win over the Lakers averaged 7.35 million viewers Sunday, peaking at 10.27 million at 6:30pm. Another ESPN property folks have kept a close eye on is Sunday Night Baseball. The network's **MLB** package kept up the momentum this past weekend after the Phillies' 3-1 win over the Cubs averaged 1.68 million viewers, peaking at 2.08 million. That's up 31% from the comparable game last year.

Cablefax Executive Round Up

We asked our Cablefax 100 honorees what company (other than their own) that they would like to spend a day working at. Here are some of their responses:

Ayo Davis
President
Disney Branded Television
"Working with an acclaimed interior design studio like Kelly Wearstler or close to the designer Jean-Louis Deniot—to channel my passion for design and gain insight into their creative process."

Chad Dunavant
EVP, Chief Strategy & Product Officer
CSG
"Learning more about Low Earth orbit (LEO) technology and the advancements here would be compelling—so, Starlink, Kuiper (Amazon) or AST. I tend to gravitate toward new technology trends to study how they influence the industries we serve. While AI technologies are front and center, I continue to be intrigued by the advancements in broadband technology like LEO."

Julie Laulis
President & CEO
Cable One
"Nvidia, given what has been written about Jensen Huang and how he manages so many direct reports and listens to his employees. I would also look at Apple, for their customer-centric design prowess. In truth, we could learn from the vast majority of companies if we took the time to explore."

Phil McKinney
President & CEO
CableLabs
"Victorinox, the Swiss Army Knife company. They've balanced heritage craftsmanship with modern innovation for over a century."

Michelle Rice
President
TV One & CLEO TV
"I would love to spend the day at Nike and/or Apple. These are two incredible brands and businesses that continue to innovate, grow revenue, outperform the competition and sustain fanatical customer loyalty. Both companies continue to stand their ground in supporting DEI as a business imperative that drives both profitability and innovation—and for that they have my unwavering support."

Think about that for a minute...

Going 'Round and Round'

Commentary by Steve Effros

There's an old saying, credited to Philosopher George Santayana: "those who cannot remember the past are condemned to repeat it." There appear to be many folks, these days, who seem to be unable (or unwilling) to remember the past, and yes, we're about to repeat a whole lot of business plans, telecommunications debates and regulations yet again. Most of them didn't work out before, and while circumstances and technology have certainly changed, there's little indication that they'll work well now, either.

So let's start this exercise in recollection with an old, well known business plan. "Free, Ad-supported Television." Note that the acronym for that is "FAT." I point that out because it was very accurate when "Free TV" was all the rage and was the only way you could watch television. The folks who got the licenses for the "public spectrum" to be able to broadcast television got those licenses without cost. To this day that's still the case. Some of the best "beachfront property" public spectrum is not paid for by the broadcast licensees who now consider that they "own" those licenses and freely (irony intended) sell them back and forth.

FAT is what they became. After all, when there are only a few television stations in a market, and the license "owners" get together and declare "exclusive" territories so that they can sell advertising without competition, it's a great money maker! But when cable competition came along and more video was available to the public, things got more difficult. The broadcasters started losing weight relying solely on a diet of advertising. So "retransmission consent" was invented, and cable companies, which created "community antennas" so that folks could (sometimes for the first time) see those broadcast signals, had to pay the broadcaster to deliver the signal to folks living in their own "free TV" area! A dual revenue stream was created to keep the business plan working.

The same thing has happened with "cable channels." Their business plan, with few exceptions, required a dual revenue stream of money both from advertising and from the cable subscriber.

And now we have "streaming," both with lots of archived "on demand" video, like Netflix, Max, etc., and the newest iteration, good old "FAST" linear video channels! "Free Ad-supported Streaming Television." So we're back where we started.. with a lot of linear, scheduled television offerings (as well as some "on demand") financed by advertising. Really? Don't you remember what happened last time? While the "viewing numbers" for FAST channels are going up, the finances have yet to match. Any single-revenue stream channels buying current (read expensive) programming to attract those viewers are not financially successful at this time, and may never be.

Just look at the history of "streaming channels" that started out as pure "ad free" subscriptions. They now either have to significantly increase prices, or, you guessed it, start inserting advertising so that there's a dual revenue stream. And even then it's not clear that any but a few will be financially viable. 'Round and 'round we go!

From a policy point of view you can see, yet again, that ignorance of the past results in rude surprises down the road. A multi-decade battle over the cost of a "cable subscription" took place primarily because the cost of the service continually went up. Very bad optics. The explanation, again: programming costs escalated wildly as competition for the best programs increased. Consumers wound up paying. The consumer advocates and politicians wanted a "fix."They pushed, very hard, for "a la carte" pricing. Let the viewers buy only the stuff they want. The now obvious result: quickly escalating "streaming" fees! Why? See above.

I'll get to the regulatory and legal stuff in the next column. Needless to say, you've heard it before!

Steve

steve@effros.com

(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.)