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WHAT THE INDUSTRY READS FIRST

Retrans Row: altafiber Says It's Lost 12 Customers Over NewsNation Blackout

The back-and-forth continues between **altafiber** and **Nexstar**, with the provider telling the **FCC** this week that Nexstar's rebuttal of its retransmission complaint is a mischaracterization of facts, and it has the receipts to prove that customers don't care about its **NewsNation** cable network.

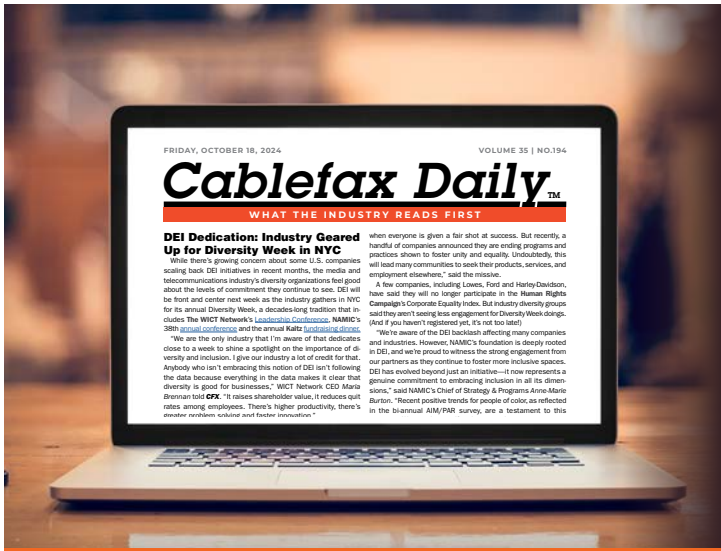
Altafiber filed a formal complaint at the FCC last month, accusing Nexstar of failing to negotiate in good faith and holding it "hostage" unless it agrees to carry NewsNation in the Cincinnati DMA, where Nexstar has no broadcast television stations. Nexstar called the tying of cable networks standard practice in retrans negotiations.

Altafiber did agree to distribute NewsNation to Cincinnati three years ago, but said it made the decision based on the expectation the fledgling network would grow. "That has not happened, and subscribers today largely do not care whether or not altafiber distributes NewsNation as evidenced by the fact that only about 100 subscribers have expressed displeasure with its loss and fewer have cancelled their subscriptions," the operator said. It got specific—declaring that of about 87,000 Cincinnati subscribers who received NewsNation, only about 12 canceled cable television service in the six weeks since it left the lineup.

Nexstar is focused on Cincinnati because altafiber has a much larger number of subscribers there than in Dayton. Altafiber claims carriage of NewsNation in the Cincinnati DMA, plus the NewsNation and retransmission consent fees for the Dayton subscribers, would total more than $50 per Dayton subscriber per month. Nexstar has called attributing consideration for NewsNation carriage in Cincinnati entirely to Dayton subscribers a "bizarre calculation," while altafiber contends it's the only relevant metric: "The cost of forced carriage of a channel that altafiber's Cincinnati DMA subscribers have shown a resounding lack of interest cannot simply be assumed to be paid for by altafiber's Cincinnati DMA subscribers. Thus, the entirety of the fees Nexstar seeks for carriage of NewsNation—more than $1 million over three years—is appropriately and necessarily allocated to altafiber's Dayton basic tier subscribers when evaluating whether the demand is outrageous—and it clearly is when compared to altafiber's basic tier retail price of $42.99."

Relaxing the Broadcasting Ownership Cap

Altafiber is also objecting to Nexstar including an option for retransmission consent rates for future stations it may acquire—a provision the broadcaster argues has been customary in retrans negotiations for decades. The provider said just because it and other MVPDs have previously agreed to such terms doesn't mean they felt it was in their best interest. And now, altafiber argues, the stakes are very different. "Unlike three years ago when Nexstar's ability to acquire additional stations was unlikely given the constraint of the national ownership cap, Nexstar not only continues to advocate for lifting the cap, but it also appears that the Commission may take action in that direction," altafiber said. "Today, extracting higher rates in the face of Nexstar's more likely



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acquisition of stations (possibly mass acquisitions) substantially raises the risk of agreeing to such a provision."

Nexstar has argued that using its advocacy before the government as part of a good faith analysis would not only be arbitrary, but would also amount to a penalty on protected political speech and raise serious First Amendment concerns.

Altafiber isn't alone in raising objections over Nexstar's business practices. In December, a three-judge panel of the Second Circuit Court of Appeals heard oral arguments from **DirecTV** about why it believes a lower court erred in dismissing its antitrust suit that claimed Nexstar is engaging in an illegal conspiracy with **Mission Broadcasting** and **White Knight** to manipulate, raise and fix prices of retransmission consent fees for broadcast TV stations. We're still awaiting a decision from the federal appeals court.

And the 39% national audience cap is at the center of a Notice of Apparent Liability that was issued last year against Nexstar that would impose a $1.2 million fine and require divestiture of NY station WPIX. The broadcaster is appealing the NAL, which found Nexstar and Mission willfully and repeatedly violated several Commission rules, including its 39% cap, through their WPIX transactions.

Totality of Circumstances

FCC rules require broadcast stations and MVPDs to negotiate retransmission consent in good faith and has established a list of objective good faith negotiation standards, the violation of which is considered a per se breach of the good faith negotiation obligation. Even if the per se standards are met, the FCC may consider whether a party failed to negotiate retransmission consent in good faith based on the totality of the circumstances. "Foreclosing Dayton DMA subscribers' access to Station WDTN because of Nexstar's unrelenting insistence on carriage of NewsNation in the Cincinnati DMA is exactly the type of outrageous proposal for which the Commission intended the totality of circumstances to address," altafiber contends.

Nexstar argues that altafiber has failed to meet the burden of proof that it breached the per se good faith standard or the totality of circumstances. "With regard to the totality of circumstances analysis in particular, the FCC has explained that it 'do[es] not intend' that 'test to serve as a ' back door' inquiry into the substantive terms negotiated between the parties,'" Nexstar has told the FCC.

FCC'S BUSY SUMMER

The **FCC**'s July open meeting is set to include several items that are part of Chairman *Brendan Carr*'s Build America initiative, but there is plenty more on tap for August. In a blog outlining next month's agenda, Carr touted a proposal to deregulate business data services currently subject to ex ante pricing. This is a follow-up to a 2017 order under then-Chair *Ajit Pai* that largely deregulated business data services that incumbent providers can charge for special access services, such as wireless backhaul. The 2017 order generally eliminated ex ante pricing regulation with the exception of end- user channel termination services at DS1 and DS3 levels in counties that fail a competitive market test adopted. Carr said the FCC will commence the first comprehensive review of this market in six years with the goal of identifying additional areas for regulatory relief. Broadband providers unhappy with permitting delays can also cheer an item on tap to curtail what Carr called "needless and costly environmental reviews" associated with the National Environmental Protection Act. August also includes a re-examination of the Emergency Alerts System in light of the latest technology as well as the Commission's system for collecting real-time data on network outages and restoration during and after major disasters. Carr closed his blog with a meme dedicated to any doubters (including the NY Times) declaring that "we're going to do it anyway."

A GRATEFUL MEDIACOM EXEC THANKS CHARTER

One of the things that has set the cable industry apart over several decades is its collaborative nature, borne from geographic boundaries that kept operators from competing directly against one another. There's still healthy rivalry, though, and it's not every day we see a top exec at one operator go out of her way to compliment another. But when **Charter** announced last week that it is making some of its Spectrum stores more accessible by debuting a virtual American Sign Language interpreting service at 20 locations in the NYC area, it drew an emotional response from *Italia Commisso Weinand*, EVP, Programming & Human Resources at **Mediacom**. "As a cable television veteran of nearly 49 years—and as the proud mother of a deaf son who has thrived as an employee of Mediacom Communications Corporation—I want to extend my sincere compliments to Spectrum and its leadership for providing this valuable service in their customer support locations," she said in a statement. "This thoughtful step forward reflects the continued evolution of our industry and our shared commitment to accessibility and inclusion. Together, our long-standing efforts to innovate and expand broadband services continue to enhance lives across the country. Thank you, Spectrum — from a grateful mom." It's a reminder that the cable industry has been a trailblazer in accessibility for many years. In 2014, **Comcast** rolled out the industry's first voice-enabled TV interface, a "talking guide" for X1 that read aloud selections such as program titles, network names and timeslots. Charter's Ac-

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cessibility team was recognized in Forbes 2025 Accessibility 100 and in 2023 with the Helen Keller Achievement Award from the American Foundation for the Blind for breakthrough innovations in expanding inclusive media for audiences who are blind and low vision. **Cox Communications** has frequently been named a Leading Disability Employer by The National Organization on Disability. And of course, there is the cable-backed **Adaptive Spirit**, an educational event and fundraiser for the U.S. Paralympic Ski and Snowboard teams that turned 30 this year.

HILLIARY, TDS JOIN M&A PARTY

The M&A fever is spreading far and wide in the telecom world. **Hilliary Communications**, a family-owned operator that serves rural Oklahoma, Texas and Iowa, is acquiring **TDS Telecom**'s network operations in Oklahoma. No financial terms were disclosed. The transaction will bring nearly 35,000 new locations to Hilliary's reach and is expected to close in 2H25, subject to customary closing conditions and regulatory approvals. Local TDS Field Service employees will transfer to Hilliary as part of the deal. "This divestiture will allow us to focus more heavily on our core fiber operations," TDS President/CEO *Ken Dixon* said in a statement. "We are confident our customers and associates will continue to have a positive experience with their new company." It'll be Hilliary's eighth acquisition of independent or regional telecom assets since 2016. The company said it'll begin the process of upgrading the acquired areas upon closing, including deploying FTTH networks, modernizing infrastructure and installing up-to-date broadband and communications services. Currently, Hilliary has $250 million tied into broadband infrastructure builds. TDS has been operating in the Sooner State since 1978.

ROGERS DEBUTS SATELLITE SERVICE

Canadian operator **Rogers Communications** embarked on a new chapter after making its new Rogers Satellite technology available through an initial beta period. Rogers Satellite is a satellite-to-mobile text messaging service that bolsters its network to cover more than 5.4 million sq. km., which Rogers claims is more than 2.5X more than any other Canadian wireless provider. It's using **Starlink**'s LEO satellites to power the service, though *Light Reading* notes Rogers is also collaborating with **Lynk Global** and is open to working with other satellite providers. Initially, Rogers Satellite will support text messaging and text-to-911 capabilities, but will expand to support apps, data and voice services in the future. Folks can sign up for the Rogers Satellite beta trial at no cost. Once the beta period ends in October, Rogers Satellite will be included for free to customers on the Rogers Unlimited Plan, while others can get access for $15/month.

DEMS STRIKE BACK ON PARAMOUNT -TRUMP SETTLEMENT

When **Paramount Global** announced its plans earlier this month to settle President *Trump*'s "60 Minutes" lawsuit by contributing $16 million toward his future presidential library, minus his legal fees and costs, Sen. *Elizabeth Warren* (D-MA) vowed to introduce legislation to "rein in corruption through presidential library donations." On Wednesday, Warren, alongside several other congressional Democrats, did just that. The Presidential Library Anti-Corruption Act would ban presidents from fundraising or receiving donations while in office, including for presidential libraries, with an exception for 501(c)(3) non-profits, although their contributions would be capped at $10,000 total. In a separate report released by Warren this week, the Senator not only cited the Paramount deal as an example of library donations "as a corrupt tool to secure favorable outcomes from [Trump's] administration" but also the $16 million **ABC News** contributed in December to settle a defamation lawsuit brought by Trump. The report calculated that companies "seeking favorable outcomes" from Trump have pledged at least $63 million for his future library. Both chambers of Congress are currently controlled by Republicans, which doesn't bode well for the bill's passing, but Warren said on a press call Wednesday that "it's important to introduce bills like this, partly to show what the problem is, partly to show that there's an obvious solution and partly to push the Republicans to explain why they don't support the bill." The Paramount-**Skydance** merger deal, which several Dems have suggested is the reason Paramount decided to settle the lawsuit, remains in limbo despite the M&A deal-o-mania that kicked off this month, courtesy of the FCC.

MARKEY, SCHUMER ASK FCC TO 'STOP PARTISAN GAMES'

Senators *Ed Markey* (D-MA) and *Chuck Schumer* (D-NY) sent a letter to **FCC** Chair *Brendan Carr* Wednesday urging him to stop the agency's investigation into a news distortion complaint against **Paramount** and the editing of a "60 Minutes" segment featuring *Kamala Harris* last October, calling it "an outrageous abuse of the Commission's enforcement powers." They argued that while the FCC chose to investigate CBS News' editing process and transcripts, it has not done the same with the editing of a June 2024 *Trump* interview with **Fox News**' "Fox & Friends," which the senators called "far more misleading" than the editorial decision-making in CBS's interview. "When Trump was asked whether he would release the Epstein files, he responded: 'Yeah, yeah I would.' But right after those words–in a portion of the interview unaired on Fox & Friends–Trump hedged his answer: 'I guess I would. I think that less so because, you don't know, you don't want to affect people's lives if there's phony stuff in there, because it's a lot of phony stuff with that whole world. But I think I would,'" they wrote, saying the interview led viewers to believe that Trump unqualifiedly supported the files' release "when in reality he equivocated." They said the FCC was being partisan by choosing to investigate one network but not the other. But Markey and Schumer clarified that they don't want the FCC to open a docket on the Fox News segment, but to instead "stop interfering with independent journalism altogether."

NBCU CAPS UPFRONT

The 2025-26 upfront cycle is in the books for **NBCUniversal**, and it said it was able to produce the highest ad sales volume ever in the company's history. That was led by a trio of tentpole events coming up in the next year: the Milan Cortina Olympics, Super Bowl LX and the **FIFA** World Cup. Getting the **NBA** back in its grasp doesn't hurt, either, as NBCU claims it had "its strongest Sports Upfront in history" after adding 20% new clients YOY and recording a 45% jump in volume beyond the three tentpole events. NBCU pointed out that more than 25% of its NBA advertisers will be new to broadcast this year. This year's upfront also included the debut of **Versant**, the imminent spinoff containing a handful of networks, and it achieved nearly a 10% boost in clients investing in those brands. Other notes from NBCU's upfront include **Telemundo** already surpassing revenue for the previous World Cup, despite more than 10 months remaining until kickoff. NBCU's programmatic business generated a little under $1 billion in programmatic investments, and the company saw record revenue growth in key categories, including retail, restaurants, auto, travel and financial services (all growing by 12%).

NAB'S PSA CAMPAIGN

NAB released PSAs featuring 120 legislators and their family members, kicking off the association's Congressional PSA Campaign for this year. The biannual campaign was first created in 1985 to connect government leaders across the U.S. with their constituents through timely spots aired on local TV and radio stations. This year's PSAs shine a light on various initiatives, such as support for veterans, cancer prevention, mental health, addiction awareness and blood donations. The PSAs can be found at NAB's Spot Center and are available to air until Dec. 31.

CARRIAGE

The **TCLtv+** streaming platform is adding 11 new FAST channels from **AMC Networks**, bringing the service's total FAST offerings to over 400 channels. The slate of course includes a channel dedicated to "The Walking Dead," but the deal also adds 24/7 news and sports programming to the platform, courtesy of the new **BBC News**, **MSG SportsZone**, **Overtime** and **NESN Nation** channels. **Acorn TV Mysteries**, **Stories by AMC**, **All Reality by We TV**, **AMC Thrillers**, **Scares by Shudder** and **AllBlk Gems** round out the lineup.

FIBER FRENZY

Glo Fiber is adding more addresses in York County, Pennsylvania. The **Shentel**-owned company struck deals to roll out FTTH services in Hallam Borough, Hellam Township and Wrightsville Borough, expanding to 2,000 new homes and businesses to an existing footprint of 27,000. Engineering work has begun, and Glo Fiber expects to complete construction next year. – **Ritter Communications**' RightFiber is in the process of bringing services to homes in Alma, Arkansas. The $1.5 million network investment is slated to finish later this summer.

RATINGS

Fox News, **MSNBC** and **ESPN** occupied the top three spots in each of the primetime and total day ratings leaderboards last week (July 7-13). Fox News' 2.44 million viewers P2+ in prime well surpassed MSNBC's 888,000 and ESPN's 571,000. **HGTV** (545,000) and **Hallmark Channel** (501,000) weren't too far behind the sports net. In total day, Fox News led at 1.54 million. MSNBC and ESPN posted 531,000 and 512,000, respectively. **CNN** followed with 368,000, while Hallmark Channel solidified another top-five finish with 327,000. – We'll wait to see how the **MLB** All-Star Game impacts the weekly ratings scorecard, but viewership for Monday's Home Run Derby had an average audience of 5.73 million viewers across **ESPN** and **ESPN2**. That's up 5% from last year's 5.45 million, with ESPN accounting for 5.23 million and the StatCast on ESPN2 pitching in 499,000. The HR Derby was the most-watched program of the day across broadcast and cable TV. – Elsewhere in sports, Friday's **WNBA** doubleheader on **ION** was a slam dunk. The Dream vs Fever posted nearly 1.5 million viewers P2+ throughout the game and peaked at 1.8 million from 9:15-9:29pm, making it the most-watched WNBA game on ION this season and the second most-watched game on the network ever. The Sun vs Storm nightcap had 470,000 viewers.

PROGRAMMING

Hulu announced "Love Thy Nader," a new reality series that follows the lives of *Sports Illustrated* model and veteran "Dancing with the Stars" contestant *Brooks Nader* and her sisters, as they leave their home in the Louisiana Bayou and try to make it in New York City. The show will air weekly on **Freeform**, starting on Aug. 26 at 9 pm. The entire season will also be available on Hulu on Aug. 27. – **The CW** renewed its romance drama "Sullivan's Crossing" for a fourth season, following the show's debut on **Netflix**, where it quickly became a hit. It's currently No. 1 on the U.S. Top 10 TV Shows list, unseating **WWE**'s "Raw" and "Squid Game."

PEOPLE

CuriosityStream President/CEO *Clint Stinchcomb* received a new four-year contract, which will see him stay on in those roles through June 30, 2029. He has served as President/CEO of the media company since 2018. – *Eduardo Díaz-Corona*, **Liberty Latin America**'s SVP/GM of operations in Puerto Rico and the U.S. Virgin Islands, will retire at the end of July. He came out of retirement in January 2024 at the behest of President/CEO *Balan Nair* to help stabilize the business following Liberty's acquisition of **AT&T**'s mobile operations in the region. Stepping into the role of GM in Puerto Rico and the U.S. Virgin Islands is *Guillermo Ponce*, who has been overseeing business development efforts across Central and South America.

Think about that for a minute...

The Rate of Change

Commentary by Steve Effros

Many (many!) years ago, when I started in the "Cable Television Task Force" at the FCC trying to figure out what the first federal rules on the new cable—and ultimately, broadband—industry should look like, I was sent back to school. It was a weeklong seminar at Michigan State University headed by Alfred (Fred) Khan. He has long been considered the dean of regulatory economics, ultimately becoming Chair of the Civil Aeronautics Board responsible for deregulating the airline industry. His expertise in rate regulation also led to him being named the Chair of the New York State Public Service Commission and a principal political economics advisor to President Carter. Kahn believed in deregulation.

The point here is that Fred Kahn knew about competition, regulation and the interplay of all that on the economics of the marketplace. What I took away from that week with him was pretty simple: rate regulation doesn't work. Khan was instrumental in breaking through the governmental barriers to competition in the airline and many other industries. In the main, that's been successful.

When it came to the telecommunications industry, he often cited the "rate of return" regulation of the telephone companies. He pointed out that under that regime, prices always seemed to go up, and the profits of "Ma Bell" were exemplary. Lots of regulation, but also lots of money. Why? Well, put way too simply, if you tell a fully regulated and protected company that it's allowed to achieve a certain "rate of return" based on whatever has to be spent to operate, then the incentive is always going to be to spend more money, provide reasonable service, always with new trucks for instance, because every penny you spend will be included in the calculation of the "return" on that investment! In other words, spend more (and thus charge more) to make more.

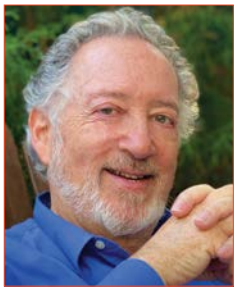
Why go through all this? Because even though we got rid of most rate of return regulations many years ago, we're now seeing the same debate echoing through the new administration with the same issues Fred was lecturing about so long ago, such as the interrelationship between inflation, regulation, and competition.

Today, the debate is over the federal money assigned to be used to build out broadband facilities in those predominantly rural places not yet served. The BEAD (Broadband Equity, Access and Deployment) program is mired in a major policy fight. The prior administration, through the NTIA, prioritized almost exclusive fiber builds. Then the new administration noted that those fiber builds seemed, under State-planned and administered programs, to have extraordinarily high costs. Why not use Starlink satellite delivery instead? Especially when Mr. Musk was then in the good graces of the powers that be?

The planning and construction were put on pause. The States, even the "red" ones, didn't like that. They were finally ready to get their assigned money and build. So in essence, the "fiber-only" rules were scrapped, and the States will theoretically have the authority to decide how to spend the money, using either fiber or satellite, for instance.

But here's where the old "rate of return" problem comes in. The administration seems to be saying to the States that they can be more efficient and economical, but if they save the money that would have been spent on fiber, they can't then use it for other BEAD-like telecommunications purposes. As most economists and CEOs will tell you, that's a prescription that creates the incentive to spend the money on the most expensive solution (i.e., fiber buildout) because they're foreclosed from using the "saved" money for anything else!

So we're back where we were with rate of return regulation: an incentive to spend more. There's just not much rate of change in our regulatory thinking.



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