

QUOTABLE

“If the Mets were playing better, our numbers would be better on PIX and our ad sales would be better there.” - Nexstar CEO Perry Sook on where the broadcaster is seeing drops in ad rev

NEXSTAR STAYS CONFIDENT ON TEGNA

To say the \$6.2 billion **Nexstar-Tegna** merger is in a tricky spot would be an understatement after the **U.S. District Court for the Eastern District of California** approved a preliminary injunction that put a pause to the combo. A [coalition](#) of 13 state AGs led by California’s *Rob Bonta*, along with **DirecTV**, sued to halt the merger shortly after Nexstar said it had closed. That announcement came just hours after the **FCC** Media Bureau gave the combo the green light to proceed despite it blowing past the 39% broadcast ownership cap. Untangling the merger from the ensuing legal battle will be a much slower and complicated process.

For now, the broadcasters must continue to operate separately, even though Nexstar has taken ownership of Tegna. Nexstar Chairman/CEO *Perry Sook* acknowledged the situation was “unusual” during an earnings call Thursday. “I would caution against attempting to draw legal conclusions at this stage,” he said of the downpour of legal challenges to the merger.

The latest maneuvering this week saw the FCC and Nexstar [file a motion](#) in the **D.C. Circuit Court** to dismiss an appeal of the Media Bureau order approving the merger. The group making the appeal includes DirecTV, **EchoStar**, **Newsmax**, state broadband associations and others. In late April, the court denied a request for an emergency stay of the order, finding the challenge premature.

“The issue before the courts is not the relative commercial negotiating positions of the parties. It is whether this transaction serves the broader public interest, including American consumers and the preservation of local journalism. As such, we believe we will prevail on the merits of this case,” Sook said of the legal challenges. “We believe this is a fight worth having for us, for our industry and for the future of local journalism.”

Although the Nexstar founder only named DirecTV once on the call, Sook showed a little more ire for the AGs. “We feel [the merger] went through a fulsome approval process at both the FCC and the DOJ, the two expert agencies that regulate this industry, as opposed to the state AGs that have shown no real concern or support for local media until this election year.”

One analyst on the call couldn’t comprehend why the FCC approved the merger before moving to change broadcast ownership rules. As per usual, Sook was very complimentary of FCC Chair *Brendan Carr* for taking the position that “these rules are antiquated relics of the past.” Sook believes the industry is still “on a path to deregulation” but cautioned that “it’s not as simple as putting out a press release and saying, ‘Rules have changed.’ There is a lot of legal work that has to go into that, a lot of wordsmithing, a lot of consultation with advisers.” Yet, the exec remains confident that “these things are moving through the pipeline.”

President/COO *Michael Biard* chimed in on the matter as well: “The claims being made by the plaintiffs essentially are outside the FCC’s purview. They come from an antitrust perspective, which is really a different analysis entirely than the FCC,” he said. “I think the FCC could have gilded a complete elimination of the rules in gold and served it up on a platter, and the plaintiffs still would have found reason to complain in this case.”

Tegna is operating as it did prior to the transaction for now. *Lee Ann Gliha*, Nexstar EVP/CFO, explained that includes “operating under its own retransmission agreements.” Nexstar can have conversations with and appoint management inside Tegna and the latter’s board is composed of Nexstar execs that have the ability to approve financial transactions “above a certain size” according to Sook. “That has been approved by the courts... We just cannot influence day-to-day decision making,” he said. Nexstar can also use excess cash flow from the merger to pay off combined debt. Sook noted that it had repaid \$182 million of debt through April 30.

Nexstar’s 1Q26 consolidated earnings numbers included only 13 days of Tegna operations (March 19-31). The company delivered quarterly net rev of \$1.4 billion, an uptick of 13% YOY, although the comparable 2025 period reflects only Nexstar’s performance sans Tegna. Political ad rev was \$78 million for the combined companies, driven by strong primary spending, up 89% vs the 2022 midterm cycle and 19% vs the 2024 elections. Adjusted EBITDA came in at \$470 million.

WBD AND SLING QUIETLY DROP LITIGATION

Warner Bros. Discovery and **Dish** have discontinued their litigation against each other over **Sling TV**’s flexible streaming passes. With no one really noticing, the two filed a stipulation of voluntary dismissal without prejudice last month for all claims and counterclaims. Without prejudice means each side retains the ability to resurrect its claims in the future. WBD filed the original lawsuit against Dish in September, just days after similar litigation from **Disney** that is still pending. Both programmers alleged that the Day, Week and Weekend mini plans that Sling rolled out over the summer violate their limited license granting distribution of their networks because they’re not monthly subscription plans. Both programmers lost attempts at a preliminary injunction against the offerings last year. Dish filed counterclaims against both companies, accusing them of violating the Most Favored Nation terms in their affiliation agreements. There aren’t real details on why WBD and Dish buried the hatchet, with the terse court filing declaring that each party will bear their own costs and attorney fees. Meaning we can only speculate on whether the pending **Paramount Skydance** deal played any role in the move. Disney’s challenge of the Sling packages lives on, as does Dish’s counterclaims against the House of Mouse, which include claims of illegally tying its must-have networks to less popular ones as well as violating antitrust laws by coordinating with Fox in creating the **ESPN/Fox One** bundle and through the creation of Fubo Sports skinny bundles. Both sides are seeking to have certain contract claims dismissed. Sling launched the [short-term streaming subscriptions](#) in August 2025, offering 24-hour, weekend and seven-day passes to Sling Orange, which includes linear nets **ESPN, CNN, TNT, TBS, Disney Channel** and **Comedy Central**. The 24-hour Day Pass starts at \$4.99, with the Weekend Pass (now simply a three-Day Pass) and Week Pass priced at \$9.99 and \$14.99, respectively.

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OPTIMUM SEARCHING FOR OPTIMISM

Optimum's rebound efforts resemble Comcast's in that the operator is sacrificing near-term ARPU and broadband subscriber metrics in exchange for long-term, convergence-led growth. The main difference is their balance sheets, an area in which Optimum doesn't have a whole lot of flexibility, and it's a waiting game to find out if the market responds well to simplified speed tiers, five-year price locks and network enhancements. Optimum's broadband subscriber net losses for 1Q26 were 64,200, though a subscriber adjustment taken during the quarter related to prior periods brings it down to 56,000. That's still steeper than 1Q25's broadband sub decline of 37,000 and comes in short of Wall Street's estimate of 50,000 losses. Residential broadband ARPU was \$132.32, a slight 1.2% drop driven mainly by product mix shifts away from video. Chairman/CEO *Dennis Mathew* said the rampant levels of competition were maintained in the quarter. ILECs, fixed wireless providers and fiber overbuilders "continue to lean aggressively into lower entry pricing, extended price locks and promotional incentives." In the West, Mathew noted how fixed wireless' expanded availability has made a considerable impact on the competitive profile. FWA has nearly 80% of overlap in Optimum's Western footprint, while the East is experiencing 85%. "We remain focused on what we can control," Mathew said. "... We feel really good about our product portfolio. We see that customers are demanding quality and value and pricing transparency, and we're providing that." **Optimum Mobile** was a bright spot in 1Q, bringing in 51,600 net adds—the most in six years—and boosting total mobile lines to 674,000. Residential mobile penetration reached 8.8%, and mobile service revenue was \$50 million, a 35% improvement YOY. Like other operators, Optimum is seeing benefits when customers bundle broadband and mobile, showing a 20% churn improvement. It's hoping to shine a brighter light on its convergence efforts after introducing a new financial metric in its latest report: convergence ARPU. 1Q26 was \$79.32, a 1.2% YOY improvement. "Optimum's converged pricing is lower than that of its competitors. Bundling with mobility is therefore at least as important as standalone pricing when thinking about fixing the broadband value proposition," **MoffettNathanson** wrote. With video, Optimum is focusing more on improving gross margins to relieve top-line revenue pressure. The refreshed Entertainment TV, Extra TV and Everything TV offerings now have 17% penetration of Optimum's residential video base, despite losing 59,800 customers.

DEMS DEMAND FCC RESCIND ABC'S EARLY RENEWAL ORDER

A group of Democratic senators is calling on the **FCC** to pull back its order for **Disney** to file early license renewals for its eight **ABC** stations. Sens. *Ed Markey* (D-MA), *Chuck Schumer* (D-NY), *Maria Cantwell* (D-WA) and *Ben Ray Lujan* (D-NM), as well as *John Hickenlooper* (D-CO), *Bernie Sanders* (I-VT) and *Elizabeth Warren* (D-MA), signed a letter Thursday claiming the agency was abusing its power by issuing the order a day after President *Trump* called on ABC to fire late-night host *Jimmy Kimmel*. While FCC Chairman *Brendan Carr* [maintains](#) that the orders are tied to an investigation into Disney's DEI practices, lawmakers—including Republican Sen. *Ted Cruz* (TX)—remain skeptical. "Although the FCC has the authority to ensure broadcasters operate in the public interest, it cannot serve as President Trump's roving censor, threatening to revoke licenses against broadcasters whose editorial content—including a comedian's jokes—displeases the President," the letter read. The senators asked Carr to respond to a list of questions by May 21, with inquiries ranging from a timeline of how he determined the FCC should issue an early renewal, an update on Disney's investigations and whether there was contact between the FCC and the White House.

FUBO SEES SUB DECLINE, DESPITE RECORD REVENUE

Fubo's first full quarter since merging with **Hulu + Live TV** brought in a record \$1.57 billion of revenue while improving net loss from \$40.9 million to \$6.2 million. However, the vMVPD's stock still took a tumble Wednesday and fell by more than 15%. That could stem from the fact that its total subscribers in North America declined YOY from 5.9 million to 5.7 million. Co-Founder/CEO *David Gandler* remained confident that Fubo is "just beginning to realize the full potential" of the business opportunities it now has under Disney ownership. That includes growing Fubo's reach through **ESPN's** "Where to Watch" pages, a feature that's expected to launch soon in addition to Fubo Sports' integration into the ESPN commerce flow. The latter is slated for a 1H27 launch. "We believe these initiatives position our product in front of a large and highly engaged audience of sports fans, and we expect they will drive sustained subscriber, revenue and margin growth alongside other synergistic initiatives currently underway," Gandler wrote in a shareholders' letter.

Despite the stock decline, Fubo reaffirmed some of its long-term expectations. The vMVPD anticipates ending fiscal 2026 with cash, cash equivalents and restricted cash to be at least \$200 million, while positive free cash flow is on deck for 2027 and 2028 and 2026 adjusted EBITDA should fall between \$80-100 million.

HISTORY CHANNEL TEAMS UP WITH WHITE HOUSE FOR '250TH SALUTE'

The **History Channel** revealed a multiplatform partnership with the White House and Freedom 250, the nonpartisan task force overseeing public-private partnerships and celebrations for the U.S.' 250th anniversary. "Mission to Honor: A 250th Salute to American Veterans" will begin this month and feature first-person video profiles of veterans from World War II through the Global War on Terror. Each tribute will include a message from President *Trump* and they'll be released monthly until Nov. 11 (Veterans' Day), when a one-hour documentary premieres with a compilation of the profiles. History Channel also has additional America 250 programming, community initiatives and activations at military bases planned.

FIBER FRENZY

Shentel completed another Virginia Telecommunications Initiative project, this time in Franklin County. The \$32 million build will bring gig speeds to more than 6,700 previously unserved homes in the area. -- **Comcast** completed construction in the Indiana counties of Hendricks, Wayne, Allen and Delaware, connecting more than 2,100 addresses to Xfinity and **Comcast Business** services. The operator also plans to expand its network to over 2,300 locations in Nassau County, Florida, including in the communities of Andrews, Becker, Bryceville, Callahan, Crawford, Dyal, Evergreen, Gross, Kings Ferry, Kent and Lessie. The project is expected to be completed this fall. -- **Gateway Fiber** commenced construction in Bismarck, North Dakota, building on its existing footprint in Fargo. The ISP expects first customers to go online in 2H26.

CARRIAGE

DirectTV welcomed Hispanic American action sports network **PX Sports** to its channel lineup. It's the first major linear distribution in the U.S. for the net, whose programming includes BMX, surfing, snowboarding, motocross and skateboarding along with lifestyle trends designed for bilingual and Hispanic audiences.

ON THE CIRCUIT

Here's proof of how closely analysts are following connectivity companies: **Evercore** is hosting an inaugural TMT Conference on June 2-3 in San Francisco. It's an invite-only shindig that "will explore the key forces shaping the future of the technology, media and telecommunications sectors, including artificial intelligence, digital infrastructure, software innovation and evolving capital markets dynamics." Evercore Senior Managing Director *Tammy Kiely* said the event is meant to encourage dialogue between operators and investors at a time when business models are shifting. -- The **Caribbean Cable & Telecommunications Association** is gearing up for its 47th [annual conference](#) May 24-26 at the St. Kitts Marriott Beach Resort. In the Caribbean, operators and networks are beginning to align around FAST and ad-supported streaming as dual distribution and monetization strategies. This year's event reflects that with a mixture of operators, platforms and content stakeholders in attendance. New this year, board member and **FEVA TV** Content Distribution Director *Johnny Miles* is spearheading a "30 Rising Stars" Emerging Media Fellowship, designed to connect emerging Caribbean talent with development, distribution and platform access across the streaming ecosystem.

ACF AND GCI'S SUICIDE PREVENTION FUND

[Applications](#) for the **GCI** Suicide Prevention Fund are open through June 15 at 5pm. The fund is an annual grant program administered by the Alaska Community Foundation that supports projects and organizations that are helping reduce the suicide rate in Alaska, which ranks among the highest in the U.S. Applicants can request between \$1,000 and \$15,000, and the projects must begin after the award is given. Recipients will also need to submit a final report 12 months after awards are initiated. Since 2016, the program has contributed over \$1 million to Alaska-based organizations.

PROGRAMMER'S PAGE

SOFIA THE FIRST GETS A SECOND ACT

“Sofia the First” creator *Craig Gerber* knew it was time to revive his preschool series when he started seeing the theme song and other original numbers from the series go viral every so often. “I think it was really the outpouring of interest on social media from the original fans, the kids who are too young to post anything when they watch the show,” he told **CFX**. “These things happen enough times, and you realize that there was something about the character and the world [we created].” The existing fandom and a new generation will get to follow Sofia’s new adventures in the series “Sofia the First: Royal Magic,” premiering May 25 on **Disney Jr.** and next day on **Disney+** in the U.S. and select international markets. In the original series, which ran from 2013-18, Sofia was a girl reckoning with becoming a princess overnight. Now, she’s evolved into the most magical princess in the realm and must learn how to master her powers and make new friends—though some of her original pals, like Baileywick and Clover, are still around. *Ariel Winter* (“Modern Family”) reprises her role voicing the charming princess. One difference is that the original series featured 22-minute episodes. Now it’s going with the popular kids TV format of two distinct 11-minute episodes. Gerber acknowledged it makes things tricky. “Before you had about six or seven minutes to really set up the problem in an emotionally compelling way that audiences would care about. And now you have about four minutes tops. You gotta really hit the ground running,” he said. “It does make it a little bit tougher, at least for me, to create that emotional connection that’s going to really captivate viewers and pull them through the episode.” That also means two original songs per episode. The music was a huge part of the original series with the original fans (now teens) still referencing them. “I Belong,” a ballad from the original series about fitting in, recently caught fire on **TikTok**. “We have three different songwriters working on this show because of [the new format], whereas the first show, we had one songwriter,” Gerber explained. Now that Sofia has figured out what being royal is all about, Royal Magic lets her learn to be magical. “She has to learn to do this thing that actually is important, because it can save her friends and family when danger arises,” said Gerber. – *Amy Maclean*

REVIEWS

“Born to Bowl,” streaming on **HBO**. We know you don’t care about bowling, so why spend your spare time watching this five-part series from *Ben Stiller’s* production company? The answer has several parts: because it’s darned good storytelling, loaded with unusual yet very relatable characters. Moreover, it exposes viewers to a largely unknown section of the sports world, a subculture every bit as interesting as series following people living differently than most of us, such as **Discovery’s** “The Last Alaskans” (2015). Still on the fence? “Born,” which follows 5 professional bowlers as they compete on tour, also features the resonant voice of *Liev Schreiber*, the narrator of choice for so many sports-themed productions. — “Imperfect Women,” streaming on **AppleTV+**. Based on *Araminta Hall’s* book of the same name, this character-driven whodunnit features a loaded cast of *Elizabeth Moss*, *Kerry Washington*, *Kate Mara*, *Corey Stoll* and *Leslie Odom Jr.* The ladies are best friends who share everything. When one of the trio is murdered, we learn they shared things they shouldn’t have and not quite as much as they thought. Using a series of flashbacks, the story unfolds, at times a bit too slowly. As is the case with many such series, there are numerous left turns and several characters look guilty. In sum, it’s far from great television, but it’s a compelling watch. – *Seth Arenstein*

BASIC CABLE P2+ PRIME RANKINGS*		
(04/27/26-05/03/26)		
MON-SUN	MC US AA%	MC US AA (000)
FNC	0.794	2556
ESPN	0.546	1757
MS NOW	0.314	1012
HGTV	0.230	740
CNN	0.196	630
TNT	0.178	575
TBS	0.160	516
HALL	0.153	491
TLC	0.152	491
HIST	0.145	467
FOOD	0.140	452
DISC	0.130	418
USA	0.121	390
INSP	0.111	359
TV LAND	0.107	344
ID	0.104	336
GSN	0.104	334
A&E	0.093	299
BRAVO	0.090	291
FX	0.089	288
ESPN2	0.088	284
HALLMYS	0.083	268
OXY	0.082	263
NAN	0.079	254
WETV	0.077	249
LIFE	0.068	220
REELZ	0.065	210
COM	0.063	204
NWSMX	0.062	199
AMC	0.060	193
FRFM	0.058	187
TRUTV	0.056	179
FS1	0.054	173
NWSNTN	0.049	158
E!	0.048	156
BET	0.048	156
FETV	0.048	154
ADSM	0.045	144
MGNLA	0.045	144
SYFY	0.044	143
NATGEO	0.043	140
FXX	0.043	139
UP	0.043	137
HLN	0.043	137
MLB	0.041	131
IFC TV	0.041	131

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