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Philadelphia Daily News
As election nears, is Pat Toomey the new Arlen Specter?

The Pennsylvania Turnpike could communicate directly to cars and trucks someday with a new communications system already in the works.

The turnpike commission hopes to choose legal and financial consultants later this year to guide plans to develop a fiber-optic cable broadband internet network along the 550 miles of turnpike. The network would replace the turnpike's microwave-radio system, whose capacity to carry data from toll plazas, camera systems and road sensors to centralized computers will eventually reach its limit, turnpike officials said.

Turnpike Chief Information Officer Scott Fairholm envisions a system that transmits traffic, road and weather conditions directly into car and truck dashboards outfitted to accept the information, a feature future vehicles will certainly have. Already, the turnpike has sensors woven into asphalt to detect road conditions, usually in more mountainous areas, signs to notify drivers of

Harrisburg Patriot-News **Toomey, McGinty exchange barbs over Trump, Clinton in first debate** ***Calkins Media*** **Toomey demands McGinty's Wolf administration emails be released before election**	weather and traffic conditions, and cameras to monitor traffic. "The way I like to think about it is we have a physical (road)," Fairholm said. "In technology these days, there winds up being a digital twin to that physical (road). So we're preparing the digital (road). We can communicate and run the physical (road) better." The microwave system transmits data about collections at toll plazas, E-ZPass usage, pictures from 65 traffic-monitoring cameras, pictures of vehicles that pass through toll booth lanes without paying and myriad other information. Microwaves also connect the turnpike's phone system. "We're in the middle of an upgrade (of the microwave system) and at that point I'm kind of out of options," Fairholm said. "And the only way to get more capacity — and there's sort of a never-ending requirement for capacity — is to put fiber in ... As technology evolves, there's more and more opportunity to get more data about the road and about our operations to improve safety and improve the customer's experience. For example, the commission could equip road workers with sensors that let drivers know they are approaching a work zone. "We run an app called Trip Talk and we could send those messages to Trip Talk that say, 'Hey, there's a worker on the road, be careful,'" Fairholm said. He said he's unsure how much more data the fiber-optic system will carry because the commission hasn't decided how many fiber-optic cables to install. "We'll be putting down multiple strands of fiber and significantly increasing our capacity," Fairholm said. The consultants will help choose private contractors to build the system at their own expense, operate it and sell excess network capacity to other state agencies or private businesses. The public-private partnership means construction and operations won't cost the turnpike anything and could produce some revenue from selling excess capacity, commission spokesman Carl DeFebo said. The turnpike has the advantage of already owning all the land where the cable will lie, and that should make the idea attractive to potential operators, DeFebo said. The commission hopes to issue a request for proposals seeking companies to build and operate the network by the end of this year with construction starting at the end of 2017. Depending on the network's design, construction could take years. "I can't say how many. Three (years) seems reasonable, but it could go longer and I suppose if a vendor wanted to be aggressive, they could go shorter," Fairholm said. – ***Hazleton Standard-Speaker*** ——————————————————— Netflix Inc. blew through its forecast for subscriber additions in the September quarter, reassuring investors who were skittish about the streaming giant's growth trajectory and sending its shares soaring 20% in after-hours trading. The better-than-expected performance came mainly in international markets, where the company has completed **a massive, near-global expansion this year**. Netflix is making a big bet that the same mix of edgy original content and library programming that has taken the U.S. media world by storm will translate overseas. The company added 3.2 million international subscribers in the quarter, compared with its guidance of 2 million. In the U.S., Netflix added 370,000 subscribers in the period. That is more than 20% ahead of its forecast of 300,000, though sharply below the year-ago quarter's 880,000 additions, reflecting how the U.S. streaming market is maturing as more consumers sign up for Netflix, Amazon.com, Hulu and other services. Wall Street's reaction shows that the company's global rollout across many territories at once is creating a foggy business outlook—for itself and investors—and leading to a volatile expectations game. The September quarter's performance was better than the year-ago quarter's 2.74 million international subscriber additions, but in the intervening time Netflix has launched in more than 130 countries, elevating its growth potential substantially.

Last quarter, when Netflix missed its internal estimates for subscriber growth, Netflix Chief Executive Reed Hastings apologized on the call to investors for the volatility of Netflix's stock, which sank 13% after the results. On Monday, as Netflix shares soared, Mr. Hastings smiled and said: "We can all see it's time for me to apologize for the volatility again." Shares surged nearly 20% to $119.35 in after-hours trading. Before that, the stock had fallen 13% this year as the streaming video giant has struggled to keep up with investors' growth expectations. "This is a weird year," said MoffettNathanson analyst Michael Nathanson. "In some ways, we're being swung around by our inability to forecast what's a brand new market, which is the rest of the world."

Despite the subscriber beat this quarter, he said "we're in the camp that we think international is not all it's cracked up to be," due to the uneven nature of internet service and regulatory environment around the world. Longtime Netflix investor Zevenbergen Capital Investments takes the opposite view. It has taken advantage of recent dips in Netflix's shares to buy, and says it's in the stock for the "long term." "We realize this is a long process," said Joe Dennison, Zevenbergen portfolio manager, referring to the global expansion. "If you look at the bigger picture, this is the direction the world is moving and they are really the only global player."

Netflix's report of 3.57 million new streaming subscribers globally, which brings its total customer base to about 83 million paid users, comes a quarter after it **reported its weakest subscriber expansion** in three years. Growing the customer base is crucial for the company to offset its growing content costs, as it seeks to offer evermore shows and movies to appeal to customers all over the world. In **a letter to shareholders**, Netflix said the impact of its original show premieres was "greater than anticipated" in international markets, propelling strong subscriber numbers. The company called out "Narcos," the Latin American drug drama, as a show that had "positive impact" on subscriber acquisition across all of its markets. "We're having broad success around international," Mr. Hastings said on a video call with analysts. "We're continuing to make those investments" but "we've got a lot of room to go to improve the service."

Turning a profit off the global expansion is the next challenge. Netflix said it expects to lose more money from its international operations next quarter as it continues to invest in original content, targeting more than 1,000 hours of original programming next year, a roughly two-thirds increase. The company expects content spending in 2017 to increase to $6 billion from $5 billion this year, and it plans to take on more debt in the coming weeks.

Best known for dark dramas and comedies such as "House of Cards" and "Orange is the New Black," Netflix is branching out into different genres including reality shows. On the call, Netflix Chief Content Officer Ted Sarandos said the recent hire of a well-regarded former NBCUniversal executive, Bela Bajaria, was done in part to focus on getting a "good, steady flow of high-quality unscripted programming." Overall, for the third quarter, Netflix reported profit of $51.5 million, or 12 cents a share, up from $29.4 million, or 7 cents a share, a year ago. Revenue rose to $2.29 billion from $1.74 billion in the year-ago quarter.

Netflix reiterated that it expects to start delivering material global profit next year. In the letter to shareholders, Netflix said it is going to explore opportunities to license its shows to other online players in China, a way to build Netflix's brand. Mr. Hastings recently said "it doesn't look good" for Netflix's prospects of entering China as a stand-alone streaming service in the near term.

The video company said the revenue contribution from China licensing will be "modest." In the long term, it still hopes to "serve the Chinese people directly, and hope to launch our service in China eventually." Netflix has also been customizing its user interface in markets such as Poland and Turkey, accepting payments in local currencies and offering local-language options for navigating its apps and for streaming its content. Netflix said it has seen “nice gains” in viewing and retention as a result and is going to expand the initiative in other countries. In the U.S., there has been a growth slowdown. But Mr. Hastings said he still thinks Netflix can reach 60 million to 90 million subscribers in the U.S., up from 48 million today. He called out the coming royal drama “The Crown,” one of the most expensive shows Netflix has ever made, and said “when you watch that show, it’s going to seem quite achievable.”

Netflix expects to add 5.2 million subscribers in the fourth quarter, compared with the 5.59 million it added in the year-ago quarter. Netflix attributed the expected year-over-year decline in new subscribers to the uptick in service cancellations by consumers who were temporarily locked into lower-priced packages but now face price increases. That process would be over in the fourth quarter, the company said. Service cancellations have been more pronounced in the U.S., where more than half of its customers had been “grandfathered” at the lower prices. Mr. Hastings said he’s constantly reminding his employees that even though Netflix is closing in on 100 million world-wide subscribers, Facebook and YouTube have more than a billion daily active users. “We are just so small compared with those other internet video firms,” he said. “I think you have to think big about the future.” – ***Wall Street Journal*****;** **in *San Francisco Chronicle*: Is a Netflix + ESPN Service in the Cards?**

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People close to Donald Trump have made overtures to media executives in recent months about the possibility of launching a media venture to capitalize on the Republican presidential candidate’s appeal, people familiar with the matter say. Jared Kushner, Mr. Trump’s son-in-law who is also a close adviser to the GOP nominee, reached out to prominent investment banker Aryeh Bourkoff within the past few months to discuss the prospect of creating such a business after the election, the people said.

Mr. Kushner, a scion of a real-estate family with his own holdings in both real estate and media, and Mr. Bourkoff, the chief executive of LionTree Advisors LLC, a boutique investment bank known for its work on big media deals, are friends. They met for a cup of coffee, but Mr. Bourkoff wasn’t interested and didn’t pursue the project, the people said. An adviser to Mr. Trump’s campaign said the topic hasn’t been discussed. “Mr. Trump is only focused on the issues and winning the election on Nov. 8,” the adviser said.

The primary business model that was being explored was a subscription online video service similar to Glenn Beck’s GBTV, which later became TheBlaze, according to the people familiar with the matter. It might be possible to use such a venture as a launchpad for a cable-TV channel. Separately, Trump campaign officials also reached out to a subscription streaming technology provider within the past three to four weeks to explore such a digital model for Mr. Trump, according to another person familiar with the matter. The Financial Times on Monday reported on Mr. Kushner’s meeting with Mr. Bourkoff.

The Trump camp has been talking internally for some time about a potential media venture that would build on his populist appeal and the large crowds and fervent support he’s drawn, according to the people familiar with the matter. Still, there is no evidence of business planning beyond these preliminary conversations. And in an interview last month, Mr. Trump strongly denied the notion he had plans for a postelection media business, saying the idea of running for president to launch a TV network was ridiculous. “‘Do you think I would do all this for TV?” Mr. Trump said. “I’m out here every day doing this to bring positive change for our country. That TV talk is ridiculous.”

Mr. Trump noted he gave up a lucrative TV show, “The Apprentice,” which he still co-owns, to run for president. Because the speculation intensified with the naming of Breitbart News’ Stephen Bannon as campaign chief executive, insiders at Trump headquarters say Mr. Bannon has been adamant in his response, often repeating: “We are going to the White House.” During the campaign Mr. Bannon has taken leave as chairman of Breitbart News. As Mr. Trump’s standing in the polls has slipped in recent weeks, he has been campaigning in a style aimed primarily at pleasing his core base, rather than expanding the tent to moderates and independents, many observers say. That has fueled the speculation that he is cultivating a ready audience should he pursue a media venture after the election.

The media business can be brutal. In cable television, entrepreneurs must make large investments and get their channels carried by satellite and cable TV distributors. As cord-cutting picks up, those pay TV providers nowadays are looking to trim back channels, not add more. That said, Mr. Trump has powerful allies in the TV world including Roger Ailes, who was ousted this summer as the chief of Fox News, and top talent at that cable news network. The digital media landscape may offer easier startup opportunities. Mr. Beck’s venture, GBTV, which launched in 2011, was able to be profitable early on by getting hundreds of thousands of fans to pay $9.95 a month to watch the online videos. Building on this base, the channel then expanded to traditional television, with carriage on major pay-TV distributors like Dish Network.

Speculation of Mr. Trump’s media ambitions have been swirling throughout the campaign. In June, Vanity Fair also reported on the possibility of a Trump media business. Former Republican candidates Sarah Palin and Herman Cain launched subscription services with streaming video provider TAPP a couple of years ago, though those faded away after some time. If Mr. Trump were to pursue such an offering, there are a number of streaming providers who have built technology to launch such services. In addition to TAPP, BAMTech, a streaming media unit created by Major League Baseball and recently backed by Walt Disney Co., powers such services as Mr. Beck’s TheBlaze and World Wrestling Entertainment’s streaming network. Verizon Communications’ Verizon Digital Media Services arm, Pivotshare, NeuLion and Time Warner-backed iStreamPlanet also offer similar streaming technology. – ***Wall Street Journal***