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In Pennsylvania, rural broadband access is like the weather. Everybody talks about it, but nobody does anything about it.

According to a recent Associated Press report, about 800,000 Pennsylvania residents lack access to high-speed internet, which is defined under Pennsylvania law as at least 1.544 megabits per second download speed and 128 kilobits per second upload speed. Most of these are in remote areas of the state, including the rural communities of western Pennsylvania.

The FCC reports that 20 percent of rural Pennsylvanians do without speedy internet connections, compared to 3 percent in urban areas. That impacts more than just those frustrated by an inability to stream music or video. A dearth of high-speed connectivity can leave both brick-and-mortar and online businesses struggling to keep up, make it difficult for employees and students to work from home and limit resource options for health care.

However, just as one is unlikely to find major retailers locating their stores in towns of just a few hundred residents, internet service providers also seem loath to extend their networks into areas where the potential for customers fails to match or exceed the cost of construction. Ensuring that everyone has adequate internet access, though, shouldn't be strictly a matter of profit and loss. Many observers have rightly observed that the need for rural broadband access is akin to the extension of decent roads, or phone, water and electric service a century ago. The federal government assisted in providing funds for such projects then, and is making money available today for broadband expansion.

Unfortunately, Verizon turned down federal subsidies of \$138 million over six years to improve service to 64,620 rural homes and businesses, telling the Associated Press that it is committed to completing the Fios network it began in 2010 before considering bring fiber optics to new areas. The Federal Communications Commission now plans to distribute those funds through an upcoming nationwide auction, the Associated Press reports, a move that state officials are trying to head off through public advocacy and a pending FCC petition.

Meanwhile Assistant to the Secretary for Rural Development Anne Hazlett announced this week that USDA is investing more than \$200 million in infrastructure projects to bring broadband to hundreds of unserved and underserved rural communities. These awards are being financed through USDA's Telecommunications Program, which has provided financial assistance to more than 500 telecommunications providers nationwide.

[Philadelphia Daily News For a better Pennsylvania: Part 1 - money](#)

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None of the new recipients, though, are in Pennsylvania. Comprised of a package of eight grants and 10 loans, the money will go toward broadband projects in rural West Virginia and 12 other states. Expanded high-speed internet access is on President Trump's infrastructure to-do list.

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Spectrum

Democratic lawmakers demonstrated a similar predilection in September when they called for \$40 billion in new federal funding for infrastructure projects for rural and tribal areas. Put together, that sounds suspiciously like the opportunity for rare bipartisan agreement. But as Hazlett noted, "nearly 40 percent of rural residents and businesses lack access to the same quality service available in urban centers."

That means that whatever money is available, there are a lot of folks looking to claim a chunk of it.

Pennsylvania's Public Utility Commission and other officials need to up their game to help ensure all Keystone State residents are on a level playing field, with the nation and with each other. – *New Castle (Lawrence Co.) News editorial*

Is dirty politics going on at the Justice Department's antitrust division?

The proposed merger of AT&T and Time Warner has suddenly run into trouble despite being under review for more than a year. Liberals who usually can't stand a media combination are cheering the deal on because they dislike Donald Trump, who during last year's campaign said the deal should be blocked, apparently because of his animus against CNN. The folks at CNN, a Time Warner property, are particularly incensed by the last-minute obstacles. They smell an improper Trump political vendetta against their news organization.

Suspicious too are many independent analysts, who have generally endorsed the deal as strongly pro-competitive because wireless would finally start to be used to challenge the local cable oligopolists. When has a new antitrust chief so thoroughly stepped in the salmon mousse? All this is unfair to Makan Delrahim, who arrived as the department trust-busting chief just a few weeks ago and immediately threw a wrench into a deal that many expected to sail through.

The little-known lawyer is portrayed in the press as a Trump stooge, a political hack. He's getting a bum rap. Mr. Delrahim has upset the AT&T-Time Warner apple cart, all right. But he's doing it not for Donald Trump. He's doing it for the sake of Washington's army of antitrust lawyers, lobbyists and hand-holders who otherwise would have to find honest work. The regulatory establishment he now heads, in fact, has devoted a decade to elaborating new rationales for meddling in increasingly competitive media and telecom markets. Check out the 2015 Duke University [speech](#) of Mr. Delrahim's predecessor, Bill Baer. Revisit the strained reasoning behind the Obama administration's "net neutrality" intervention.

A kind of virginity is lost in the transition from outsider to insider. Mr. Delrahim, as a mere Pepperdine law professor, said of the AT&T deal: “Just the sheer size of it, and the fact that it’s media, I think will get a lot of attention. However, I don’t see this as a major antitrust problem.” As the most prominent defender of Washington’s antitrust imperium, his priorities now are different. A major antitrust problem *must be found* if antitrust is to retain its political and bureaucratic relevance.

His intellectual path was laid down by the Obama regulators when they vetoed a major Comcast cable deal as well as two proposed big wireless mergers. Their reasoning, which he now applies to the AT&T-Time Warner deal, is distinguished mainly by what it ignores. Ignore the fact of cord-cutting, which is unraveling the traditional cable TV business model. Ignore the emerging competition of fixed and wireless, which is blowing up the separate sandboxes once enjoyed by the mobile and cable industries. Ignore the explosive arrival of Amazon Prime, YouTube and Netflix to command a large and growing share of the hours that Americans once devoted to watching traditional TV.

Embrace the premise that AT&T’s control of CNN and a handful of other modestly popular Turner Broadcasting channels is tantamount to a monopoly on medicine for orphans. Promote the preposterous notion that CNN, though regularly whupped in the ratings by Fox News and MSNBC, is a precious asset that would give AT&T power to bring Comcast, Charter, Apple, Netflix, Google, et al. to their knees. Voilà, an excuse to meddle in the deal.

In truth, Mr. Delrahim’s colleagues at Justice were already manufacturing reasons to lard the deal with so-called behavioral remedies before letting it go through. Mr. Delrahim merely upped the ante on arrival by saying behavioral remedies aren’t enough, divestitures are required. Altogether, there is nothing novel in this episode, except the idiosyncratic Trump factor. Merger review—and especially review of media mergers—has long since become an occasion for arbitrary regulatory shakedowns at least since the Clinton years. Mr. Trump’s anti-CNN grudge actually appears to be providing AT&T a measure of inoculation. Judging by Friday’s headlines, Mr. Delrahim already is in full retreat under hostile fire from the usually anti-merger left.

If so, the ending will be a happy one. Mr. Trump’s off-the-cuff jibes are seldom worth taking seriously. Certainly his attacks on CNN were the furthest thing from Mr. Delrahim’s mind when he began looking for reasons to fiddle with the AT&T-Time Warner deal. This episode, from beginning to end, is about the bureaucracy being the bureaucracy. The only shocking thing is that partisan politics, for once, are working in favor of protecting the right of two big companies to merge. – **Wall Street Journal**

Early this year, President Donald Trump’s son-in-law and aide, Jared Kushner, met a top executive at CNN parent Time Warner Inc. and raised concerns about the network’s coverage of the presidential election. Mr. Kushner told the executive, Gary Ginsberg, that CNN should fire 20% of its staff because they were so wrong in their analysis of the election and how it would turn out, people familiar with the matter say.

A White House official said Mr. Kushner didn’t intend the comment to be taken seriously, and was simply trying to make a point. Inside Time Warner, it wasn’t taken lightly. Now, as the government has raised concerns in its review of Time Warner’s pending sale to AT&T Inc., people within the companies and on Wall Street are speculating that the Trump administration’s feelings about the network could be influencing the deal.

The government has denied politics is playing a role in its examination of the merger, and AT&T Chief Executive Randall Stephenson said Thursday he has no reason to suspect that is a factor. But Mr. Stephenson expressed some doubt at a meeting Monday, when AT&T executives visited the Justice Department. Mr. Trump’s recently confirmed antitrust chief, Makan Delrahim, raised the prospect that the companies would have to sell either Turner, parent of CNN and other cable networks, or the DirecTV satellite unit, people familiar with the talks said.

Mr. Stephenson responded by asking whether the notion of a Turner divestiture was really just a demand to sell CNN, people close to the companies said. He asked what problem that would solve. People familiar with the government’s thinking on the meeting dispute this characterization of events. For well over a year, CNN and the Trump camp have been at loggerheads over what the administration says is unfair treatment of the president. Representatives from the two sides have come together multiple times to try to de-escalate the feud, but ultimately those meetings produced only brief lulls before hostilities flared up again, say people familiar with the matter.

Mr. Trump was on good terms with the network early on in his campaign, calling into its shows regularly. When Corey Lewandowski was the campaign manager, he would call to complain, but CNN found the situation generally manageable, people familiar with the relationship say. After Mr. Lewandowski was fired by Mr. Trump in June 2016, Mr. Kushner took on a greater role. On behalf of

the campaign, he began lodging regular complaints with CNN executives. The turning point was a speech by Mr. Trump in New York on June 22 about everything from the economy to Hillary Clinton's Wall Street speeches, people familiar with the matter say.

Mr. Kushner was irate at the fact-checking CNN did and called CNN President Jeff Zucker, the people say. He said campaign officials wouldn't appear on CNN because of their view that the coverage was unfair and the fact-checking was poor. Mr. Zucker defended the reporting and didn't take kindly to the threat, the people say.

Trump campaign officials complained that the makeup of CNN's expert panels were tilted against them, that even the Republicans weren't really pro-Trump, the people say. CNN came to its own conclusion that it needed to actively recruit more contributors sympathetic to Mr. Trump, they say. In July 2016, Mr. Trump himself called Mr. Ginsberg to express his frustration at the coverage, according to a person familiar with the call. Mr. Ginsberg said the network was being fair, highlighted the new contributors who had been hired, and read a list of seven of them, the person said.

Later that month, as the campaign's boycott of CNN was going into full swing, Messrs. Zucker and Kushner met to try to resolve the issue. Mr. Zucker told Mr. Kushner that the campaign's posture of freezing CNN out of major interviews made no sense, because the network was the best avenue to reach independents, whose support Mr. Trump would need, people familiar with the discussion say. Mr. Kushner vowed to focus on local TV and online avenues to reach voters, and argued the campaign didn't need CNN, a White House official said. The rapprochement failed.

Relations continued to deteriorate and the Trump campaign expressed frustration at coverage of the Republican National Convention, when CNN showed polls that said its audience approved of Mr. Trump's speech, while several panelists were criticizing it, the people familiar with the matter said. By the end of the campaign, Mr. Trump had ratcheted up his criticism significantly in public, labeling CNN "fake news" in tweets and speeches. When the AT&T deal was announced late in the campaign, Mr. Trump said, "AT&T is buying Time Warner, and thus CNN, a deal we will not approve in my administration because it's too much concentration of power in the hands of too few."

Things didn't improve after the election. When Mr. Kushner made his remark about cutting 20% of CNN staff, Mr. Ginsberg told him there was no scenario under which Time Warner would do that, one of the people familiar with the matter said. In September, the companies thought they were on the verge of getting Justice Department approval, with conditions that appeared mostly in line with similar deals, people close to the companies say. But last month, after Mr. Delrahim was confirmed, the government pushed more forcefully for structural changes, not just promises of adhering to certain behavior, they say.

Some Justice Department officials have been frustrated with what they viewed as a campaign by the companies to create a sense of inevitability around the deal's approval, according to people familiar with their thinking. The Justice Department was considering a possible challenge to the deal before Mr. Delrahim was confirmed to lead the antitrust division, they say.

When it approved Comcast Corp.'s acquisition of NBCUniversal in 2011, the Justice department imposed "behavioral" requirements such as making NBCUniversal content available to rivals. People familiar with the government's current deliberations say some in the Justice Department believe those sorts of conditions were ineffective, and shouldn't be repeated this time with AT&T. Mr. Stephenson, speaking at a conference Thursday, said he was never told the price of getting a deal done was CNN, and that he won't sell it. 21st Century Fox Executive Chairman Rupert Murdoch called Mr. Stephenson twice this year to gauge the telecom CEO's interest in selling CNN should the merger be completed, say people familiar with the calls, which were first reported by Reuters. Two of the people say Mr. Murdoch didn't offer to buy CNN, while others say he did mention buying it and Mr. Stephenson said it wasn't for sale. Mr. Delrahim said he has "never been instructed by the White House on this or any other transaction under review by the antitrust division."

Even if the deal closes, concerns about CNN's independence could linger, as some staffers still aren't sure what kind of steward AT&T would be. The telecom company has repeatedly vowed to protect CNN's editorial independence. If AT&T wanted to make a change in leadership at CNN, it would be in position to do so at the end of 2018, when Mr. Zucker's contract expires, people familiar with the matter say. In a statement to Vanity Fair last month, AT&T said, "As it relates to CNN, it's clearly a great organization, they are having a great year, and Jeff Zucker is doing a terrific job."

A few months ago, AT&T executive John Stankey, who would be charged with running the Time Warner media assets if the deal goes through, asked to visit CNN's newsroom and get a better sense of the editorial operations, said a person familiar with the matter. The request was an unusual one for CNN, where visits from corporate executives at Time Warner are rare. Mr. Zucker declined,

feeling that the optics of an AT&T executive making the rounds wouldn't be good before the merger closes, people familiar with the matter say. The fate of the merger and Mr. Zucker are hot topics within the network. "It's been the looming question," one staffer said. – *Wall Street Journal*



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