

# A BETTER CHOICE FOR YOU



Atlantic Broadband provides residential and business customers with advanced Internet, TV and Phone services.

**[atlanticbb.com](http://atlanticbb.com) • [atlanticbb.com/business](http://atlanticbb.com/business)**

Services subject to availability. Contact Atlantic Broadband for details.



**February 4, 2021**

## **Harrisburg Patriot-News**

**[Comcast sets sights on central Pa.: 5 new Xfinity stores planned for the region](#)**

## **New York Times**

**[Are Private Messaging Apps the Next Misinformation Hot Spot?](#)**

## **Next TV**

**[Fox News Leads Cable News Network Rally](#)**

## **Politico**

Cable broadband subscriber growth in 2021 will not match the gangbuster numbers seen in 2020, according to industry analysts. But they still see reasons to remain bullish about Comcast Corp. and Charter Communications Inc., the two largest cable operators in the U.S.

While Comcast recently reported a record fourth quarter in terms of high-speed internet additions, Charter closed out 2020 with a year-over-year decline in quarterly residential broadband customer additions. Despite the divergent performances, analysts remain optimistic about both companies' ability to drive margin growth going forward. "The outlook for cable is extremely strong with the ability to take share and ARPU [average revenue per user] a powerful combination," said Jeffrey Wlodarczak, Pivotal Research Group's principal and senior analyst of entertainment and interactive subscription services, in a Jan. 28 research report about Comcast specifically.

As part of his positive investment theses on both Comcast and Charter, Wlodarczak believes high-margin broadband subscriber gains will "overwhelm" the declines from the companies' pay TV business. MoffettNathanson analyst Craig Moffett wrote in a Jan. 28 research report that he has heard three bear cases for cable heading into 2021.

**Bezos' 'departure' worries Amazon's Washington critics**

**Pittsburgh Tribune-Review**  
**Pa.'s lagging vaccine rollout takes center stage in Harrisburg**

**Spotlight PA**  
**Wolf asks for tax increase on Pa.'s top earners amid pandemic, GOP pans proposal as 'irresponsible'**

**Harrisburg Patriot-News**  
**As Pa. budget shows, the governor is from Venus, the Legislature is from Mars**

**Philadelphia Inquirer**  
**A Never Trump Republican from Philadelphia is eyeing next year's U.S. Senate race in Pennsylvania**

For the first case — that a Democratic-led administration will regulate broadband pricing — Moffett says he is "not concerned about the regulatory thesis." While the Federal Communications Commission is currently split 2-2 along party lines, President Joe Biden is expected to nominate a third Democratic member to the commission soon. Industry observers believe a Democratic-led FCC will likely reclassify broadband as a Title II telecommunications service, restoring more regulatory authority to the agency over broadband service providers, including the ability to impose net neutrality rules. Despite the increased regulatory authority, most analysts do not expect a Democratic-led agency to pursue rate regulation.

For the second bear case Moffett listed — that fixed wireless broadband will make a comeback — Moffett says he is "not particularly worried about the threat to cable." The third case, which is that broadband growth will decelerate in 2021, Moffett says is "almost certainly true." But he noted it is not overly worrying. "We all know that broadband growth will decelerate in 2021. It can't stay at this pace," said Moffett. "But with margins continuing to rise faster than expected, and with capital intensity continuing to fall, it isn't as clear that EBITDA growth, or free cash flow growth, will decelerate," he added.

For Comcast in particular, Moffett said the company is generating strong performances in other parts of its cable business, beyond broadband. For instance, Moffett noted that local cable advertising, business services and wireless growth were all bright spots. Wlodarczak similarly forecasts "a solid '21 result and a significant acceleration in '22" for Comcast, boosted by a normalizing economy, continue broadband growth and a maturing wireless business. Comcast ended 2020 with more than 2.8 million wireless lines. It reported 246,000 net wireless line additions in the fourth quarter of 2020, slightly down from 261,000 in the year-ago period.

Turning to Charter, Wlodarczak said that while executives are forecasting 2021 will be similar to 2019 in terms of performance, "the set-up for '22 is unquestionably strong." He noted the "continued positive effects" of an increasing share of revenue from high-margin broadband subscribers and "wireless swapping from material losses to gains." As of year-end, Charter served a total of 2.4 million mobile lines, with 1.3 million mobile lines added in 2020 versus 948,000 added in 2019. Wlodarczak also cited a return of political advertising, a continued rebound in small- and medium-sized business customers and likely economic normalization as positive factors for Charter.

Analysts also continue to believe Charter's participation in the Federal Communications Commission's Rural Digital Opportunity Fund, which targets financial support to help deploy high-speed broadband networks in parts of rural America that do not have fixed broadband service of 25 Mbps for downloads and 3 Mbps for uploads, will be a boon for the company. Charter announced on Feb. 1 that it expects to invest about \$5 billion to expand its high-speed broadband coverage to more than 1 million unserved U.S. customer locations. The investment includes \$1.2 billion of support that Charter secured in the FCC's RDOF Phase I auction.

In a Feb. 1 note to investors, Jonathan Chaplin — who leads the U.S. communications services research team for New Street Research — said that one implication of Charter's announcement is that the internal rate of return for the RDOF project could be modestly lower than expected, but still attractive. "The total capital outlay is less than we thought before the auction, which should place less pressure on free cash flow for the duration of the build," added Chaplin.

While Moffett noted that Charter's business services growth has been suppressed by the pandemic and other factors, he expects it to recover in 2021 and provide "a nice tailwind to growth rates." Additionally, Moffett says he expects cable advertising to recover in the first half of 2021 as well. Ultimately, he suggested the outlook for the stock will boil down to which factors are prioritized. "What matters more, slowing broadband growth, or explosive

growth in free cash flow per share? We're still in the bull camp," he said.

– **S&P Global**

---

GOP activists are strategizing on ways to combat what they believe is Big Tech's anti-conservative bias. One idea quietly gaining ground: Extend so-called net neutrality rules beyond telecom companies and make them applicable to technology companies as well, FOX Business has learned. Now that companies like the conservative social media app Parler contend with being removed by Amazon's web services and being dropped by Apple's App Store, GOP activists see this as a call to arms. These Republican insiders interviewed by FOX Business say they have approached GOP lawmakers about possibly passing legislation that would create a more inclusive net neutrality proposal.

They believe the rules — if enacted by Congress and signed into law -- would make it more difficult for companies like Apple, Amazon, Google, Facebook and Twitter to ban conservative voices from various social media and tech platforms. Net neutrality involves a set of rules adopted by the Federal Communications Commission (FCC) during the Obama administration that essentially treated internet service providers and cable companies like public utilities, and subjected them to various rules preventing the prioritization of certain types of content. Net neutrality would prevent a company like AT&T from making content it owns, like HBO, quicker to access or slowing down access to companies it competes with, like Netflix.

Most of the rules were repealed by the Trump administration's FCC chief Ajit Pai, a free-market conservative, who argued that the measures were an anti-competitive insertion of government into private business dealings between competing companies. But with Democrats controlling Congress and now the White House, most telecom executives and GOP activists expect some sort of net neutrality rules to be enforced by the Biden administration's FCC.

GOP activists and lobbyists interviewed by FOX Business concede legislation that would extend net neutrality rules to Big Tech is a long shot given the current makeup of Congress. Still, they believe they can start a debate on the matter that could focus the public's attention on what they believe is the tech industry's stifling of conservative voices. "If Democrats want to talk about net neutrality, they're going to have to include Big Tech," says one former FCC official. "It has to be a holistic conversation."

Trump and many conservatives have long complained about Big Tech censoring speech on its platforms through various measures such as "shadow banning (restricting a user's visibility on the platform) and placing warning labels on what social media companies consider controversial opinions. Executives at many Big Tech outfits are progressives and some open supporters of left-leaning policies. The outrage from the right reached new heights [with the removal of Parler](#) and then Twitter and Facebook banning several controversial conservatives including former President Trump from posting on their platforms.

The tech companies counter that the bans were not made in haste and were necessary. They also followed reviews of the content under scrutiny from politicians and the conservative press. Parler, the tech companies contend, is riddled with conspiracy theories and hate speech. Trump's Twitter and Facebook accounts were permanently suspended after [his controversial rally in Washington D.C. last month](#) resulted in an angry mob attacking the U.S. Capitol and five people being killed.

Still, conservative activists say the total bans of such voices are unfair, particularly given the fact that Twitter and Facebook allow controversial dictators such as Ayatollah Ali Khamenei, the supreme leader of Iran, access to their platforms. With that, they've been lobbying GOP members on the Senate Committee on Commerce, Science, and Transportation — the committee with jurisdiction on these matters — about introducing legislation to

extend net neutrality to Big Tech. A spokeswoman for the committee declined to comment, but would not deny that members are exploring expanded net neutrality as a way to rein in Big Tech.

But even some Republicans may be hesitant to mount an attack against Big Tech through an expansion of government. Many conservatives, for instance, have opposed repealing [Section 230 of the Communications Decency Act](#) that provides technology companies what's known as a safe harbor—meaning they are not responsible for what's posted on their platforms. These conservatives worry it will set a precedent of government intervention in a major and successful U.S. industry. “It's always really difficult to pass legislation, even under the best of circumstances,” said Robert McDowell, a former FCC commission and currently a partner at Cooley LLC. “On top of that add into the mix that Congress is effectively split 50-50, and that's the perfect recipe for absolutely nothing to happen.” – **Fox Business**

---

Oh, brother. If you wanted to create a new family fun game “Name the Worst of Pa. this Week,” you’d have competitive choices.

There’s our vaccine distribution, or Operation Molasses. There’s a monumental government screwup impacting victims of child-sex crimes. And there’s a state budget plan seeking more of your money that kinda sounds like callopie music. Good thing there was a snow day. The week coulda been worse.

As is, the Keystone State, once again, looks like a place for the Keystone Kops. Or for public officials running around in big shoes, wigs, with seltzer bottles. We don’t have three branches of government. We have three rings under a tent. And Philadelphia! [Hired college kids for a vaccination center](#) who pocketed doses, took pictures vaccinating each other, and botched appointments for seniors.

Question: How does a state with riches and resources, science and scholarship, always manage to appear politically pathetic? Answer: Practice, practice, practice. Topic A is the vaccine. Yet another pile of CDC data shows [Pennsylvania still lagging behind a majority of states](#) in terms of vaccinating its citizens. This after Gov. Tom Wolf initially touted our vaccine rollout as “phenomenal,” and later (presumably after realizing, OK, maybe somewhat less than “phenomenal”) claimed we ranked in “the middle” of states. Yeah, see, “the middle” isn’t 40th or 39th, which is where we hover.

And what’s our Department of Health say? It says we rank in the top five. Yep. In terms of administered doses, we rank in the top five. So, see, we’re doing great! Well, at least we’re doing great spin. We rank in the top five if you use raw population numbers. We’d rank in the top five for anything to do with population – one-armed men, blue-eyed girls – because we’re the fifth most-populous state.

Guess who ranks above us in terms of administered doses? The four larger states: California, Texas, Florida, New York. But CDC data reflecting efficiency, namely the *percentage* of a state’s population that has gotten at least one shot, shows Pennsylvania 39th -- below the national average, below every neighboring state. So, stop. It’s no time for spin. It’s time to “do better,” as Wolf promised.

Speaking of doing better, I imagine our Department of State (DOS), wishes it could just do basics. Instead, it flat-out failed a simple duty related to child-sex crimes detailed in a 2018 grand jury report: abuse by 300 Catholic clergy over several decades, with 1,000-plus victims and a massive coverup by the Church. In the wake of the report, remedies included changing the state Constitution to give survivors a two-year window to sue abusers and institutions after statutes of limitations expire.

But [the department’s colossal error](#), leading to Secretary Kathy Boockvar’s resignation, prevents voters from approving such change as soon as this

May's Primary Election – and at least for another two years. All the department had to do was meet a requirement to advertise the change statewide. This must be done each time the legislature passes a proposed constitutional amendment in two successive sessions. It wasn't done in the last session. So, the multi-year process to get a proposed amendment to voters now has to start all over again.

Incompetence is too mild a word. As the state Office of Victim Advocate put it, "This additional victimization to survivors is unconscionable." And hard to understand. Changing the constitution doesn't come with a checklist? A date trigger? An alert? I get cellphone alerts for a haircut. And, of course, the state department, after playing good vs. evil with Republicans throughout 2020, just handed the-election-was-rigged crowd a whole new gospel to preach.

Speaking of preaching, [Gov. Wolf is preaching big new spending for education](#) and the same ol', same ol': natural gas tax, legal weed, income tax hike, higher minimum wage. This in a budget delivered virtually that has virtually no shot at passing. Not saying it's all bad ideas. But Wolf's new tax and spending plans are to Republicans a viral variant of Wolf's old tax and spending plans: toxic, in need of eradication.

He couldn't get these things in prior years when the legislature was *less* conservative. Hard to see how he gets them now. Especially since he has such a loving working relationship with lawmakers. (He doesn't. That's sarcasm.) So, enjoy your state, get the vaccine, expect the usual budget slapstick, and hope the future has fewer choices for "Name the Worst of Pa. this Week." – **John Baer's column in *Harrisburg Patriot-News***

