



**Hallmark
DRAMA**

**WHERE GREAT STORIES
COME TO LIFE**

Contact Courtney Liburd
for more information.

718-551-2151
CourtneyLiburd@CrownMedia.com



July 1, 2021

LightReading
Where AT&T and Verizon failed, Comcast is now quietly poised to win

Next TV
Why Google and Comcast Can Still Challenge Roku in the OTT Gatekeeper Race: Half of Consumers Are About to Buy Their 1st Streaming Gadget

Pew
Which States Have Dedicated Broadband Offices, Task Forces, Agencies, or Funds?

Bloomberg
Just How Dominant Is Facebook?

New York Times
Why the Internet Didn't Melt Down

Wednesday Cogeco Communications Inc. announced that its subsidiary, Atlantic Broadband, has entered into a definitive agreement with WideOpenWest, Inc. (WOW) to purchase all of its broadband systems located in Ohio ("the Ohio broadband systems").

The WOW Ohio broadband systems pass approximately 688,000 homes and businesses in Cleveland and Columbus and serve approximately 196,000 Internet, 61,000 video and 35,000 telephony customers, as of March 31, 2021. For the twelve months ended March 31, 2021, revenue was US \$244million and pro forma adjusted EBITDA, including adjustments to reflect the expected cost structure of Atlantic Broadband and run-rate synergies, would have been US\$103million.

"The acquisition of WOW's Ohio broadband systems allows us to add significant scale to our growing and profitable U.S. broadband business," said Philippe Jetté, President and Chief Executive Officer of Cogeco Communications Inc., the parent company of Atlantic Broadband. "The acquisition also represents a strong strategic fit for Cogeco Communications as it is complementary to Atlantic Broadband's existing footprint and capitalizes on its existing platform. Under the guidance of Atlantic Broadband's experienced management team, we are in a unique position to grow our customer base, revenues and earnings and to pursue our market expansion strategy."

"We are taking a major step in advancing Atlantic Broadband's high-growth strategy by expanding our reach beyond the east coast footprint with attractive markets, that will be strongly receptive to our customer-centric focus, superfast Internet, best-in-class managed WiFi and advanced video services," said Atlantic Broadband President, Frank van der Post. "The Ohio broadband systems' geographic fit with our Pennsylvania operations, combined with our success in winning

Washington Post
Amazon seeks
recusal of FTC
Chair Khan, a
longtime company
critic

The Atlantic
The Internet Is
Rotting

The Hill
Democrats urge
online platforms to
extend UK child
protections to US

Spotlight PA
Redistricting
reform in Pa. is
dead for now,
advocates say. So
what's next?

Spotlight PA
Pennsylvania
governor vetoes
GOP-led election
overhaul citing
voter ID
restrictions

customer share in competitive markets and our experience integrating acquired properties, will ensure operational efficiencies, a seamless transition for customers, and strong growth in these markets. To support us in our future growth plans, we look forward to welcoming our new colleagues located in Ohio into the Atlantic Broadband family.”

Atlantic Broadband has entered into a Transition Service Agreement which will ensure a smooth transition period and allow Atlantic Broadband to further upgrade the network and launch its products and services, including a state-of-the-art IPTV platform.

The acquisition has significant strategic benefits including:

- Adds scale to Cogeco Communications’ U.S. broadband services segment which continues to exhibit superior growth and is expected to keep generating strong operating margins. Atlantic Broadband’s Internet service customers will increase by 38percentfrom approximately 511,000 to 707,000 pro forma the acquisition. With this acquisition, more than half of Cogeco Communications’ revenue will be generated by the U.S. business.
- Expands Atlantic Broadband’s geographical footprint in markets with very attractive demographic profiles and economies.
- Leverages Atlantic Broadband’s product and sales expertise to increase the customer base and deliver superior growth.
- Network footprint reaches a sizable portion of the Columbus and Cleveland markets, making it easier to operate and to market products.
- Quality network, with 100 percent of homes passed served by a DOCSIS 3.1 platform with speeds of 1 Gbps offered in the entire footprint.

The Ohio broadband systems will be purchased for US\$1.125 billion. In conjunction with the transaction, Atlantic Broadband expects to realize tax benefits with a present value of approximately US\$140 million. These benefits are mostly due to the tax amortization of intangible assets in an asset purchase transaction where such intangible assets are stepped up to current market value. Post the Transition Service Agreement period, Atlantic Broadband expects to achieve run-rate annual synergies of US \$2 million.

After adjusting for these tax benefits and synergies, the purchase price represents a multiple of approximately 9.6x pro forma adjusted EBITDA for the twelve month period ended March 31, 2021. The purchase price is subject to customary closing adjustments. The purchase price and transaction costs will be financed through a US \$900 million committed secured debt financing at the Atlantic Broadband level, and excess cash on hand. The transaction is subject to regulatory approvals along with other customary closing conditions and is expected to close in the first quarter of fiscal 2022. – **ABB news release; from Next TV: “WOW CFO Says ‘Stars Were Aligned’ For Astound, Atlantic Broadband Deal”**

A nonprofit organization that is seeking to upgrade broadband in the region asked (Altoona) City Council this week to set aside about \$5.8 million from its American Rescue Plan allocation to help in the effort. The money represents 15 percent of the \$39 million the city expects to get from the ARP, and it would be used for projects in Altoona, in collaboration with expected shares of ARP funding from Blair County and the Altoona Area School District, according to Jim Foreman, Blair County representative for Alleghenies Broadband Inc., a 501(c)(3)

organized under the Southern Alleghenies Planning & Development Commission.

Council made no commitment, but members indicated they'd consider the request, after viewing a map that Alleghenies Broadband will provide, showing the status of broadband service in the city. Alleghenies is looking to upgrade service in areas that are "unserved, underserved and (where service is) intermittent," Foreman said. "The needs are overwhelming," he said.

Areas tend to be underserved where it isn't profitable for private providers to invest in the infrastructure, Foreman said previously. The needs would seem greatest in rural areas — as indicated by a statement in the description of ABI on the Southern Alleghenies website: "(The organization) aims to ensure that rural communities have the same access to high-quality internet service as those living in urban areas."

But that doesn't mean service is ideal in the city, officials said. "We all know there are pockets" where service is inadequate, Foreman told council. A map provided by the organization a few weeks ago seems to show that the central Blair County area occupied by Altoona is generally "served" with speeds greater than 25 megabits per second, but the map doesn't include municipal boundaries, and there are areas at least in the vicinity that are labeled unserved or underserved.

The hilly topography of the region can lead to inconsistencies, officials at the meeting said. At some point, the organization will come back with "specific projects" and "hard numbers," Foreman said. Projects could include laying of fiber-optic line and installation of towers and other equipment, Foreman said. Those could be leased to private providers. "It sounds worthwhile," said Councilman Joe Carper.

Reliable connections and adequate speed are something "I'm in favor of," said Councilman Jesse Ickes. The organization is considered a utility and could take property by eminent domain, "if we need a tower and someone is being obstinate," Foreman said. "We don't want to go there, but if need be," he said. There seems to be a "pretty clear path" for using American Rescue Plan money to upgrade broadband, Foreman said.

Eligibility for some other kinds of uses seem to be "getting trickier and trickier," he said. The uses of broadband that are important to an area's economic development include working remotely, remote schooling, telemedicine, worker recruitment and business transactions, Foreman said. — **Altoona Mirror; also in the Mirror: Fort Roberdeau considering installing high-speed internet**

After coming close to imposing a near-total ban on municipal broadband networks, Ohio's Republican-controlled legislature has reportedly dropped the proposed law in final negotiations over the state budget. The final budget agreement "axed a proposal to limit local governments from offering broadband services," The Columbus Dispatch [wrote](#). With a June 30 deadline looming, Ohio's House and Senate approved the budget and sent it to Gov. Mike DeWine for final approval on Monday night, the Dispatch wrote.

As we wrote [earlier this month](#), the Ohio Senate approved a version of the budget containing an [amendment](#) that would have forced existing municipal broadband services to shut down and prevented the formation

of new public networks. The proposed law was [reportedly](#) "inserted without prior public discussion," and no state senator publicly sponsored the amendment. It was approved in a party-line vote as Democrats opposed the restrictions in municipal broadband. The House version did not contain the amendment, and it was dropped during negotiations between the House and Senate.

Lawmakers apparently relented to public pressure from supporters of municipal broadband and cities and towns that operate the networks. People and businesses from Fairlawn, where the city-run FairlawnGig network offers fiber Internet, played a significant role in the protests. FairlawnGig itself [asked users](#) to put pressure on lawmakers, and the subscribers did so in great numbers. "We had a real grassroots movement here in Fairlawn. We are thrilled our residents, subscribers, and businesses came together and helped us defeat this amendment," Fairlawn Service Director Ernie Staten said yesterday, [according to an article](#) by the Community Networks team at the Institute for Local Self-Reliance (ILSR). "We appreciate that the State of Ohio recognizes that municipal broadband has a place in this state and we hope to continue this great endeavor." Fairlawn subscribers sent more than 700 emails telling lawmakers, "Don't take this (municipal broadband) away!" Staten said.

The proposed law would have let cities and towns provide broadband service only to unserved areas and used a definition of "unserved" that would reportedly have made over 98 percent of the state ineligible for municipal broadband. The proposed law defined "unserved areas" as those without access to service with download speeds of at least 10Mbps and upload speeds of at least 1Mbps, which isn't even half as fast as the 25Mbps/3Mbps broadband threshold the Federal Communications Commission [adopted over six years ago](#).

Staten also pointed out that "municipalities only enter the broadband space when forced to by the inaction of the private sector," [according to the Akron Beacon Journal](#). There are [about 30](#) public broadband providers in Ohio. Besides Fairlawn, examples of local governments running broadband networks include Hudson, Medina County, and Wadsworth. "We're thrilled that communities like Fairlawn and Hudson can keep serving their communities," Summit County Executive Ilene Shapiro said after learning that the budget amendment was dropped, according to the Akron Beacon Journal.

Cleveland City Council President Kevin Kelley previously [said](#) the city would sue the state if it restricted municipal broadband. Until a few months ago, [19 US states](#) had laws restricting municipal broadband, passed for the benefit of private Internet providers that don't want to face competition from public networks. Washington state lawmakers have since [killed their anti-municipal broadband law](#), and Arkansas [ended many of its restrictions](#) on municipal broadband as well.

Though it isn't banning public networks, at least for now, Ohio's legislature is apparently not letting municipal networks apply for a new round of funding. "While Staten celebrated the removal of the budget amendment, he called the victory 'bittersweet,' as municipalities and electric cooperatives in the state do not have access to the proposed \$250 million broadband expansion grant program that will be established when, and if, Gov. Dewine signs the budget into law," the ILSR wrote.

The outcome of that isn't certain yet. "We have been asking for a small definition change to add municipalities and electric coops, but unless they changed the language, I believe the House version stands," Staten told the ILSR. But the biggest news is the legislature dropping the plan that would have forced networks to shut down. "Being able to continue [providing service] is much more important," Staten said. – **Ars Technica**

A federal judge in Florida on Wednesday blocked the state from enforcing key parts of a new law that makes social-media companies such as Twitter Inc. and Facebook Inc. potentially liable for censoring political candidates, the news media and other users. U.S. District Judge Robert Hinkle in Tallahassee granted an injunction against the law hours before it was slated to take effect. In a 31-page opinion, he said the statute's restrictions on content removal and its liability provisions likely violate the First Amendment and conflict with federal law. He declined to halt another part of the law that allows state authorities to bar a social-media company from state-government contracts if it is accused of an antitrust violation. Judge Hinkle said that provision raised legal issues but posed no immediate threat to internet companies that justified emergency intervention.

The legislation, [which was signed](#) by Republican Florida Gov. Ron DeSantis in May, prohibits social-media sites from banning any candidate running for public office in Florida, subjecting violators to fines of as much as \$250,000 a day. It also restricts sites from censoring "journalistic enterprises" based on their content and gives Florida residents the ability to bring lawsuits and recover statutory and punitive damages against companies that fail to apply their content standards consistently. The law left undefined the standard of consistency imposed. In an unusual carve-out, the state exempts companies that own and operate a theme park.

Mr. DeSantis said the law acted as protection against a "Silicon Valley power grab on speech, thought, and content." Republicans more widely have accused tech firms of biased censorship during the debate over speech rights and the spread of misinformation in the digital age. Legislators cited the expulsion of former President Donald Trump from big social-media platforms and the suppression of the New York Post's reporting on Hunter Biden as reasons why the law was needed. (The Post and The Wall Street Journal are both owned by News Corp.)

Industry trade groups representing major tech platforms, including Facebook, Twitter and Alphabet Inc.'s Google, challenged the law in court, arguing that the statute violated their constitutional rights to make editorial judgments about content moderation. They also argued that the statute is pre-empted by Section 230 of the Communications Decency Act, a 25-year-old federal law that shields internet platforms from lawsuits for content generated by third parties and that allows sites to remove content they find objectionable without fear of liability.

In court papers, the tech industry warned that the Florida law would weaken policing of unlawful content, including terrorist propaganda. Judge Hinkle, an appointee of President Bill Clinton, said the bill restricted speech by dictating to social-media companies who can use their sites and what content they can post. Citing legislators' public comments, the judge said lawmakers appeared to be motivated by a desire to protect conservative voices from internet censorship. He said

such speech restrictions on companies based on their perceived viewpoint required Florida to show that there was a powerful public need for the law and that enacting anything more limited wouldn't do.

Florida failed to show that need, he wrote. "Leveling the playing field—promoting speech on one side of an issue or restricting speech on the other—is not a legitimate state interest," his opinion stated. The president of the Computer & Communications Industry Association, a co-plaintiff in the lawsuit, said Wednesday that Judge Hinkle's ruling "reaffirms what we have been saying: Florida's statute is an extraordinary overreach."

Mr. DeSantis's office said the state would appeal the ruling to the 11th U.S. Circuit Court of Appeals. "We are disappointed by Judge Hinkle's ruling and disagree with his determination that the U.S. Constitution protects Big Tech's censorship of certain individuals and content over others," a statement from the governor's office said. — **Wall Street Journal**

The state of Pennsylvania received an additional \$7.3 billion in its coffers from the American Rescue Plan Act but is holding on to the majority of the funds. Pennsylvania ended the 2020-2021 budget year with a \$3 billion surplus and lawmakers chose to save the surplus along with more than \$5 billion from the American Rescue Plan. State lawmakers are allocating the remaining ARP dollars toward highway construction, nursing homes and housing construction.

The allocation represents 7.9% of the Commonwealth's total budget allocation for fiscal year 2020, according to an analysis by The Pew Charitable Trusts. Pennsylvania is among 37 states that will receive between 5 and 10% of their fiscal 2020 budget through the American Rescue Plan. Each state was given a piece of the \$195 billion pie set aside in the \$1.9 trillion American Rescue Plan Act based on how many workers in their states were unemployed in 2020. An additional \$500 million was given to each state as well.

The deadline for determining how they want to spend the money is 2024, meaning states can save them for a rainy day and spend them on projects that include broadband, water or sewer infrastructure. The money can also save a state program from budget cuts. The funds must be spent by Dec. 31, 2026. While Pennsylvania lawmakers chose to save the majority of their ARP funds, other states are spending it. Neighboring New Jersey is spending \$600 million of its \$6.2 billion allocation on special education and another \$400 million for trauma centers, according to information from the National Conference of State Legislatures, which is compiling a data base showing how states are using their money.

Pennsylvania House Appropriations Chairman Stan Saylor, R-Red Lion, defended the plan to save two-thirds of funds from the American Rescue Act. He cited the last time Pennsylvania received federal funding in 2008. "Gov. Ed Rendell, with the help of the House Democrats who were in the majority at the time, went on a spending spree, using one-time federal funds to grow recurring expenditures," Saylor said in a statement. "The move culminated in Gov. Tom Corbett facing a \$4 billion deficit in his first year in office."

Rep. Frank Burns, D-Cambria, wanted to use the ARP funds to reduce property taxes and offer rent stipends. Sen. Sharif Street said not using the ARP allocation was “leaving money on the table” that could be used to fund housing, public health and provide assistance for small businesses. Gov. Tom Wolf signed the budget on June 30. – ***The Center Square***

Anyone seeing the state’s new \$40.8 billion budget easily sail through a Republican Legislature then [signed into law by a Democratic governor](#) might well think, now there’s a state that gets things done, on time with little political fuss. Understandable. Especially in an era of endemic divide.

Plus, [the new budget](#) doesn’t raise taxes (which Republicans like), spends lots more on schools (which Democrats like) and passed both the House and Senate with bipartisan support. Budgetary brilliance, no?

No. When you’ve got an extra \$10 billion to play with, it’s hard not to have a good-looking outcome, even if it’s mostly cosmetic. And big budgets and numbers like \$40 billion tend to lose context. Let’s add some. Remember, Washington kicked in \$7 billion-plus for pandemic relief, about 20 percent of the state’s normal annual budget. And thanks to soaring markets and citizen-spending of pandemic cash, tax collection ballooned, adding an extra \$3 billion to Pennsylvania’s pot.

Same story for most states: federal dollars pouring in at that 20-percent-of-budget rate; [revenue surpluses across the country](#). So, it’s not so much our state excelled at management. More like right place, right time – right after a year arguably qualifying as the worst time ever. Still, legislative leaders here celebrate the budget as if it’s a work of fiscal art.

Most, including [GOP Senate President Jake Corman](#), praise it as, “fiscally responsible.” And [GOP House Speaker Bryan Cutler](#) hails putting \$2.5 billion into the Rainy Day Fund “to prepare for future challenges.” (They also set aside another \$5 billion for use in future budgets. Maybe they should open a bank.) “Fiscally responsible,” in any context, suggests a stodgy, no-fun, don’t-want-to-do-much attitude. It’s a favored Republican phrase, whether used accurately or not. And saving for a rainy day isn’t exactly a state hallmark.

In fact, Pennsylvania’s standing among states on stability and savings is grim. This year’s [U.S. News & World Report](#) rankings of each state’s fiscal stability, based on credit ratings and pension liability, place Pennsylvania 46th nationally. Nowhere to go but up.

Rainy-day savings? Data compiled by the D.C.-based [Tax Foundation](#) last year showed Pennsylvania 47th in percentage of its budget kept in a rainy-day fund. And [Pew researchers](#) just reported Pennsylvania was the only state with a negative rainy-day balance at the end of fiscal year 2020. One might wonder, if stability and savings are so important to GOP lawmakers, where ya been on these issues while running the legislature the last decade or so?

Meanwhile, antipathy between Gov. Tom Wolf and the GOP that played out in so many ways during the last year and a-half seems to have momentarily abated. Wolf praised the new budget for historically-high increases in education funding. “I think it’s a good budget,” he said in a Pittsburgh radio interview. He noted it includes \$300 million more for

basic education (a \$6.8 billion budget line last year), \$100 million of which is for poorer schools.

What he didn't note is he originally sought \$1.3 billion more for basic ed, to attack inequity in school funding. Nor that he predicted back in March, "If the federal government is going to give us \$7 billion, I can guarantee the Republicans are going to say, 'Let's continue to kick the can down the road.'" He was proven right. I suppose this means Pennsylvania keeps its mediocre, middle-of-the-pack [24th national ranking for public schools](#) by the finance website WalletHub.

And while there was some political jabbing from top Democrats about this budget, it was by Harrisburg standards, tame. [House Democratic Leader Joanna McCClinton](#), of Philadelphia, said the billions in surplus "belongs to the people" and should have been used to fairly fund all schools and "maybe even cut property taxes." [Senate Democratic Leader Jay Costa](#), of Pittsburgh, said, "This isn't a budget I would have designed...(but) there is a lot here that I support."

Both Democratic leaders voted for it. Just don't think there's lasting peace in the valley. This was a get-what-you-can, get-it-done deal. And even though our "full-time" legislature isn't scheduled back in session until late September, you can count on Pennsylvania to keep partisanship alive. – John Baer's column in ***Harrisburg Patriot-News***

