

Wilkes-Barre Citizens' Voice
Comcast announces expansion of fiber network at Luzerne County commerce park

Washington Post
Time Warner Cable wants to end the hated set-top box once and for all

Reuters
Apple TV challenges developers to take apps to the big screen

Philadelphia Inquirer
Comcast sweetens Philly deal - 200 hires, discounts for vets, seniors

Wall Street Journal
Why physical media still matter in the age of Netflix and Spotify

TV By The Numbers
Cable Top 25 for Week Ending October 25

Pittsburgh Tribune-Review
Judge blasts Kane in statement alleging AG is 'corrupt, deceptive'

pennlive.com
Op-ed: As her case gets weirder, AG Kane gets rougher

Saturday night....

Daylight-saving time ends

- Turn your clock back one hour tonight before going to bed.
- It's also time to change batteries in your smoke detectors.



The "rogue" U.S. military blimp that glided over central Pennsylvania from Maryland Wednesday was captured best by the cameras of Service Electric Cablevision's SEVC8 crew, as it slowly "landed" in Montour County. SECV's images were seen on national media, **including Thursday evening's "NBC Nightly News."** Congrats to the aggressive camera crew at SECV for **delivering the best video images** of this odd but intriguing news event!

Three large cable operators reported significant improvements in recruiting or retaining video subscribers last quarter, a development that could ease investor concerns about the pace of pay-TV cord-cutting.

On Thursday, Charter Communications Inc. said it added 12,000 video

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customers in the period, up from a loss of 9,000 in the year-ago quarter. Time Warner Cable Inc., which is being acquired by Charter pending regulatory approval, lost just 7,000 residential video subscribers compared with 184,000 in the same period last year. Earlier this week, Comcast Corp. reported it had substantially reduced its video subscriber losses.

Taken together, the results point to cable's ability to retain customers. Some analysts also say the earnings highlight cable companies as relatively better positioned compared with their satellite TV rivals as the entire pay TV market declines. The results could temper investors' fears that cord-cutting is accelerating, which were stoked after a second quarter in which the overall pay TV industry lost 606,000 subscribers, compared with 321,000 the year earlier, according to researcher MoffettNathanson's estimates and company reports.

Other pay-TV providers, such as Dish Network Corp. and Cablevision

Systems Corp., have yet to report third-quarter results. Analysts and executives caution that pay-TV subscriptions are still declining, and note significant headwinds remain.

Charter Chief Executive Tom Rutledge said some consumers are being priced out of cable. "Cost of the product relative to what people's incomes have done is creating a mismatch," he said. "The population is poorer," even as cable bills continue to rise. Mr. Rutledge said college students are increasingly sharing their parents' passwords for using so-called "TV Everywhere" apps, through which TV networks offer live or on-demand programming for cable TV subscribers. TV networks are "devaluing the product by not managing" their apps to protect against password-sharing, he said. That has "reduced the demand for video" in the college-aged market "because you don't have to pay for it," he said.

The latest results have been well received. In a research note, MoffettNathanson analyst Craig Moffett said cable firms have benefited from their strength in broadband services, ability to deliver robust video-on-demand services compared with satellite services, and new cloud-based TV guides that offer more Web-like experiences. Cable video "may not be such a dinosaur after all," he said.

Including AT&T Inc.'s and Verizon Communications Inc.'s results from last week, the data points to an estimated annual decline in pay-TV subscriptions of between one million and two million, Sanford C. Bernstein analyst Todd Juenger wrote in a note Thursday. That is "about the range most media investors say they're comfortable with," he said. The number doesn't account for people who are "cord-shaving," or downgrading to skinnier pay-TV packages, which translates into lower revenue for cable operators and networks left out of those bundles.

Time Warner Cable Chief Executive Rob Marcus said 82% of new customers in the quarter signed up for the full TV bundle. "For all the talk about skinny bundles, we are doing pretty well offering a full video product," he said. The operator this week began beta-testing a streaming TV service for New York customers that offers the full bundle of channels but without requiring a set-top box.

TWC's profit slipped 12% in its latest quarter as higher expenses offset strong residential subscriber additions and higher sales to businesses. The company reported net income of \$437 million, or \$1.53 a share, down from \$499 million, or \$1.76 a share, a year earlier. Overall, Charter swung to a profit of \$54 million, or 48 cents a share, compared with a year-earlier loss of \$53 million, or 49 cents a share. The company enjoyed a \$142 million tax benefit in the latest quarter, versus a \$59 million tax expense in the year-earlier period.

Time Warner Cable in May agreed to be acquired by Charter for \$55 billion. Mr. Marcus said it "feels ambitious" for the deal to close by the end of this year, as the companies had originally predicted. Separately, Charter said it is "studying" participating in the coming auction of airwaves by the Federal Communications Commission, which could signal that it, like Comcast, has an interest in entering the wireless business. – **Wall Street Journal**

Alphabet Inc.'s Google plans to fold its Chrome operating system for personal computers into its Android mobile operating system, according to people familiar with the matter, a sign of the growing dominance of mobile

computing.

Google engineers have been working for roughly two years to combine the operating systems and have made progress recently, two of the people said. The company plans to unveil its new, single operating system in 2017, but expects to show off an early version next year, one of the people said. Android is the world's most widely used operating system, powering more than one billion phones and other devices made by dozens of companies. Chrome powers personal computers, most often laptops, called Chromebooks. They are niche players, accounting for less than 3% of PCs according to research firm IDC.

The move is a long-awaited recognition that the different computing approaches embodied by Android and Chrome are no longer relevant to Google. Chrome OS was Google's effort to bring the Web and browser-centric experience to more devices, encouraging users to access all software and apps through its Chrome browser on cheap, stripped-down laptops. Android was an almost retro approach within the company because it focused on devices that only worked when software and apps were downloaded onto them.

Google didn't know which approach would succeed, so it pursued both, and healthy internal debates ensued. But as mobile device and app usage soared, Android prevailed. The move is also an attempt by Google to get Android running on as many devices as possible to reach as many people as possible. The operating system runs phones, tablets, watches, TVs and car infotainment systems. Adding laptops could increase Android's user base considerably. That should help Google woo more outside developers who want to write apps once and have them work on as many gadgets as possible, with little modification.

The new version of Android will also give PC users access to Google's Play store, which offers more than one million apps, the people familiar with the matter said. Chromebooks will get a new, as yet undetermined, name, the people familiar with the matter said. Google plans to retain the Chrome name for its Internet browser, which runs on both PCs and mobile devices, they said. Chrome OS will remain as an open source operating system that other companies can use to make laptops, and Google engineers will continue maintaining it. However, Google's focus will be on extending Android to run on laptops, according to one of the people.

Google Chief Executive Sundar Pichai, who led the development of the Chrome operating system in 2009, told analysts on a call last week that "mobile as a computing paradigm is eventually going to blend with what we think of as desktop today." Microsoft Corp. adopted a similar approach, creating versions of its Windows 10 operating system to power PCs and phones, allowing some apps to run on both devices.

By contrast, Apple Inc. maintains distinct operating systems: iOS for smartphones and tablets, and OS X for Mac PCs. Chief Executive Tim Cook said last month that combining them "subtracts from both, and you don't get the best experience from either."

There has long been speculation that Google would combine the two operating systems. Mr. Pichai assumed responsibility for Android, as well as Chrome, in 2013, when Android co-founder Andy Rubin moved on to a robotics project. Last year, he named Hiroshi Lockheimer, vice president of engineering for Android, to oversee the Chrome operating system also. In September, Google unveiled a tablet aimed at the workplace called the

Pixel C, which runs on Android. It is the first device in the company's Pixel line of laptops and tablets to drop the Chrome operating system. Last year, Google made some Android apps available on Chromebooks.

Chrome and Android share a common heritage in Linux open-source software. But they differ in significant ways and combining them won't be easy, people familiar with the matter said. Laptops have keyboards and larger screens than mobile devices, so users often use multiple apps simultaneously and transfer content among them. Android smartphones and tablets can run multiple apps, but they can't be shown on the screen at the same time. That makes it hard for users to jump between apps.

Chromebook users don't have as many apps to choose from, because app developers have been reluctant to create apps for their small user base. "Right now we don't have strong interest in developing for Chrome OS. The market size is relatively small," said Alex Davis, an engineering manager who works on app development at home-sharing service Airbnb. Switching to Android is "probably the right move for Google," Mr. Davis said. "Android is so ubiquitous and so many people are used to using it."

Folding Chrome into Android also might help Google win more workplace customers for its productivity apps, such as Docs and Sheets, which would run more seamlessly across different devices. As employees do more work on smartphones and tablets, they expect software and documents to be updated on those devices as well as PCs. That is now a challenge for Google because of the two operating systems. – *Wall Street Journal*

Time Warner Cable on Thursday posted a better-than-expected adjusted profit in the third quarter as it added more high-speed data customers. The company, which is being bought by Charter Communications, added 232,000 high-speed data subscribers in the third quarter compared with 172,000 additions in the second quarter. Wunderlich Securities analysts were expecting 191,000 subscriber additions.

Time Warner Cable also said it lost 7,000 residential video subscribers in the three months ended Sept. 30, far less than the 45,000 it lost in the second quarter. Cable companies have been grappling with declining subscriber numbers as viewers shift to cheaper and more flexible streaming services offered by Netflix, Amazon.com, Hulu and others. Net income attributable to Time Warner Cable shareholders fell to \$437 million, or \$1.53 per share, from \$499 million, or \$1.76 per share, a year earlier.

Excluding items, it earned \$1.62 per share, beating analysts average estimate of \$1.57 per share, according to Thomson Reuters I/B/E/S. Revenue rose 3.6 percent to \$5.92 billion, slightly short of analysts average estimate of \$5.96 billion. Charter in May said it would buy Time Warner Cable in a cash-and-stock deal that values the larger rival at \$78.7 billion, to compete with the Comcast. The deal is slated to close by the end of the year, but is also subject to a lot of regulatory scrutiny. Regulatory obstacles had earlier sunk Comcast's bid for Time Warner Cable. – *Reuters*



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