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Rich Shea has been tapped to replace Edward Holleran as president and CEO of Atlantic Broadband, with Dave Isenberg also being promoted to the role of president and chief revenue officer. The move becomes effective Jan. 1, with Holleran staying on in the part-time role of VP of industry relations. The announcement was made Wednesday by Cogeco Cable, Atlantic Broadband's parent company. Cogeco purchased Atlantic in 2012 for about $1.36 billion. According to *Multichannel News*, the MSO has approximately 227,000 customers spread across Western Pennsylvania, Southern Florida, Maryland, Delaware and South Carolina. In its fiscal fourth quarter earnings report on Oct. 31, Cogeco said Atlantic earnings were in line with expectations.

Shea and Isenberg have worked with Atlantic Broadband since the company's founding in 2003. Shea started with the company as CIO, serving as COO the past several years. Isenberg began his Atlantic career as senior director of products and has been chief marketing and strategy officer since 2012. "This structure recognizes the complementary roles that Rich and Dave will have in the leadership of Atlantic Broadband going forward," said Louis Audet, president and CEO of Cogeco Cable, in a statement. "I'm confident that, with their years of experience at Atlantic Broadband since its very beginnings, having gained a wealth of knowledge on our business and our markets and a deep understanding of our customers, Rich and Dave will each play a key role in leading Atlantic Broadband to reach new summits." – ***Fierce Cable;*** **also see *Multichannel News***

The Internet might be the last truly free part of the U.S. economy, and the lack of government interference has led to transformative innovation, ferocious competition, waves of job creation and favorable costs for consumers. So it goes without saying that Washington is more determined than ever to stick its heavy hands in the works and screw it up for everyone. Because making health care and energy more expensive and less efficient wasn't enough, now the Obama administration is leading the charge to throw the wet blanket of federal regulation on the Internet. The goals are familiar: higher taxes and more control.

President Barack Obama wants the Federal Communications Commission to reclassify the Internet as a utility under Title II of the Telecommunications Act, even though Internet

Allentown Morning Call
Wolf uses own cash, seeks donations in run up to inauguration

Pittsburgh Tribune-Review
Team in place for possible Santorum run for White House

service providers are not monopolies. The president is a big supporter of so-called "net neutrality," which would prevent providers from delivering some Web content faster than other sites. Such agreements ensure consumers have immediate access to popular sites such as Google, Facebook and Netflix. If Internet service providers are barred from entering "fast-lane" pacts and forced to treat all Web content equally, consumers inevitably will see slower load times for certain content. Americans would get a *slower* Internet.

And they'd pay significantly more for it, too. Last week, a Wall Street Journal editorial noted that reclassifying the Internet as telephone service would allow Washington to apply federal "universal service" fees of up to 16.1 percent. And the Progressive Policy Institute reports that states and local governments have their own telephone taxes and fees that could be applied to Internet service. The institute and the Brookings Institution estimate that FCC oversight of the Internet would impose $17 billion in annual user fees.

At some point in the near future, it could get worse. A moratorium on Internet access taxes expires Thursday but is expected to be extended into next year as part of a short-term spending bill that should pass Congress this week. And a late-year push to apply sales taxes to all Internet purchases died this week. States and local governments and large retailers want to make every Internet retailer, no matter how small, comply with the requirements of nearly 10,000 taxing authorities nationwide — regardless of whether the companies have a physical presence in any of them.

Regulation comes at a cost. If the FCC becomes the Internet's traffic cop, expect less investment and a slowdown in the growth of broadband access. And as Internet access becomes less affordable, fewer people will be willing to pay for it. The Obama administration and the regulatory branch should take note: It's not a coincidence that the Internet has thrived outside of their control. Leave it alone already. – ***Las Vegas Review-Journal* editorial**

Dish Network Corp. wants to leave broadcast channels out of the basic package it offers consumers when it launches an online TV service, people familiar with the matter said, a move that is emerging as a sticking point in negotiations with major media companies. The satellite operator has said its service, which is expected to debut soon, will cost in the neighborhood of a "dollar a day," or roughly $30 a month, and offer an array of well-known cable channels.

But Dish is proposing to relegate broadcasters such as ABC, CBS, NBC and Fox to a separate "tier" that would cost consumers more. Such a move, if successful, would flip on its head the longtime practice of cable and satellite operators offering broadcast networks in their lowest-cost packages. Dish's proposal is meeting with resistance from broadcasters. TV channels generally want to be carried in the most widely available package. Broadcasters such as Fox and CBS have been touting the revenue from pay-TV carriage fees as a major growth driver for their businesses. That subscription money is becoming especially important in a soft ad market.

Walt Disney Co.'s ABC is the only major broadcaster that has a deal in place with Dish for the online service, part of a broader carriage agreement for Disney networks. Under that contract, Dish has the option to place ABC on a separate tier, subject to other conditions, a person familiar with the matter said. If Dish doesn't convince other broadcasters to go along with a separate tier within a certain period of time, ABC would become part of the basic Dish package, another person familiar with the situation said. Disney doesn't rely as much on subscription fees for its TV stations as other broadcasters, in part because of the high rates it charges pay-TV providers for cable channels including ESPN.

Dish's strategy reflects a new reality: there are more homes "cutting the cord," or dropping traditional pay TV subscriptions. The satellite provider appears to be betting that it can appeal to those users with the new online service without making broadcast channels part

of the basic package. Cord-cutters have the option of using an antenna to pick up over-the-air broadcast stations to complement other online fare like Netflix Inc. or Hulu. Dish's approach would set it apart from Sony Corp. , which is rolling out its own online TV service. Sony is carrying broadcast networks in its standard package and isn't aiming to undercut the price of traditional pay-TV subscriptions.

The pay TV industry has lost more than 2.2 million customers since the third quarter of last year, according to a recent report from Nielsen. Media executives estimated that there are about 10 million "broadband-only" households, and they are keen to target that audience. CBS, for example, has launched a $5.99 per month service to stream its own programming, while Time Warner Inc. 's HBO plans its own stand-alone streaming service. Dish Chairman Charlie Ergen said last month that the number of people who "aren't in the pay TV universe today," including young people who never sign up in the first place, is "growing by 4 million or 5 million a year" and will "continue to grow and accelerate." For Dish and other pay-TV distributors, the costs of carrying broadcast networks have risen dramatically in recent years. Cable and satellite TV providers say those fees, and payments for sports channels, are the biggest drivers of their programming costs.

Dish hasn't been afraid of ruffling broadcasters' feathers before. Two years ago, the satellite provider launched a digital video recorder with a feature that facilitates ad-skipping on broadcast TV shows. Dish has struck settlements with Disney and CBS to disable that feature for certain periods after a show airs, as part of broader carriage deals. It is still in litigation with other broadcasters over the service. – ***Wall Street Journal***

A group of 60 Internet equipment makers say they could lose out on billions of dollars of new investment if U.S. regulators decide to reclassify broadband access as a utility-like service.

In a letter addressed to Federal Communications Commission and congressional leaders, vendors including network gear vendor Cisco Systems Inc., chip maker Intel Corp. and International Business Machines Corp. said the proposed rule changes would leave an "immediate and severe" impact on their industry. Telecom companies have also sounded the alarm, warning that uncertainty about the rules could slow new investments. AT&T Inc. last month threatened to freeze the rollout of its ultrafast home Internet service due to questions about the regulations. The company later backtracked and told the commission it would still spend money to build out its service in 25 markets. "The investment shortfall would then flow downstream, landing first and squarely on technology companies like ours, and then working its way through the economy overall," the letter said.

The warning comes as FCC Chairman Tom Wheeler tries to lead a delicate process to rewrite Internet regulations after a U.S. court in January tossed the commission's earlier rules, citing a lack of legal authority. Mr. Wheeler has pushed for more permanent rules designed to ensure broadband providers don't play favorites with Web content. President Barack Obama roiled the debate last month when he weighed in with support to regulate the Internet under Title II of the Telecommunications Act, a section that gives the government broader powers over the way service providers manage their networks. "In September, it seemed like the worse we were going to get was a hybrid approach," said Scott Belcher, chief executive of the Telecommunications Industry Association, said in an interview. "But the prospect of Title II seems much more real now with the president's announcement." – ***Wall Street Journal***

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