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[Pittsburgh Post-Gazette From refrigerators to robotics, Sears outlet store in Lawrenceville may become hub for high tech](#)

Remember how the cable industry was going to crash as subscribers cut the cord and started streaming everything? Turns out the cable industry is a key player in streaming, too, providing a lot of broadband access to bring internet into homes. Morgan Stanley analyst Benjamin Swinburne said the cable industry in 2019 was a surprisingly good year. The industry wasn't negatively affected by cord cutting to the degree expected, and capital spending was light.

[New York Times Lawmakers Could Pull the C-Span Plug at Critical Moments](#)

The sector, which saw stocks up about 45%, is winning not necessarily on traditional cable TV but as a provider of broadband internet. The question is, can the industry repeat in 2020? "Continued network investment, product enhancements, and the secular growth in consumer demand for bandwidth all play to cable's strength," Swinburne wrote in a note. "Routinely taking over 100% of market growth now, Cable is winning the broadband market."

[Los Angeles Times Cable TV can survive the streaming wars. AMC chief Sarah Barnett explains how](#)

And that mix shift away from pay-TV toward broadband is driving higher return on investment, because of the lower cost of providing broadband service. Swinburne particularly likes cable industry giant Comcast Corporation, on which he has an Overweight rating and \$53 price target, and says has "healthy upside and limited downside."

[Bloomberg Amazon's Snooping on Alexa Chats Spurs EU](#)

There may remain a threat to cable broadband from mobile, but it's not being felt yet. "Despite being two years further along in its development and even initial deployments ... market concerns regarding 5G as a competitor to cable broadband have faded," Swinburne wrote Thursday.

Meanwhile, the companies that actually provide the content, whether by traditional cable or streaming, still have to spend money on that content. Warner Media's HBO recently announced it's seeing pressure on operating income from new content and other costs, which led Bank of America analyst David Barden to lower slightly his revenue estimates for Warner Media parent AT&T Inc. Barden reiterated a Buy rating on AT&T with a \$43 price target. – ***Benzinga***

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Comcast Corp.'s NBCUniversal unveiled a multitiered pricing strategy for its new Peacock streaming service, including free and subscription options, as the media giant looks to undercut rivals and set its offering apart in a crowded field.

Peacock will cost \$4.99 a month with commercials and \$9.99 for an ad-free version. The new service will be available April 15 for Comcast customers and July 15 for everyone else, NBCUniversal said Thursday. Peacock's Premium tier will have some 15,000 hours of programming, including originals featuring stars such as Alec Baldwin and Demi Moore, NBC broadcast series and reruns of "The Office" and "Parks and Recreation." A free version with ads will have a slimmer offering of content and only have select episodes of original programming.

Customers of Comcast and cable operator Cox Communications Inc. will be able to access the ad-supported Premium option at no charge—amounting to some 24 million potential users—and can upgrade to the ad-free option for \$5 a month if they choose. Comcast said it would look for more opportunities to bundle its service with partners and make it available free of charge. The company is targeting between 30 million and 35 million active accounts by 2024.

Comcast will be playing catch up in the streaming fight. In November, Walt Disney Co. launched Disney+ for \$6.99 a month, while Apple Inc. launched its own \$4.99 a month offering with a smaller selection of programs. That added to the existing options in a market that includes industry leader Netflix Inc., Hulu, Amazon.com Inc.'s Prime Video and CBS All Access. AT&T Inc.'s HBO Max, priced at \$14.99 a month, is expected to launch in May.

The challenge for Comcast, the nation's largest cable operator, is to make a mark in the streaming world without accelerating the decline of the traditional TV business. The company's strategy differs from many of the other big players in streaming in that it is looking to support its business heavily through advertising and cut deals with traditional cable providers to make the service available free. "The ad-supported business has been a proven business for decades," said NBCUniversal Chairman Steve Burke at a Peacock investor presentation Thursday. The company, he added, needs its own streaming service because "in effect we're leaving money on the table when our [content] is on platforms we can't monetize."

While Mr. Burke has directed the birth of Peacock, he won't be around for its adolescence. This month Mr. Burke turned over chief executive duties at NBCUniversal to Universal Pictures chief Jeff Shell. Mr. Burke will step down as chairman after NBC's coverage of the 2020 Summer Olympics. Comcast has lost pay-TV subscribers for 10 consecutive quarters, and Peacock is an opportunity for the company to hold on to TV viewers as its business becomes more and more reliant on broadband. While Peacock will lean on advertising, it hopes to be in a way that is less likely to turn off the consumer accustomed to streaming without commercials. The company is promising no more than five minutes of advertising per show or movie. In some cases, only one commercial will run at the beginning of a program. Some ads will be interactive, coaxing the viewer to buy products on the spot.

Inundated with **streaming options**, consumers may have to decide which streaming services they need the most. A survey in November by The Wall

Street Journal and the Harris Poll found that Americans are willing to spend an average of \$44 monthly on streaming video and subscribe to an average of 3.6 services. Peacock is betting on a mix of old and new content to woo subscribers, along with some live sports and news. It will also have streaming channels offering content by genre and niche for viewer convenience. Matt Strauss, the Comcast executive overseeing Peacock, likened the offering to playlists on music subscription service Spotify.

Original programming will include a reboot of "Battlestar Galactica," "Dr. Death," a drama starring Alec Baldwin and Christian Slater, and "Brave New World" starring Demi Moore, which is based on the Aldous Huxley novel. Tina Fey is producing a comedy for Peacock called "Girls5Eva" about a 1990s girls group that reunites in a last-ditch effort to become stars. Peacock is also making new episodes of "Punky Brewster" and "Saved by the Bell," which were hit shows in the 1980s and 1990s, respectively.

NBCUniversal also signed a deal with comedian Kevin Hart for an interview show called "Hart to Heart," and "Tonight Show" host Jimmy Fallon is producing a version of that show for kids and starring kids. Peacock has also acquired content from other studios as well for its service. It bought exclusive streaming rights from AT&T's Warner Bros. for the popular sitcom "Two and a Half Men," and struck a deal for the Kevin Costner drama "Yellowstone," which is made by ViacomCBS Inc.'s Paramount Television Studios.

Episodes of "The Office" will be available on Peacock starting in 2021. The show, which initially ran on NBC, attracted a whole new generation of fans on Netflix where it is the service's most popular show. Fans of "The Tonight Show with Jimmy Fallon" and "Late Night with Seth Meyer" won't have to stay up late as Peacock will stream the shows in the early evening, hours before they air on NBC. Sports on Peacock will include Olympics coverage, which NBCUniversal has the rights to into the next decade, Premier League soccer and golf's Ryder Cup. The NFL, which NBCUniversal has rights for, won't be on Peacock. – *Wall Street Journal*; [see also Philadelphia Inquirer](#)

Tucked into last years' spending bill and overshadowed by the impeachment debate was a piece of legislation impacting rural communities across the country. "The rural act being signed into law before Christmas was a big deal," Rep. Terri Sewell (D-AL) said.

The Democratic Alabama Congresswoman introduced the "RURAL Act" ensuring small power companies like Power South, Alabama Rural Electric Association and Central Alabama Co-Op have access to grants funding the growth of rural broadband. Without Sewell's bill, the companies wouldn't have qualified for the grants because of an unintended consequence of the last GOP tax law. "The 'RURAL Act' was a bill that I sponsored with lots of great support both from Republicans and Democrats," she said. "We were able to get it across the finish line."

Sewell's bill had the support of over 300 members of Congress, all of whom are impacted by rural broadband access. "It doesn't matter where you are. If you don't have access to broadband, that means you're in a community that's really struggling," Rep. Drew Ferguson (R-GA) said.

The Republican Georgia Congressman said the digital divide is visible in our school system with rural students not having the same tools as kids in urban

and suburban areas. He said he hopes this bill could make up the difference. “So what we’re hoping to do is change the timeline of money that’s available to these rural communities because we think that’s the key to making this happen,” he said. President Trump signed the “RURAL Act” into law last month. – **Nexstar**

It didn’t take long for the race for attorney general to turn chippy in Pennsylvania. Heather Heidelbaugh, the **Republican trial lawyer** from Pittsburgh who **announced her campaign in November**, took aim this week at the incumbent, Attorney General Josh Shapiro, a Democrat from Montgomery County. Her tactics were a little unusual — issuing a news release Wednesday in response to **Shapiro’s official candidacy announcement**, quoting an anonymous “political pundit” to cast him as skipping from one elected post to another. Shapiro, a former state representative and county commissioner, is **widely expected to run for governor in 2022**.

If that line of attack was predictable, so was Shapiro’s response. A campaign spokesperson retorted: “Heather Heidelbaugh’s made-up attacks are as fake as her newfound love for Donald Trump.” That’s a reference to **Heidelbaugh’s past Twitter criticisms** of the president **from an account that has now vanished**. A campaign spokesperson said she deleted her old Twitter account to focus attention on her **new campaign account**, which had 15 followers Thursday and had issued two tweets in three months. – **Chris Brennan’s “Clout” column in Philadelphia Daily News**

