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NBC News
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Bloomberg
[Netflix's Strategy Is Growth, So It Can't Have Growing Pains](#)

Reuters
[BritBox streaming service grows by catering to U.S. women over 45](#)

New York Times
[AT&T to Advertise on YouTube Again After a Nearly 2-Year Holdout](#)

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[Broadcasters' Future is with OTT](#)

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Netflix Inc. continued to expand its customer base at a rapid clip in the fourth quarter thanks to strong growth overseas, but increased spending on content weighed on the streaming-video giant's profit and it forecast slower revenue growth for the current quarter.

Netflix added 8.8 million paid subscribers in 2018's final period, up 34% from a year earlier and exceeding both its and analysts' expectations by more than a million. Revenue grew 27% to \$4.19 billion, less than the \$4.21 billion analysts expected. The company forecast revenue growth of 21% for the first quarter—a pace that most media companies would relish but below what is normal for Netflix. Fourth-quarter profit fell to \$134 million, or 30 cents a share, from a year-earlier \$186 million, or 41 cents a share. Its operating margin fell due to the number of new titles that launched in the quarter, meaning more production costs were booked.

Netflix's stock was off roughly 4% in after-hours trading. It had shot up earlier in the week when Netflix raised prices for all of its subscription plans, a move that fortifies its aggressive spending on content in the face of stepped-up competition. Companies including AT&T Inc.'s WarnerMedia and Walt Disney Co. are preparing their own content-streaming services to launch later this year. They will be competing with Netflix to sign up consumers and stock their services with content.

Their entry could drive up Netflix's programming costs even further, including for popular reruns. "We want to win," said Netflix Chairman and Chief Executive Reed Hastings when asked about all the new competition. On the company's earnings call, Mr. Hastings said the goal is still to provide a better environment with incredible content and "no advertising." Netflix said Thursday it was "ready to pay top-of-market prices for second run content." At the same time, it is making more of its own content in-house as it aims to be less reliant on outside suppliers for original shows and movies.

Typically resistant to providing viewership data, Netflix is becoming more transparent. It said over 80 million member households watched "Bird Box" in its first four weeks on the site. The horror thriller

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premiered on the streaming-video service on Dec. 21. The stalker drama "You," which originated on the Lifetime cable channel, will be watched by over 40 million member households in its first month on the site, Netflix estimated. The show flopped on Lifetime and now new episodes will be exclusive to Netflix.

In the past Netflix executives have argued that publicizing viewing data didn't make sense for the company because it doesn't sell advertising. But strong viewing numbers can strengthen Netflix's appeal to Hollywood talent and give investors confidence that its big-ticket investments in content are yielding results. "You'll see us ramping up more and more and sharing more of that information," said Chief Content Officer Ted Sarandos on a call with analysts. Netflix content, he added is "in the zeitgeist."

Netflix said in the U.S. its own content accounts for 10% of its subscribers' television screen time. The company said in its letter to shareholders that it considers the videogame "Fortnite" a bigger competitor for eyeballs than AT&T's HBO. Subscriber growth for Netflix came mainly from overseas. The company is increasingly developing television shows and films, such as the Spanish-language movie "Roma," meant to appeal to audiences outside of the U.S. It has also focused on productions able to attract a wide audience across its subscriber base.

Netflix said it added 7.3 million international users in the fourth quarter, a 42% rise from a year earlier. Analysts expected 6.1 million new paying users overseas. Domestic subscriber growth rose 2%. The Los Gatos, Calif.-based company expects to add another 8.9 million subscribers in the first quarter. It ended last year with a total of 139 million paying subscribers around the world. — **Wall Street Journal**

Facebook said Thursday it removed hundreds of Russia-linked pages, groups and accounts that it says were part of two big disinformation operations targeting users outside the U.S. The social media company said its latest effort to fight misinformation came after it found two networks "that engaged in coordinated inauthentic behavior" on Facebook and its Instagram service.

Facebook's head of cybersecurity policy, Nathaniel Gleicher, said in a blog post that one network operated in countries in Central and Eastern Europe, the Baltics, Central Asia and the Caucasus. The other focused on Ukraine. "We didn't find any links between these operations, but they used similar tactics by creating networks of accounts to mislead others about who they were and what they were doing," Mr. Gleicher said.

U.S. tech companies have stepped up their work against disinformation campaigns, aiming to stymie online troublemakers' efforts to divide voters and discredit democracy. Facebook's purge is part of countermeasures to prevent abuses like those used by Russian groups two years ago to sway public opinion ahead of the 2016 U.S. presidential election. Though much of the attention has been on Russian-linked campaigns in the U.S., Facebook has identified and blocked such tactics around the world. The Menlo Park, Calif., company has been disclosing such purges regularly in recent months, as its systems get better at detecting and removing malicious

accounts. But those behind the campaigns are sharpening their attacks, too.

According to Facebook, the people running the accounts represented themselves as independent news sources and posted on topics like anti-NATO sentiment and protest movements. Mr. Gleicher said one network of 364 pages and accounts was linked to employees of Sputnik, a Russian state-run English-language news site. About 790,000 accounts followed one or more of the network's pages. The operation spent about \$135,000 over six years for Facebook advertisements, which it paid for in euros, rubles and dollars. The most recent ad ran in January.

Sputnik criticized Facebook's takedown. "The decision is clearly political. This is tantamount to censorship," Sputnik said in a statement to The Associated Press, adding that Facebook blocked the accounts of seven of its bureaus in former Soviet republics. "Sputnik editorial offices deal with news and they do it well. If this blocking is Facebook's only reaction to the quality of the media's work, then we have no questions, everything is clear here. But there is still hope that common sense will prevail."

Acting on a tip from U.S. law enforcement, Facebook shut another 148 pages, groups and accounts, including 41 on Instagram, that were part of a second network that spent \$25,000 on ads in 2018, paid for in rubles. Mr. Gleicher said Facebook "identified some technical overlap with Russia-based activity we saw prior to the U.S. midterm elections, including behavior that shared characteristics with previous Internet Research Agency activity."

The Internet Research Agency is a Russian troll farm indicted by special counsel Robert Mueller for its actions aimed at influencing the 2016 U.S. presidential election. The disclosure is the latest in a series of fake account purges in recent months. Facebook has been stepping up its scrutiny after being criticized for its slow response to foreign attempts to influence the 2016 vote. In another measure aimed at increasing transparency, Facebook last year started requiring all political ads taken out in the U.S., Britain and Brazil to disclose who paid for them. — **Associated Press**

About that U.S. Sen. Bob Casey Jr. run for president — it has progressed about as far as you thought it would. Nowhere. Casey, fresh off another election win, **made headlines back in November** with a series of conspicuous non-denials about his interest in a 2020 bid for president.

Two months later, Casey's Senate colleagues are leaping into the pool — making announcements, hiring staff, visiting key states. The Pennsylvanian? He hasn't even bought a swimsuit. "I think before anyone decides to do that, there's probably a couple stages of analysis, and I'm still on step one," Casey said Tuesday at the Capitol. Three major Pennsylvania donors who are keeping a close eye on 2020 told Clout they haven't heard a thing from their home-state senator. "I certainly like our own senator, Bob Casey, although Bob has not indicated that he is going to make a serious run for anything," said Stephen Cozen, chairman of Cozen O'Connor and a top Democratic fund-raiser.

Privately, Democratic insiders are dismissive, casting Casey's dance as an attention grab. Others say there's a case for him as a potential vice president. He has, after all, won statewide office six times in a critical swing state, and shows appeal with the white working-class voters other Democrats have struggled with. But other options also check those boxes (Ohio's Sherrod Brown? Minnesota's Amy Klobuchar?). Unlike Casey, they have actually made some 2020 moves.

When 2019 rolled in, State Sen. Daylin Leach took to one of his favorite social media platforms with this New Year's resolution: work less on self-improvement, more on improving others. The Montgomery County Democrat's tweet was widely viewed as a not-so-subtle reference to the **#MeToo allegations** that continue to hound him more than a year after the Inquirer and Daily News first reported them.

The Twittersverse rolled its collective eye. But this week, it pounced on a remark posted from Leach's Twitter account in which he appeared to speak of newly elected Sen. Maria Collett (D., Montgomery) "serving" him. It started when Collett tweeted last week that she was proud to have been named the ranking Democrat on the Senate's Aging and Youth Committee. Leach's response: "Well, I'm very old. But I look very young. So you'll be serving me in everything you do." "Sleazy and unprofessional," one person responded. "Beyond disrespectful," said another.

Leach says it wasn't him. He believes he may have been hacked. Or left his computer open. His office is looking into it. "You'd have to be really stupid to say something like that," said Leach, who has taken down the tweet. He contacted Collett to explain, and has taken his Twitter account private — an eyebrow-raising move for an elected official who routinely uses social media to weigh in on current events and issues. For her part, Collett called the tweet "inappropriate" and an "unfortunate distraction."

She didn't appear entirely convinced by Leach's explanation either: His "serving" response had been up for a week before people began noticing. Said Collett: "If this had been an issue in terms of a breach in the senator's communications program or plan, I'm surprised that it's taken this long to discover it." — *Philadelphia Daily News*

