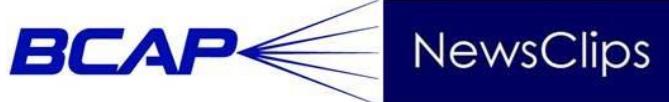




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February 14, 2020

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Service Electric Cable TV of New Jersey Inc., which serves the Sussex County area, is being acquired by a New York City cable provider. Altice USA announced Wednesday that it will pay \$150 million in cash to acquire the New Jersey regional operator. The transaction is expected to close by the third quarter, subject to regulatory approval and closing conditions.

The deal does not affect Bethlehem-based Service Electric Cable TV & Communications, which serves the Lehigh Valley and western New Jersey, said General Manager Jack Capparell. "It has absolutely no bearing on the Lehigh Valley Service Electric Cable TV," Capparell stressed. Capparell said the Bethlehem operation is independent of Service Electric Cable TV of New Jersey, which is based in Sparta.

To explain, Capparell, who has worked at Service Electric for more than 50 years, offered a quick history lesson. Service Electric was founded as a community antenna television business by John Walson Sr. in 1948 in Mahanoy City, Schuylkill County. The company eventually grew to serve 230,000 subscribers in eastern and central Pennsylvania as well as northwestern New Jersey. Before Walson Sr. died in 1993, Service Electric was split into three independent companies that would operate separately from each other, Capparell explained. Each of Walson Sr.'s children received one of the companies to run.

Service Electric Cable TV & Communications serves the Lehigh Valley, Wilkes-Barre and Hunterdon County, New Jersey. John M. Walson, who is Walson Sr.'s grandson and the son of John Walson Jr., [who died in 2012](#), is president of this company. Service Electric Cablevision, meanwhile, serves the Birdsboro, Hazleton and Sunbury areas and is run by Hoyt and Rosalie Walter. Then, Edward Walson runs Service Electric Cable TV of New Jersey, which primarily serves Sussex County but also covers a handful of



**BCAP offices will be closed
Monday, February 17**

municipalities in Warren County. Robert Williams, general counsel of Service Electric Cable TV of New Jersey, did not immediately return a call seeking further comment.

Altice USA, a publicly traded company headquartered in Long Island City, Queens, said acquiring the regional operator will extend its footprint in New Jersey, where it primarily serves the northern part of the state under its Optimum brand. The company, spun off from Altice Europe in 2018, markets its services as Suddenlink in the south-central U.S. markets. — *Allentown Morning Call*

Patrick Mahomes **led a fourth-quarter comeback** in the Super Bowl, the Kansas City Chiefs danced in a confetti shower and the last NFL season came to a close in thrilling fashion for fans. Then the NFL turned its attention to something even more pivotal for teams and players: an off-season it hopes will be the most lucrative in sports history, flush with tens of billions of dollars in new media deals that would line the pockets of the country's richest league for the next decade.

But there's one hurdle in the way: concluding a new collective bargaining agreement between the NFL and its players. Executives say that a deal in the coming weeks could be the lever that opens up a summer of bidding for the most valuable properties in all of TV. If a CBA fails to come together imminently, though, both sides fear they will miss an opportunity to capitalize at a time when they feel the league's leverage in media negotiations has never been stronger. The NFL is coming off a season that underscored its status as America's unrivaled entertainment behemoth. Its ratings rose, while competitors such as the NBA, MLB or practically anything else on television, have seen their numbers sag. Nearly three quarters of the 100 most-watched broadcasts in 2019 were NFL games.

People familiar with the talks say there's a growing imperative to get the next round of media deals done quickly. They say the league wants to cash in before things take a turn for the worse—a scenario they worry could unfold if they don't get it done this off-season. Some decision makers fear a potential economic downturn that could limit the budgets of potential rights holders who face the prospect of spending billions on NFL games. They also watched how NFL ratings fell sharply during the last presidential election, a prospect they believe could repeat itself in 2020.

Which is why executives from both sides of the collective bargaining negotiations believe the next few weeks could have enormous ramifications. "The sooner these things get done and locked up, the better," one executive said. The strange thing about the urgency over this issue is that it may not appear to be urgent at all. The current CBA extends through the 2020 season, giving the two sides 18 months to work things out. The NFL's deal with Walt Disney Co.'s ESPN isn't up until after the 2021 season, while pacts with Fox Corp.'s Fox, ViacomCBS Inc.'s CBS and Comcast Corp.

's NBC go through 2022. People familiar with CBS, ESPN and Fox's thinking said they're ready to get into negotiations as soon as the NFL is.

Disney Chief Robert Iger and Fox Corp. CEO Lachlan Murdoch both told analysts on recent earnings call that there have only been very preliminary talks with the NFL about the next round of deals. But in recent weeks, player representatives have met multiple times to mull the NFL's proposal for a new CBA that would ensure labor peace for a decade. Although there is no official deadline to hammer out a deal, one executive said the next two weeks will be "critical" for determining if a labor deal will get done. The most divisive point of the current offer has been the league's desire to add a 17th regular-season game—an idea that could grow revenue even further.

While some players have outspokenly protested this for health and safety reasons, others are cognizant that the new deal brings significant advantages: the players' share of the revenue would go up by at least 1 percentage point, giving them roughly \$160 million more from the league's approximate \$16 billion in revenue in the deal's first year, and that figure could rise if and when the 17th game were implemented. Over the course of the deal, the changes could be worth billions of additional dollars to the players, one of the people briefed on their discussions said. Other advantages to the players within the current proposal include higher minimum salaries, improved benefits, and a less punitive drug program.

The players also worry that if they don't strike a deal soon, any offer they would receive from the league at this time next year might be worse for them, the person added. That's because there's a widespread belief that the league wouldn't be able to maximize its TV deals without a completed CBA, which would guarantee to the networks that there wouldn't be a lockout or strike for the foreseeable future. And NFL executives want to spend their summer working on renegotiating those media deals.

For now, the NFL sees itself in a position of strength, coming off a season highlighted by young stars who provided a jolt to the game's popularity. Mahomes, only 24 years old, led Kansas City to its first Super Bowl in half a century. Baltimore Ravens quarterback Lamar Jackson, 23, became the youngest MVP in league history—usurping the title from Mahomes. Ratings during the regular season rose 5%. But the NFL is worried that its negotiating power might change. They're concerned that the economy could be weaker and tighten budgets. Some inside the league also expect a ratings decline during the 2020 season after their numbers fell 8% during the last presidential election cycle in 2016. "If Donald Trump is debating Bernie [Sanders] or [Mike] Bloomberg, and it goes up against an NFL game, it's going to hurt our ratings," one executive said. — *Wall Street Journal*

The rollout of new 5G wireless networks is showing signs of slowing, denting near-term sales prospects for some networking equipment makers and potentially delaying access for some consumers to the lightning-fast data speeds the technology promises. Industry officials say there is no common cause for the slowdown seen across multiple markets, with various countries affected by different dynamics. In some cases, the equipment makers say, telecom providers want certainty that the investments made will reap returns before plowing more money into further infrastructure.

Investments required to deploy fifth-generation cellular networks are significant, in part because of how the systems operate. To blanket a city, 5G requires more base stations and local relay points than traditional communications infrastructure to connect devices to the network. Research firm Gartner Inc. estimates companies spent more than \$2 billion on 5G wireless infrastructure last year, more than triple the level in 2018. But spending growth is expected to slow somewhat this year, reaching about \$4 billion. Quinn Bolton, an analyst at Needham & Co., said delays in the build-out of 5G infrastructure in Asia and the U.S. were causing the slowdown.

South Korea was a trailblazer in 5G adoption, and operators that invested heavily in the first half of 2019 have since eased up, he said. Samsung Electronics Co., a major gear manufacturer for South Korean 5G networks, said last month its domestic 5G business would decline this year though grow elsewhere. The 5G rollout in the U.S. is somewhat slower than expected because some cities and towns oppose the massive number of antennas needed to deliver ultrafast 5G data speeds to consumers, industry executives say. Some have banned antennas in residential areas, and a group of cities is suing the Federal Communications Commission over its requirement that cities make decisions on approval of 5G antennas within 60 or 90 days.

The protracted antitrust battle over T-Mobile US Inc.'s merger with Sprint Corp. also affected the pace of 5G spending. The two agreed to combine nearly two years ago, but it was only this week that a federal judge gave the go-ahead, siding with the companies over states that had raised antitrust concerns. The companies have yet to formally close the deal. As the companies were awaiting the merger outcome, T-Mobile told contractors in a letter last fall that new work orders were postponed, according to people familiar with the matter. Michael Sievert, T-Mobile's chief operating officer, earlier this month told The Wall Street Journal that engineers overshot their budget at the end of 2019 but the company would ramp up investment again early this year.

Pierre Ferragu, an analyst at New Street Research, said the T-Mobile-Sprint combination would speed 5G development in the U.S., calling it "positive for equipment vendors." Some makers of networking equipment that pipes data to and from new 5G antennas are still largely awaiting the anticipated spending spree. Juniper Networks Inc. Chief Financial Officer

Ken Miller said this week that reaping the 5G opportunity would have to wait until 2021 or 2022. “I think it’s going to be a little slower and a little longer spending cycle than maybe people predicted a year or two ago,” he said. Juniper makes hardware that manages internet traffic, which network operators will need more of to handle fast-moving 5G data.

For companies more directly involved in the 5G deployment, such as Cree Inc., an electronics provider in Durham, N.C., the impact has been more concrete. “We’ve seen some near-term delays in the 5G rollout,” Chief Executive Gregg Lowe said last month. Xilinx Inc., a San Jose, Calif., chip maker, also cut its sales growth outlook and announced it was reducing its workforce by 7% because of U.S. restrictions on some trade with China and a slower 5G outlook. CEO Victor Peng said many telecom operators that spent heavily to put the initial 5G networks in place now are waiting to see if the spending generates anticipated returns before plowing more money into the infrastructure.

Overseas, Sweden’s Ericsson AB—one of the largest telecom equipment manufacturers—said it has encountered higher 5G-related costs and seen a slowdown in North America sales that it attributes partly to Sprint-T-Mobile merger delays. Ericsson CEO Börje Ekholm said concerns around the use of Huawei Technologies Co. equipment also have affected deployments. The U.S. has been pressing allies not to use Huawei’s 5G gear because of cybersecurity concerns about the Chinese manufacturer—concerns Huawei has rejected.

Several countries have been reviewing what role Huawei equipment should have in their systems because of U.S. concerns. The U.K., after months of debate, recently said it would allow some use of Huawei equipment in its 5G infrastructure. Huawei late last year struck a 5G deal in Germany. Some industry analysts expected the U.S. campaign to stem the use of Huawei equipment or to boost other vendors, such as Ericsson. Mr. Ekholm said, “This whole notion that this was a win for Ericsson and Nokia so far has not materialized.”

Some rollouts in Europe also have been delayed because governments haven’t completed the spectrum allocation to operate such systems, industry officials said. Despite the recent slowdown in equipment purchases, executives remain bullish on longer-term 5G prospects. Handset makers are ramping up plans for new devices: Gartner forecasts 221 million 5G smartphones will be sold this year. Samsung, the world’s largest smartphone maker, this week unveiled three Galaxy S phones with 5G capability. “There appears to be a significant bifurcation in demand trends currently between the 5G infrastructure and smartphone segments,” Mr. Bolton, the Needham analyst, said.

Not every network operator is taking a pause, either. AT&T Inc. CEO Randall Stephenson last month said the company’s 5G network covered 50 million people and was expected to reach the entire U.S. in the second quarter. “We’re not slowing

down,” he said. Verizon Communications Inc. Chief Executive Hans Vestberg last month [projected fast growth of the company's 5G network](#), though he said it would be more pronounced next year. In China, a key market for 5G handset sales, network rollout plans remain broadly on track, according to analysts. Bernstein Research telecom analyst Chris Lane said Chinese operators were building hundreds of thousands of cell towers and weren’t going to slow down, barring any effects of the coronavirus outbreak. – *Wall Street Journal*

Clout delivers a good news/bad news scenario today. The good news: Former State Rep. Movita Johnson-Harrell’s life story will be performed as a play next month at the Rotunda, a theater space in University City. The bad news: She won’t get to see it, because she is in jail. Johnson-Harrell reported last week to the Riverside Correctional Facility to serve at least three months of a 11½- to 23-month sentence [after pleading guilty last month](#) to theft, tampering with public records, and perjury.

From Tragedies to Triumphs: The Movita Johnson-Harrell Story [takes the stage for two back-to-back performances](#) on Friday, March 13. Johnson-Harrell is a big fan of the production, [promoting it on her Facebook page](#) up until the day before she reported to jail. She emphasized the \$20 tickets were to raise money for gun-violence prevention, a personal cause [since her son was murdered](#) in 2011. “They are not looking to make money,” Johnson-Harrell said of the play’s producers on Facebook on Feb. 5. “They want to bring awareness and get people engaged.” She also [posted a picture on Jan. 28](#) of her meeting the cast during rehearsals and on Jan. 31 [again asked people to purchase tickets](#). “People that know me know that contrary to the rhetoric I am a giver not a taker,” said the former legislator from [West Philly's 190th District](#). “I am asking everyone that knows me to buy a ticket for this play.”

A grand jury impaneled by the Pennsylvania Attorney General’s Office [accused Johnson-Harrell of stealing more than \\$500,000](#) from a nonprofit she founded, spending the money on vacations, designer clothes, fur coats and personal bills. If this were a musical, the lead song would be, “Don’t Cry for Me, West Philadelphia.” Producer Brian King said the play has been in the works for more than two years and he had no idea Johnson-Harrell was in legal jeopardy until just before the charges were announced. “What I know of Movita, I think she should still be honored,” he said. “I didn’t give it a second thought. I told her it would still go on.”

King, who hired writer Dorothy Harris to produce the script, confirmed that the play’s proceeds will go to a gun violence prevention program, though he does not currently have an arrangement for that with any specific program. “I just know every dollar is going to gun violence,” he said. Harris said she was unfamiliar with Johnson-Harrell’s work before being hired to write the play but joined her in the meeting with the cast. “They were excited to meet her,” Harris said. “She told

them a little bit about her story and how she plans to be an activist when she gets out.”

Speaking of polls, a Clout fan alerted us to a push poll that he thought came from the Democratic primary campaign of Salem Snow, who is challenging U.S. Rep. Brendan Boyle’s bid for a fourth term in Philadelphia. The poll, our tipster said, was a robo-call from TPC Research, using a phone number with a Pittsburgh area code. The poll knocked Boyle for taking contributions from special interests and touted Snow as the “true progressive” in the race.

That matches [Snow’s campaign messaging](#). But Snow, via Twitter messages, said he had nothing to do with the poll. “We haven’t heard of this company until your inquiry,” said Snow, who declined a formal interview. Snow [found time to tweet last week](#) about media outlets seeking to report on him. A little history there: He was registered to vote in Philadelphia under a former name from March 2016 to October 2019, then legally changed his name to Salem Snow last September and entered the race in November. Anthony Bellmon, a Boyle campaign spokesman, called his boss “a tireless worker who has the support of every major progressive organization” and said he “looks forward to running for re-election on his strong record.” – [Chris Brennan’s “Clout” column in Philadelphia Daily News, which also covers a new Donald Trump store in Bucks County](#)



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