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The director of information and communication technology for the company building Lancaster city's LanCity Connect network was sentenced in federal court this month in connection with his role in a Reading corruption case.

MAW Communications hired Eron Lloyd more than two years after he pleaded guilty in November 2015 to one count of conspiracy to commit bribery. In a statement, MAW said Lloyd's employment should not raise concerns for Lancaster city or its residents. "Mr. Lloyd was not a MAW employee at the time he committed his crime, nor was he a MAW employee when MAW and the City of Lancaster entered into our municipal carrier agreement in 2014," MAW said. "We hired Mr. Lloyd for his knowledge and expertise in data science and information technology. He does not have the authority to sign nor create contracts."

Mayor Danene Sorace said, "It is disheartening when a public servant betrays public trust. "I don't know Mr. Lloyd, and to the best of my knowledge, he was not directly involved in any work with the City of Lancaster." Federal prosecutors said Lloyd, 39, of Reading, conspired with former Reading Mayor Vaughn Spencer to bribe Reading's City Council president. Their goal was repeal of a city ordinance that set campaign contribution limits.

The scheme was part of a wider scandal. More than a dozen people have been convicted as a result of federal probes into pay-to-play schemes in Reading and Allentown, including Spencer and former Allentown Mayor Ed Pawlowski. On April 1, Lloyd was ordered to serve five years of probation, and fined \$7,500. He will serve the first six months of probation on house arrest. Prosecutors said Lloyd cooperated with their investigation, and that his testimony against Spencer in court helped secure the mayor's conviction. On Wednesday, **[Spencer, 71, was sentenced](#)** to eight years in prison, plus three years of supervised release afterward. He was fined \$35,000. MAW was hired by City Hall to build a high-speed fiber-optic network for city services. A broadband service for households and businesses, LanCity Connect,

Associated Press

Judges: Michigan must redraw congressional, legislative maps

Allentown Morning Call

Joe Biden launches 2020 bid first in polling, but last in money chase. Pennsylvanians have given \$483k to others

runs on the system, but rollout has been stymied since late 2017 due to MAW's legal battle with PPL Corp. – *Lancaster Intelligencer-Journal*

Business pundits and consumers wrote Comcast Corp.'s obituary with the rise of such online content streaming services as Netflix, and their cord-cutting fans. But even to the surprise of Comcast Corp. CEO Brian Roberts, the opposite is happening.

To stream movies and shows, you need a high-speed internet service. And many times that service — in some places the only one available, in fact — is Comcast's Xfinity Internet. The Philadelphia company reported on Thursday the fastest profit growth in more than a decade in its cable division, or almost 10 percent, as lower-profit cable-TV subscribers are being replaced with more profitable broadband customers. The trend is reshaping the company's U.S. business. "If a customer doesn't choose to buy one of our video products, they're buying our broadband at a better rate than we might have anticipated years ago," Roberts said in a conference call. "And that's the shift we're talking about that is playing to our strength."

Comcast now has 5.7 million more broadband customers than cable-TV customers, or 27.6 million compared with 21.9 million. The gap will certainly widen in 2019. In the first three months of 2019, Comcast shed 121,000 TV customers while it added 375,000 broadband customers. And off each one of those broadband customers, Comcast earns a higher profit margin, executives have said.

Comcast functions like a content wholesaler as a cable-TV company. It pays entertainment companies such as the Walt Disney Co. monthly fees to distribute their channels. But Comcast doesn't have to pay those fees for its broadband service, which simply moves data over telecom lines owned by Comcast itself.

Partly reflecting these economics, Comcast said that first-quarter profits jumped 14 percent to \$3.6 billion, or 77 cents a share. Comcast's first-quarter revenue -- on an adjusted, or pro forma, basis -- fell 3.3 percent to \$26.9 billion, mostly because of the unfavorable comparison with the year-ago quarter when Comcast-owned NBC benefited from broadcasting the advertising-rich winter Olympics and the NFL SuperBowl. The NBC television network is part of Comcast-owned NBCUniversal. Thursday's earnings report also included the results of Sky television in Europe. Comcast bought Sky for \$40 billion after bidding against Disney for it in 2018.

Comcast stock jumped 2.6 percent on the earnings news, closing at \$42.93. Before Thursday's earnings release, Comcast's stock has risen 23 percent this year, compared with 17 percent for the S&P 500 index, according to Bloomberg. In a conference call, Roberts sought to push back against concerns on Wall Street that Comcast may not have the breadth of entertainment content to compete globally against Netflix and Disney, saying that Comcast spends \$24 billion a year either acquiring or creating TV shows, movies and other content for its distribution channels.

Later this year, Roberts added, NBCUniversal and Sky will jointly launch a global news channel. "Our industry-leading scale is a defining asset," he said. Earlier this year, Comcast announced that it will launch

a streaming service in early 2020 through NBCUniversal and Sky -- after years of pooh-poohing streaming as unprofitable or low-margin businesses. This new streaming service will enter a crowded field of established and new entrants.

Roberts responded to an analyst's question on whether Comcast would sell its 30 percent ownership in Hulu to Disney, which owns 60 percent of the popular streaming service, saying "it's really valuable and we're really glad we own a big piece of it." Disney recently announced its own plans for streaming services to compete with global giant Netflix.

But later Thursday morning, the Comcast-owned CNBC **reported** that Comcast was talking with Disney about selling its Hulu stake, citing unidentified sources. Comcast had no comment on the CNBC story. NBCUniversal's first-quarter revenue fell 12.5 percent, again because of the comparison with the Olympics in the year-ago period. Excluding for the Olympics, NBC broadcast television rose 7.1 percent and cable networks revenue climbed 3.2 percent.

NBCUniversal theme park's have been a stellar business for Comcast, though first-quarter revenue declined 0.4 percent. Comcast invested heavily into new attractions at the California and Florida theme parks, with capital expenditures at NBCUniversal soaring 68 percent to \$453 million for new Harry Potter and Jurassic Park attractions. One weakness in the Comcast empire was Sky. Sky revenue fell 5 percent, though when adjusted for currency rose 2 percent. Profits fell 17 percent. This was attributed to costs for soccer and other sports rights. Sky -- whose largest pay-TV markets are U.K., Germany and Italy -- added 112,000 new customers compared with 38,000 in the year-ago period. – *Philadelphia Inquirer*

For many legacy media companies, streaming behemoths like Netflix look a little like the grim reaper: an existential threat to their businesses. For Comcast, however, the picture is more complicated. While the company is losing cable subscribers as consumers cut the cord, it also is winning over more internet customers in need of high-speed connections to fuel their entertainment binge. In other words, the grim reaper comes bearing unexpected gifts.

This dynamic was visible in Comcast's first-quarter results. On Thursday it reported earnings of 77 cents a share, up from 66 cents a share in the same period last year, beating estimates of 68 cents a share. Revenue rose 18% to \$26.86 billion, thanks partly to the company's recent acquisition of Sky, the European pay-TV giant. It also was boosted by a 10% rise in Comcast's high-speed internet revenue. The company said it added 375,000 customers in the period.

That helped offset losses in its traditional pay-TV business, where the company continued shedding subscribers. In the first quarter, Comcast lost 121,000 subscribers, an acceleration from a year ago when it lost 96,000 subscribers in the same period. That marked the company's eighth consecutive quarter of decline—though it wasn't quite as bad AT&T , which reported a loss of 544,000 pay-TV customers for the quarter.

Comcast is eager to get into the **crowded streaming race**, too. It is planning to launch an ad-supported service in 2020. Questions also

abound as to the fate of Hulu, in which Comcast has a 30% stake. A report by CNBC Thursday suggested that Comcast is in talks to sell its stake to Walt Disney , which owns 60%. Those shares will both be higher following Hulu's repurchase of AT&T's 10% stake, announced last week. Given the \$15 billion valuation implied by that transaction, such a sale would bring Comcast around \$4.5 billion.

The company has very good reasons for remaining at Hulu, however—not least to remain a thorn in Disney's side. Questioned about the possibilities of a sale, Comcast Chief Executive Brian Roberts insisted on Thursday before the CNBC story that, “we’re really glad we own a large piece of it.” Comcast shares have risen 26% in the past 12 months. Whether or not it sticks with Hulu, it is poised to reap the rewards of the streaming craze. As new platforms launch over the next year, its high-speed internet business will become all the more valuable. — *Wall Street Journal*

Val DiGiorgio had a curious knock on Biden’s nascent candidacy Thursday morning. The chairman of the Pennsylvania Republican Party claimed in an email that Biden “turned a blind eye to Russian interference in the 2016 election.” If that’s not how you remember it, there is a reason for that.

Biden, three weeks before 2016’s general election, said on NBC’s *Meet the Press* that the U.S. government would punish Russia for interfering in the election. Russian President Vladimir Putin responded directly to Biden by suggesting Democrats were “a little bit nervous” about the election. DiGiorgio’s claim may not be consistent with history, but it fits with his party’s blame-the-other-side messaging. Trump’s reelection campaign and the Republican National Committee emailed supporters a fundraising “accountability survey” Thursday afternoon that claimed former President Barack Obama “did virtually nothing to stop” Russian election interference.

It’s been less than a year since Trump, in a news conference with Putin in Helsinki, accepted Putin’s claim that his country did not interfere in American’s election, adding, “I don’t see any reason why it would be” Russia to blame. — *Philadelphia Daily News*

