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60th Anniversary

NewsClips   **May 24, 2017**

Milton (Northumberland Co.) Standard-Journal **Susquehanna Valley Chamber CEO: Broadband need critical** *Bloomberg* **U.K. Takes on Social Media Giants After Terror Attack** *Pittsburgh Post-Gazette* **With right funding, projects to expand Internet access take off** *Bloomberg* **Amazon TV Service Helps Starz, HBO Stand Out in Netflix Era** *Variety*	In the 1980s in Houston, Frank Wiczkowski adapted one of the first 1,000 IBM PCs ever manufactured, converting it into a mainframe terminal. For a North Sea oil drilling operation off the coast of the Netherlands, he developed first-of-its-kind software for detecting leaks. After gaining experience in the telecom industry, he decided to strike out on his own. In 1997, he founded MAW Communications. MAW is a regulated utility, overseen by the state Public Utility Commission. Until recently, its clients were mainly municipalities, educational institutions and other telecom companies. Now, it's building out a fiber-optic broadband network for Lancaster through a public-private partnership with city government. The city is paying for the infrastructure, which will provide the backbone for various city services. To facilitate the rollout of LanCity Connect, the network's residential service, the city is subsidizing residential connections and providing MAW a $1.5 million working capital loan. The city's commitment to residential service is what enables MAW to offer it, Wiczkowski, 58, said. Fiber networks are expensive, so residential service usually comes late in the game or not at all, because it's so hard to make money on it. "You're living with very small margins," he said. He figures MAW's break-even point is about five years away. The good thing about fiber technology is that you can add service after service after service. "The more applications you can overlay on the network, the easier it is to cost-justify," he said. "That's how the city was able to make this project work." The following interview has been edited for length and clarity. What does "MAW" stand for? – MAW is my daughter's initials. Initially, it was "MAW Bell." But Bell Atlantic had a trademark going all the way back to the 1800s, so we had to take "Bell" out of our name.

Your daughter, Mindy, heads up customer service, right? – That's right. When LanCity Connect came up, our customer service department really needed to be beefed up. So we wanted to make sure we had someone that really understands people and understands what motivates them. Mindy has been involved in the business in one form or another since she was 16. She worked in the company in summers and things like that. At West Virginia University, she majored in psychology and sociology. So she fit the bill perfectly with her background and experience.

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How is residential deployment going? – It's a three-phase project right now. We run the network to the local area, then connect from there to the home, then we light them up, give them internet connectivity. In a month or two, it'll be a single installation. Our team will come out, we'll install the outside piece, connect the inside piece, then turn it on and leave the customer operational.

You have standard price tiers for residential service. What about pricing for business customers? – We will offer tier services, but in every case it's going to be somewhat customized, because we can do all kinds of things that are unique for a particular business. We right-fit our technology to the application, not the other way around. We tailor the system to the application. Another thing that's really important on the business side is, our network is completely secure. We don't offer any services that don't pass through our firewall. We were one of first ISPs to do that: Our network has been secure since 1999.

Is there a chance fiber optic will be obsolete five or 10 years from now? – On a fiber network, we're basically blending colors of light, then separating them back out again. We blend them to send data over the network and then strip them out to get the data back. As far as we can tell, there is no limit to the number of colors of light. So the fiber we're installing has no upper limit on the amount of bandwidth that can be transmitted. Probably within 12 to 18 months we'll be offering 10-gigabit service. We already can do that for businesses, through a direct connection. Multiple ones, if they want. You never know what's going to happen tomorrow. But as we see physics today, fiber optic appears to be futureproof.

What makes MAW different? – We've always faced the David and Goliath issue. "Why would I want to go into business with you when I can be with Verizon or one of the safe bets?" For one thing, when you negotiate a deal, we don't have to take it back and go through 16 lines of authority. If we're going to make a deal, we make the deal. We offer a high quality service, a service that you can turn your back on, that's going to work. We don't just jump into anything. We figure out how we can make the appropriate economies without ever sacrificing engineering. We call it being in Maytag mode. It's the old image of the Maytag repairman sitting there bored, waiting for something to break: That's us. We do our homework and make sure that when we install something, we can make it work and walk away knowing it's properly engineered.

What happens if a customer does run into a problem? – When technology is broken, you're in panic mode. The last thing you want to do is interact with technology. So when you call MAW, a human will always answer our phone. As you scale, that becomes very difficult, but we're still doing it. We have to announce that we're recording calls, so you hear that initially, but you're not going to voicemail unless something happens and you've traversed our whole organization. Another thing: When you call our front-line people, they know all the basics. You may get to a point where they can't handle you technically, and they have to transfer you, but they'll get you most of the way. I have a really committed team. They're committed to quality and making a good impression. When you make somebody happy and make them feel important — because they are important — you're going to win every time. – *LancasterOnline.com*

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French cable TV giant Altice will group all its operations under its current name by mid-2018 — including the New York area's Cablevision, which it acquired last year. Altice, founded by French-Israeli tycoon Patrick Drahi, has swiftly become a major cable and telecoms operator in the US and France over the last three years through acquisitions that brought its total net debt to $57 billion by the end of March.

In addition to scooping up Cablevision for $10 billion last summer, Altice in December shelled out $9.1 billion for a controlling stake in Suddenlink, whose operations are being merged into Cablevision's. Drahi was also set to present more details of the global rebranding effort at a news conference on Tuesday.

Altice also owns brands in France, Portugal and Israel, as well as its recently-acquired online video advertising marketplace Teads, will keep their current name, according to a company statement. Altice, which is planning an initial public offering of its US operations, is banking on the convergence between content providers and telecommunications operators to increase margins and help it compete better against newcomers such as Netflix and Amazon.

Altice completed its Cablevision acquisition only after satisfying the concerns of New York City officials, who demanded that Altice not lay off any consumer-facing staff for five years. Altice also agreed to pass 25 percent of its anticipated $450 million in merger savings to customers and pledged to improve Cablevision's network. New York state estimates that conditions linked to the deal's approval will benefit New York consumers to the tune of $243 million. The Altice rebrand also will include its French unit SFR Group, which has lost customers and suffered from poor brand perception lately. – *New York Post*

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Facebook is testing a new tool designed to help media companies sell video advertising on their own websites, apps and other digital properties in a more automated fashion, the company said Tuesday. The new ad offering, called Audience Direct, will invite publishers to list video ad inventory for sale from across their properties, and to specify pricing.

Marketers will then have the ability to log on to the system and to purchase ad space from specific publishers on a self-service basis, potentially streamlining the buying and selling process for both parties. Crucially, marketers can also specify which types of users they wish to display ads to, based on Facebook's mountain of user data. For example, an advertiser might purchase video ads on a specific TV network's website or app, but targeted only to women in a specific city.

Video publishers including Hearst, A+E Networks and Scripps Networks Interactive are currently trialing the system with their advertising clients, according to Facebook. It is unclear how much ad inventory they will make available. Business terms are still evolving, but it is likely Facebook will take a cut of revenue from the transactions it helps facilitate. That could be a welcome revenue stream for the social network as it begins to reach capacity in the number of ads it can squeeze into users' news feeds.

The move comes as Facebook is intensifying its push into video. Separately, the company is working to license TV-like original programming and sports rights, to be featured in a video tab separate from users' feeds. Facebook is also beginning to introduce mid-roll advertising within videos across its platform. Combined, all those efforts could help the company win a bigger slice of a U.S. digital video ad market that touched $10 billion last year, according to eMarketer.

Facebook believes its new tool can streamline and modernize the labor-intensive ad-buying process. Currently, ad sellers and buyers often negotiate and place orders in a more manual fashion, including via phone, email and even fax machine. "We've heard from video publishers that today their existing business is mainly direct-sold," said Facebook's vice president of publisher solutions, Brian Boland. "That business has some opportunities and challenges as it moves to digital."

Various other advertising technology companies already provide similar sales tools for publishers, which are often referred to as "programmatic direct" or "automated guaranteed" technologies. But Facebook is betting that the addition of its powerful targeting and tracking capabilities will make its offering more attractive for marketers, and potentially more lucrative and efficient for publishers.

Mr. Boland said the Audience Direct tool will function separately from Facebook's existing Audience Network, a product that allows marketers to target specific groups of users across a wide range of websites and properties. By contrast, Audience Direct is designed to broker deals between marketers and individual media properties in a transparent fashion. "If you're an advertiser, you can buy from the Audience Network and reach audiences irrespective of the content they're on. But some marketers do want to buy specific publishers because context is important to them," Mr. Boland said.

Marketers have been especially concerned lately about their online ads showing up alongside objectionable content. But Mr. Boland said Audience Direct isn't specifically designed to help alleviate those worries. Rather, it was designed to cater to the needs of publishers looking for technology to aid their sales process, he said. – *Wall Street Journal*