



BCAP
60th Anniversary

NewsClips

July 6, 2017

Variety
Home-Shopping Spree: QVC, HSN Will Merge Under John Malone

Chicago Tribune
Illinois OKs end of landlines, but FCC approval required

decider.com
Disney Is Bleeding Its Audience As the Kids Are Flocking to Streaming

CNN
Al Jazeera journalists: Don't treat us like 'criminals'

Philadelphia Inquirer

To resolve a complaint its union took before state regulators, Verizon has agreed to shore up its legacy infrastructure across Pennsylvania. Over the next three years, Verizon will repair and replace aging copper cable and other faulty equipment and remove 15,000 double telephone poles. Double poles occur when a new pole is installed to replace a damaged one, but the latter is not removed. They are potential hazards both to the public and to line workers, the Communications Workers of America said in the complaint, filed in October 2015 with the Public Utility Commission.

The union, which represents about 4,700 Verizon employees in Pennsylvania, documented its complaint with evidence collected around the state, including Lancaster. The union said Verizon has been letting its copper infrastructure deteriorate, resulting in substandard phone and internet service for customers, while it rolls out its FiOS, or fiber optic service.

Verizon has implemented FiOS in Philadelphia, Pittsburgh and the Harrisburg area, but it remains unavailable in much of the state. "This settlement shows that Verizon cannot neglect its copper infrastructure and provide unsafe, inadequate service to its customers in order to maximize profits," Jim Gardler, president of the union's Local 13000, said in a statement.

Pennsylvania law obliges telecommunications utilities to meet safety and service standards and empowers the PUC to enforce them. Besides removing the double poles, Verizon has agreed to renovate 30 mostly rural "wire centers" or switching centers; review cable replacement requests made in 2015 and 2016 and act on those deemed necessary; and create an internal system for technicians to report upgrade needs.

A union spokeswoman said she could not comment on what repairs might take place in Lancaster County, as the agreement with Verizon is not subdivided by region. Verizon does not admit wrongdoing in the settlement, and the company has not commented on it. The agreement, reached in June, follows a similar one **Verizon reached in May** in southern New Jersey. – **Lancaster Intelligencer**

President Donald Trump has promised to expand broadband service to rural areas as part of his \$1 trillion nationwide infrastructure plan. That may be easier said than done. It would take an estimated

[Pa. budget talks drag on](#)

[Allentown Morning Call Pennsylvania's budget still not finished](#)

[Associated Press Democratic Party primary fight looms for Pa. lieutenant governor](#)

[Scranton Times-Tribune Editorial: Governor sees true fraud](#)



**METROCAST
BEGINS WITH
ME**

VIDEO - INTERNET - PHONE



**Advanced Video,
Internet & Phone**



1.800.633.8578

MetroCast.com

\$80 billion to extend broadband to all U.S. areas that lack it, but the White House has initially proposed spending just \$25 billion over 10 years on rural infrastructure needs.

At the same time, policy experts disagree about how best to expand rural broadband — and what responsibility government has to subsidize it. “Our suspicion is the president’s plan won’t be sufficient,” said Johnathan Hladik, policy director for the Center for Rural Affairs, a nonprofit that advocates for small farms. “We’re happy he’s saying it. You also have to do it, and that’s where it gets tough.”

Only 55 percent of rural U.S. residents have access to download speeds faster than 25 megabits per second, the government’s standard for adequate service. That compares with 94 percent in urban areas, according to a 2016 Congressional Research Service report.

Advocates say high-speed internet is an increasing necessity for everyday residential and business activity, and for economic growth. For example, farm equipment now comes with the option of remotely troubleshooting a problem with a tractor or combine — but only if you’ve got the bandwidth.

Mr. Trump pledged during a June trip to Iowa that his infrastructure plan will include a provision “to promote and foster, enhance broadband access for rural America.” The administration will call for \$200 billion in federal spending over 10 years on public works of all types — and seek to leverage at least \$800 billion in spending by states, localities and the private sector. Agriculture Secretary Sonny Perdue said the White House hasn’t calculated how much it may invest in broadband. The administration will seek partnerships with state and local governments and the private sector, he said, but it won’t be a one-size-fits-all plan. “It’s a big price tag, but who shares what part of that will probably differ from place to place,” Mr. Perdue said.

Approaches suggested by political officials include making grants and loans to towns or rural cooperatives, extending tax credits to lure for-profit firms into underserved areas, and holding “reverse auctions” in which providers bid on public money that’s offered to bring service to specified areas for the lowest cost. — **Bloomberg**

For years Dish Network Corp. Chief Executive Charlie Ergen has [sought out deals and partnerships](#) with just about every major telecom company, from Sprint Corp. to T-Mobile US Inc. to AT&T Inc. — so far, to no avail. Now, the satellite-television mogul is turning his attention to the technology world and a new—and somewhat surprising—potential partner has emerged: Amazon.com Inc. CEO Jeff Bezos. The two men—eccentric billionaires with geek tendencies and shared interest in space and robotics—have gotten to know each other better over the past year and have discussed a partnership to enter the wireless business, according to people familiar with the matter.

Among the ideas: Amazon could help finance a network Dish is building focused on the “Internet of Things”—the idea that everything from bikes to Amazon’s drones can have web connectivity everywhere. Another idea is that Amazon, as a founding partner of Dish’s new wireless network, could offer an option for Prime members to pay a little more a month for a connectivity or phone plan, one of

the people said. No deal is imminent and it is unclear if the companies will move forward with a partnership. Dish has discussed versions of the “founding partner” concept with other technology firms, one of the people familiar with the matter said.

Amazon “is taking a walk vs. a run approach with Dish,” adds one person familiar with the talks. The two companies struck deals in May that allow some Dish customers to control their set-top boxes through artificial intelligence assistant Alexa on Amazon’s Echo speakers and make Dish streaming-TV apps available on Amazon Fire devices. An all-out acquisition of Dish by Amazon is highly unlikely, the people say. Amazon and Dish declined to comment.

The possibility of an Amazon-Dish tie-up comes amid a swirl of deal and partnership talks in the wireless industry. Cable companies, tech giants and the incumbent telecom carriers are all trying to position themselves as smartphones and the mobile web capture more of consumers’ attention, and as Washington regulators throw up new opportunities and obstacles.

Sprint Corp. was holding merger talks with T-Mobile before putting those temporarily on hold to explore a deal with Comcast Corp. and Charter Communications that **could bolster those companies’ plans** to offer wireless service. Some industry observers think the Sprint-cable talks could push T-Mobile and its parent Deutsche Telekom AG to rekindle deal discussions with Dish after an earlier round in 2015 collapsed. Of late, Messrs. Ergen and Bezos have been crossing paths more often. They spent time together in March at a satellite convention, where Mr. Bezos’ rocket company Blue Origin LLC gave a presentation to Mr. Ergen’s EchoStar Corp., Dish’s sister company that builds satellite technology, people familiar with the matter said. Mr. Ergen in March also attended Mr. Bezos’ secretive, invite-only MARS robotics and space conference. More recently, the two moguls met in May in Seattle, other people familiar with the matter said.

The two executives are both eager disrupters: Mr. Ergen, who had a stint as a professional blackjack player, founded Dish in 1980 to take on cable TV and in 2015 launched Sling TV, the first online live TV service aimed at cord-cutters created by a traditional pay-TV provider. Mr. Bezos has upended business models from books to media, and is venturing into food retail with Amazon’s acquisition of Whole Foods valued at \$13.7 billion, including debt.

Mr. Bezos is no stranger to uncertain terrain. “We look into the future and we always see an intensively competitive environment, a world that is awash in disruptive change and new technologies,” he said at Amazon’s annual shareholder meeting in May.

Joining with Dish on a wireless network could potentially advance the online retail giant’s ambitions in a range of new businesses. It could give the company quality control over connectivity for its Amazon Dash buttons—which allow people to reorder household goods easily—and its Echo speaker powered by Alexa. And it could help improve Alexa’s technology by putting the intelligence throughout the nodes of a wireless network, said one wireless executive who has worked with Amazon and Dish, enabling Alexa to be faster and more human-like in its responses to searches due to proximity to users’ locations.

Amazon could also offer a one-way broadcast signal for Amazon Prime video on a slice of Dish’s airwaves, ensuring shows and movies stream without hiccups everywhere, one person close to Dish’s plans said. It also could help Amazon’s plans to operate a network of drones delivering packages to customers, wireless executives and people familiar with Amazon’s thinking said. The company could “command and control” those drones and “consider real-time changes in directions or multi-stop delivery routes through messages from the network,” wrote Citigroup analysts speculating about a Dish-and-Amazon partnership in the wake of a May report from Satellite Business News.

Dish has been **seeking to enter the wireless business** for several years as a way to diversify away from its shrinking core satellite TV business. Dish and its affiliated entities have spent more than \$21 billion over the course of a decade to acquire airwaves nationwide, but Dish lacks a network to deploy the spectrum and has been on the hunt for a partner.

To meet a March 2020 government-mandated deadline to offer service on some of its spectrum, Dish is building a bare-bones, so-called “fifth-generation,” or 5G, network that will cost less than \$1 billion. Citi analysts said a partnership between Dish and a technology giant like Amazon or Google could take many forms. Amazon could become a “preferred customer” on a new wireless network and commit to spending a certain amount on connectivity in exchange for a below-market rate. It could also invest cash upfront in Dish’s network to help pay for the build out, in exchange for a significantly-discounted price upon the launch of the network.

In a private meeting with investors and J.P. Morgan analysts in May, Mr. Ergen indicated that he believed technology companies could be looking seriously at the wireless business, especially as the

Trump administration seeks to roll back “net neutrality” rules that were meant to guard against carriers extracting tolls from content companies for better service, according to an attendee. “They’re going to have to make sure that in a world of net neutrality...being eliminated, that they’re positioned so that they’re not in a situation where their connectivity is clogged,” Mr. Ergen said earlier in May. – **Wall Street Journal**

If broadband access is the fuel that can power rural and outstate economic development, Minnesota is in need of a fill up. For the last two budget cycles, Gov. Mark Dayton and Democrats have pushed to add from \$60 million to \$100 million to the state’s broadband grant program, and the Legislature has grudgingly provided \$20 million. In the last round of funding, the funding requests were double the total amount of funding available.

Clearly, outstate Minnesota still needs broadband infrastructure. Some 22 percent of rural households in Minnesota, about 202,000, don’t have access to typical broadband, according to the Minnesota Department of Employment and Economic Development. This leads people like Casey Jelinski, an entrepreneur who used to live in Aitkin County, to move to De Pere, Wis., where the broadband was better. Her story was detailed in a Star Tribune report that noted she used to drive 60 miles to Duluth to get good broadband coverage.

Other such cases happen across Minnesota. Some 73 percent of the households lack typical broadband in Aitkin County, the worst coverage in the state. In the Mankato region, broadband coverage is worst in Martin and Sibley counties, with about 45 percent of households without broadband coverage. Some 30 to 40 percent of households in Watonwan and Waseca County have no access to typical broadband. Even in more populous Blue Earth and Nicollet counties about 20 to 25 percent of households are without broadband.

Broadband internet has become critical business infrastructure like electricity was in the early days of the Republic. But bringing broadband to rural areas is costly. Hence the need for government subsidy for this investment that returns dividends in jobs and economic development. Since 2014, Minnesota has invested \$66 million in its broadband grant program. That has served some 25,949 households, 3,176 businesses and 244 community institution like schools, libraries and hospitals.

The Republican Party campaigned in the last election how outstate Minnesota was left behind and the Twin Cities was somehow the recipient of the state’s largesse. But the GOP Legislature had a chance to put its funding where its campaign rhetoric was and came up short on broadband. As the demand for the dollars shows, we need to do more. We urge the Legislature, and Republican leaders in the House and Senate, to up their commitment to outstate Minnesota and expand broadband program funding. – **Mankato (MN) Free Press editorial**

