

Reuters Verizon resurrects media business as

\$10.5 billion over the past 12 months, that's how much money a study by truecaller finds Americans have lost to phone scams and now lawmakers are trying to stop the criminals from placing those calls. "The perpetrators of these crimes must pursued and prosecuted

safe haven on the internet

Fierce Video Netflix already has deal to integrate app in AT&T's upcoming set-top box

Orlando Sentinel ACC is not worried new network has no cable agreements

TVNewsCheck Home Team Sports Carries Winning RSN Record

Harrisburg Patriot-News Pa. auditor general's budget cut: 'He's obviously getting under somebody's skin,' an analyst says

Philadelphia Inquirer Democratic super PAC makes Pa. part of four-state, \$100 million push for 2020 race

Allentown Morning Call Former Pennsylvania Congressman Joe Sestak on deciding to run for president and his uphill fight to the Democratic debate stage

Philadelphia Inquirer Op-ed: Women for Trump is a new army in a country divided by anger. And Pa. is primed for battle. to the full extent of the law and they should be behind bars," said <u>US</u> <u>Senator from Pennsylvania Bob Casey</u>. He has introduced legislation called the Stop Senior Scams Act. "This bill will create another line of defense against scammers but giving bank tellers, cashiers and others tolls to spot a scam and prevent someone from ever handing over cash to a stranger on the phone," said Senator Casey.

There is also a push to stop the calls from getting to US consumers in the first place. A Telecommunications consultant says this graphic shows how robocalls get to your phone. He says a way to stop this is to better regulate voice over internet protocol or VOIP providers. They allow people to make phone calls using the internet. "The best place to stop this illegal traffic is with those providers, where the traffic is most concentrated as the illegal calls move through the network they disperse and are co-mingled with other calls, making it detection more difficult," said the Telecommunications consultant David Frankel.

There are thousands of VoIP providers. Some of them allow callers to fudge caller ID numbers to make it look like the call is coming from your area - which is called spoofing. The Telecommunications consultant says if you can find the VoIP providers in US that are allowing these calls to happen, that would drastically cut the number of scam calls. "It makes no sense for a robocaller in India, identified only by a Gmail address, to place a huge number of calls that look like they're originating from all over the USA. VOIP providers within our borders that allow that to happen are the best choke point to stop the illegal robocall surge."

There are other proposals to cut down on robocalls. The US senate passed legislation called the TRACED Act, which stands for Telephone Robocall Abuse Criminal Enforcement and Deterrence. It would give the FCC more power to go illegal robocalls. It also requires telecom companies to implement technology to trace where calls are actually coming from making it harder to spoof numbers. At least one company, AT&T, has announced it will release a robocall blocking feature for customers in the upcoming months. The company says that service will be free. – *WPMT-TV, York*

For the first time in nearly a decade, the number of people subscribing to Netflix Inc. in the U.S. declined, an underwhelming performance for the streaming giant that comes as a slew of rivals are about to enter the field.

The Los Gatos, Calif.-based company said it had 130,000 fewer domestic subscribers at the end of the second quarter compared with the end of the first, sending Netflix shares sliding more than 11% in after-hours trading Wednesday. The stock is still up by double digits this year. Globally, Netflix added 2.7 million subscribers in the quarter, far fewer than the 5 million it had forecast and below the 5.5 million it added in the second quarter of 2018.

The slowdown in growth comes as rival streaming services from Walt Disney Co., Apple Inc., AT&T Inc.'s WarnerMedia and Comcast Corp.'s NBCUniversal prepare to enter the marketplace in the coming months, setting off what Wall Street analysts are calling "the streaming wars." As a result, rivals are starting to take away their content from Netflix, including the streaming service's two most-watched shows: "The Office" and "Friends." Reruns of the former will move to a new streaming service being launched by NBCUniversal starting in 2021, while "Friends" will leave Netflix at the end of this year and become available on WarnerMedia's new direct-to-consumer service, HBO Max, which will launch widely in the spring.

Netflix played down the coming loss of two of its most popular shows, telling shareholders it will allow for more spending on original offerings. Even its biggest titles, the company said, account for "only a low, single-digit percentage of streaming hours." When programs leave Netflix, "our members shift over to enjoying our other great content," the company said.

The last time Netflix faced quarter-to-quarter subscriber declines in the U.S. was in 2011, after it launched an ill-fated new pricing model that was roundly rejected by subscribers and quickly scrapped. Netflix remains the dominant streaming platform here and abroad with 60.1 million U.S. subscribers and 91.5 million internationally. But the 151.6 million global total fell short of the company's forecast of 153.9 million and the 156.5 million analysts polled by FactSet had expected for the period.

In its letter to shareholders, Netflix attributed the lower-than-expected growth in part to its programming lineup during the quarter. "We think Q2's content slate drove less growth in paid net adds than we anticipated," the company wrote. It did mention several successful new shows, including the dark comedy "Dead to Me" and the limited series "When They See Us." Netflix Chief Executive Reed Hastings said during the company's video discussion of its results that its position was "excellent" in relation to the new competitors, and promised stronger content and services. Chief Content Officer Ted Sarandos added, "We're hitting new highs in viewer penetration and audience reach."

With regard to the high-profile shows leaving Netflix, Mr. Sarandos said, the consistent dynamic of Netflix has always been "content comes and content goes." The response, he said, is "getting our consumer and our members much more attuned to the expectation that we are going to create their next favorite show." Mr. Hastings said Netflix's net subscriber growth will be bigger this year than last year. The company said it expects to add seven million paid subscribers in the third quarter, including about 800,000 in the U.S. Mr. Hastings said the streaming wars are a boom period for the creative community. "Talent gets to bid themselves off between us, Disney, Amazon, etc.," he said, adding "it's a great competition that helps grow the industry."

Netflix said it missed its subscriber-growth forecasts across all regions; the miss was higher in areas where it raised prices. For the first time since late 2017, <u>Netflix earlier this year raised prices</u> in the U.S. and countries in Latin America and the Caribbean where Netflix bills in U.S. currency for all its subscription plans. Netflix's revenue rose 26% to \$4.92 billion, slightly below the \$4.93 billion analysts had expected. The company posted a lower profit of \$271 million, or 60 cents a share, compared with \$384 million, or 85 cents a share, a year earlier.

Although some Wall Street analysts have suggested that Netflix will at some point create an advertising-supported version of the service, the company once again shot down that idea. "We believe we will have a

more valuable business in the long term by staying out of competing for ad revenue and instead entirely focusing on competing for viewer satisfaction," Netflix told shareholders. While Netflix doesn't want traditional commercials in its shows, the company it is touting the marketing partnerships it has formed in some of its shows. Season 3 of "Stranger Things" includes tie-ins with Coca-Cola Co., Nike Inc., Restaurant Brands International Inc.'s Burger King and Dunkin' Brands Group Inc.'s Baskin-Robbins. The company says these promotional efforts allow the show and products to "build deep connections with our fans." – *Wall Street Journal*

Google set up a searchable database of political ads last summer, following calls for greater transparency in the wake of Russia's interference in the 2016 presidential election. Nearly a year later, the search giant's archive of political ads is fraught with errors and delays, according to campaigns' digital staffers and political consultants. The database, the <u>Google Transparency Report</u>, doesn't always record political ads bought with Google's ad tools and in some instances hasn't updated for weeks at a time, they say.

Several campaigns, including those of Democratic presidential hopefuls Bernie Sanders and Elizabeth Warren, have run ads in recent weeks that didn't appear in the Google archive, people familiar with the campaigns' ad-buying said. Such mistakes have occurred for presidential and congressional candidates in both parties. A Google spokeswoman said in a statement, "We are constantly working to improve the report and appreciate feedback on how we can make it better." Google, a unit of Alphabet Inc., is a powerhouse in sales of digital political advertising. Mistakes and glitches in its archive could give more fuel to the company's critics at a time when it and other tech giants are under scrutiny in Washington over their market power, privacy lapses and difficulties tracking content on their platforms.

Omissions in the database also raise the prospect, political digital consultants and election watchdogs say, that Google could be missing ads run by parties looking to influence the coming election by boosting or disparaging certain candidates, as Russian entities were found to have done. "If even the political advertisers that expect to be included in the archive are not seeing their ads made publicly available, how much is escaping disclosure by actors who want to stay secret?" said Brendan Fischer, director of federal reform at the nonpartisan Campaign Legal Center. The extent of the discrepancies couldn't be fully determined. Google's database has logged more than 115,000 ads.

For the political campaigns, including a crowded field of 2020 presidential hopefuls, database inaccuracies are making it harder to track rivals at a time when digital advertising is central for campaigns looking to target voters more economically than through television advertising. Spending on political digital advertising is projected to hit \$3.3 billion in 2020, up from \$1.4 billion in 2016, according to Borrell Associates Inc. That compares with a projected \$4.7 billion in political spending on broadcast TV in 2020, up from \$4.4 billion in 2016.

Facebook Inc. launched its own advertising archive in mid-2018, and it reports ads designated as political in the <u>Facebook Ad Library Report</u>. Both it and Google vowed to be more transparent after acknowledging that <u>Russian entities had purchased election-focused ads on their</u> <u>platforms</u>. Google's transparency report tracks ads that promote

current federal officeholders as well as candidates for Congress, the vice presidency and the presidency, according to its website. Ad buyers are expected to mark their ads as political by entering their organization's Federal Election Commission ID or tax ID when they make the purchase.

Google archives political ads purchased through its two ad-buying tools: Google Ads, and Display & Video 360. Candidates can use rival buying tools to purchase digital ads that will go through Google's marketplaces and appear on sites around the web, but they won't end up in the Google archive. The Warren and Sanders ads were purchased using Google tools, the people familiar with their ad-buying said. Google says it has systems to detect political ads from buyers who don't classify them properly by adding the federal election or tax ID, and declined to provide more details. "We don't go publicly into our enforcement processes and how it works. But we review all ads for compliance with all our policies," a spokesman said.

Some in the industry said that while Google's archive is imperfect, it is still a formidable resource. "They're doing a remarkable job at capturing a lot of what's happening—and there's always room for improvement," said Mark Jablonowski, managing partner at DSPolitical, a political digital-ad firm. Google's archive tracks ads by candidate but not by political issue, such as illegal immigration or gun control—a point of frustration for advocates of stricter disclosure laws, since some ads bought by Russia-affiliated entities in 2016 were issuefocused. The Google spokeswoman said the company is looking to expand coverage to issues advertising.

Facebook, on the other hand, faced criticism not for missing political ads, but for casting its net too wide. News publishers complained on some occasions that Facebook flagged paid posts promoting news articles as political ads. It eventually <u>exempted news articles from its</u> <u>political ad archive</u>. More than a dozen Democratic and Republican strategists, including some working on presidential campaigns, said they first noticed problems with Google's ad archive system in the 2018 midterm campaigns and have seen them continue into the 2020 season.

In the current cycle, President Trump and 23 Democratic presidential candidates have spent about \$12.7 million so far on digital ads from Google, including \$5.1 million by Mr. Trump alone, according to data compiled by Acronym, a left-leaning nonprofit that tracks digital spending. In the 2018 midterm election season, Google attracted about 10% of the total \$623 million **spent on digital advertising**, according to estimates by Tech for Campaigns, a technology nonprofit geared toward left-leaning and centrist campaigns.

In her unsuccessful 2018 bid for the House, Texas Democratic candidate MJ Hegar spent more than \$100,000 on digital ads through Google—yet less than half of that spending was reflected in Google's ad archive, according to Ryan Irvin, president of Change Media Group, which purchased ads for the campaign. Ms. Hegar's campaign spent thousands of dollars to promote a 3-minute-28-second campaign video as an ad on Google's YouTube in September 2018, according to a person familiar with the matter. This advertising didn't appear in Google's archive as of July 15.

Ms. Hegar is running for a Senate seat in 2020, and Google's ad archive has additional discrepancies in tracking her spending. According to data in the archive, "MJ for Texas" bought ads in June 2019 to promote another Texas candidate's House campaign, Kim Olson for Congress. A person familiar with the matter said Ms. Hegar's campaign hasn't purchased ads promoting Ms. Olson's campaign. The Google spokeswoman, referring to the missing Hegar ads, said in a statement, "Due to a mistake on our end, not all the ads from this advertiser were displayed in the report. We have identified the missing ads and they will be included in the report in the next update." Referring to the Olson ads incorrectly attributed to Hegar, the Google spokeswoman said Google was looking into the issue.

A political consultant who worked on a campaign for a Midwestern congressional candidate during the 2018 cycle said thousands of dollars of online display ads for the candidate didn't show up in Google's archive. Quartz, a news website, also recently reported that ads run by Democratic presidential candidate Beto O'Rourke's campaign didn't show up in Google's ad archive. The Google spokeswoman said that there was an "error in our enforcement process." The ad is now in the archive.

The Google spokeswoman said it updates its transparency report weekly, though updates have occasionally taken longer. There were at least two separate weekslong instances this past winter and spring when Google's ad archive didn't update at all, political consultants said. The archive can be searched by format, including video, image and text. Ads are sometimes categorized improperly, with a video ad showing up in the text category, for example. Google is looking into this issue, the spokeswoman said.

In other cases, the archive lists a candidate's ad but doesn't show the content, as it did this spring with ads for Mr. Trump, Mr. O'Rourke and Sen. Kamala Harris (D., Calif.), who also is running for president. In addition to the archive, Google has had other hiccups in its political ad operation. The company has a policy against showing political ads in Gmail, but ads for Ms. Harris and Sen. Cory Booker (D., N.J.), another presidential candidate, have appeared there, according to a person familiar with the matter and a screenshot reviewed by The Wall Street Journal. "I think it's a fair question whether Google has a handle on how ads are showing up on its page and not in its archives," said Katherine Haenschen, an assistant professor at Virginia Tech who has studied the tech platforms' resistance to regulation of digital advertising. If tech giants like Google "don't have a sufficient handle on their own technology, why should they be allowed to regulate themselves?" – *Wall Street Journal*



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