Cable Academy returns to the Poconos April 18 & 19, 2018 in the midst of the most challenging and competitive period in our industry's history! This year's program will emphasize that not adapting is not an option. Learn how broadband cable is embracing today's opportunities, and can ride a "new wave" of customer retention and growth!

CONFIRM YOUR **SPONSORSHIP**, **REGISTRATION** AND **EXHIBIT**

Click here to reserve your room at Kalahari today!
Your BCAP rate ($155) includes admission to waterpark. ***Rate expires March 17!*** **Use Group Code #2692**

BCAP NewsClips

March 15, 2018

Los Angeles Times
AT&T and Justice Department are on a collision course over Time Warner merger

Washington Post
Why Sinclair's latest plan to sell major TV stations has critics crying foul

Zap2It
Cable Top 25 for Week Ending March 11

Cable providers continue to dominate American broadband thanks in large part to spotty deployment of next-generation broadband by American telcos. According to the latest data by Leichtman Research Group, the nation's cable broadband providers added 2.7 million broadband subscribers in 2017 or about 83% of all net additions for the broadband industry last year. In contrast, the nation's top "phone" companies (AT&T, Verizon, Windstream, CenturyLink, Frontier) lost about 625,000 subscribers last year -- similar to a loss of about 600,000 subscribers in 2016.

"The top broadband providers in the US added nearly 4.8 million net broadband subscribers over the past two years," said Bruce Leichtman, president and principal analyst for Leichtman Research Group and **BCAP Cable Academy 2016 presenter**. "The top cable companies accounted for 130% of the net broadband additions in 2017, following 122% of the net adds in 2016." While Leichtman oddly can't be bothered to explain what's driving this phenomenon, it's relatively simple: telcos aren't spending enough money upgrading their networks to next-generation broadband.

Among the major telcos, AT&T's the only one seriously upgrading to fiber at any scale, and even their coverage remains spotty in "launched" markets. Verizon has long since frozen FiOS expansion to focus on slinging ads at Millennials (poorly), Frontier is teetering on the cusp of bankruptcy thanks to managerial incompetence, and Windstream and CenturyLink continue to only upgrade to fiber in highly-selective areas. The end result: a greater cable broadband monopoly than ever before across huge swaths of the country, thanks to numerous telcos that can't even provide the FCC's minimal definition of broadband (25 Mbps down, 3 Mbps up). That reduced telco competition has reduced pressure on all ISPs to improve customer service and lower prices, and it's help drive the deployment of arbitrary, punitive and unnecessary usage caps and overage fees.

And while next-generation wireless and low orbit satellite broadband are seen as looming panaceas for this competitive gridlock, the latter remains unproven and the former still suffers from its own monopoly

Philadelphia Inquirer
Pa. House: Investigation into Rep. Nick Miccarelli sent to law enforcement

Harrisburg Patriot-News
House leaders 'believed these women,' says lawyer for women accusing colleague of violence

Philadelphia Daily News
Progressives hoping to shake up Philly's Democratic Party get good, and bad, news

Pittsburgh Post-Gazette
Rick Saccone is no stranger to nail-biter elections

Pittsburgh Post-Gazette
In Washington County, they take their ballot counting seriously

problem on the backhaul and special access end, ensuring prices remain high. The amount of government cronyism we're seeing at the **state** and federal level (exemplified by the recent attack on net neutrality) also means breaking cable's monopoly is going to be a steep uphill climb for the forseeable future. With neither adult regulatory oversight nor competition to keep cable in line, history repeatedly shows us that cable giants like Charter and Comcast will only double down on most of their worst tendencies, whether that's net neutrality violations, abysmal customer service, skyrocketing rates and hidden fees, or the slow but steady expansion of arbitrary, punitive and often-anti-competitive usage caps. – ***DSL Reports***

U.S. cities vying for Amazon.com Inc.'s second headquarters risk facing an unexpected consequence to victory: Other companies will demand the same hefty tax breaks conferred on the online retail giant. Already, some companies with a presence in the finalist cities are calling for similar tax breaks from elected officials. It is a pitfall that often accompanies large tax incentive packages used to lure employers to a state. In Washington, D.C., a group of tech companies wrote last week to the city's mayor with a detailed list of requests—from training bonuses to property tax breaks—**that the city is reportedly offering to Amazon**. JPMorgan Chase & Co. Chief Executive James Dimon recently said that he plans to call up the governor from the winning city and demand a similar deal.

Finalist cities like Dallas, Chicago and Columbus, Ohio, are all places where JPMorgan already has tens of thousands of employees, Mr. Dimon said. "The last company that needs perks is Amazon," said Dan Berger, chief executive of the Washington, D.C.,-based Social Tables, a hospitality software company which employs about 120 people. "We believe we should get those kinds of benefits as well." Through a spokeswoman, Washington, D.C., said it was in discussions with the group of tech firms. "Economic incentives are subject to the reverse potato chip rule: You can't hand out just one," said Timothy Bartik, an economist at the Kalamazoo, Mich.-based W.E. Upjohn Institute for Employment Research.

Seattle-based Amazon announced in September **it was searching for a second headquarters to house as many as 50,000 new employees** with investments that could total more than $5 billion over nearly two decades. More than 200 cities and regions applied and it **narrowed the list to 20 metro areas in January**. Amazon is now conducting site visits. Amazon has said incentives will factor in to where the company locates. Newark and New Jersey have proposed a combined $7 billion, while Maryland's governor has put $5 billion on the table. Aisha Glover, president and chief executive of the Newark Community Economic Development Corporation, said the city hopes other businesses will take advantage of new legislation offering hefty tax breaks to companies. "We definitely intend to use the legislation to attract other large-scale job creation projects," Ms. Glover said.

Andrew Trueblood, who works on economic development for Washington, D.C., Mayor Muriel Bowser, said the city hands out incentives when companies can show a strong financial return to the district. "We want to see three to four times the tax revenues to whatever we put in," he said. State officials can find themselves in a tricky situation after handing out big tax breaks to newcomers. There may be political pressure for a state to pay for jobs it already has.

The state of Wisconsin faced a similar conundrum when it announced in July that it was offering a **$3 billion tax incentive package to Taiwan's Foxconn Technology Group**. The company plans to invest $10 billion to build a 20 million-square-foot campus that could employ up to 13,000 people. After paper products maker Kimberly Clark Corp. said in January it would be shuttering two Wisconsin plants employing 600 people, Wisconsin Gov. Scott Walker said he would give the firm the same percentage tax break as Foxconn if the plants stayed open.

A spokesman for Kimberly Clark said the company appreciated the governor's efforts and was negotiating with its union about the proposed incentives. Trying to retroactively match deals for existing companies could be tricky, said Greg LeRoy, executive director of Good Jobs First, a Washington, D.C.-based group opposed to tax incentives. In Wisconsin's case, for example, Mr. Leroy said it could turn into a game of "whack a mole." "There's lots of big employers in Wisconsin," he said. Mark Maley, a spokesman for the Wisconsin Economic Development Corporation, which arranged the deal, said it made sense for Wisconsin as a leader in the paper industry. But Mark Sweeney, a senior principal with McCallum Sweeney Consulting, said matching tax deals for existing firms "has a lot of political weight. It doesn't necessarily have a lot of economic weight." – ***Wall Street Journal***; **in the *Inquirer*, Amazon reps are visiting Philly**

Walt Disney Co. is reorganizing its operations in a move that positions two top executives as potential successors to Chief Executive Robert Iger. Kevin Mayer, the company's longtime head of strategy who has specialized in acquisitions and digital investments, was named chairman of a new direct-to-consumer and international segment, while parks chief Robert Chapek added consumer products to his portfolio, giving him oversight of what would be the company's biggest business unit by revenue and profit.

Wednesday's moves come a week after **Disney made former consumer products head James Pitaro the head of ESPN**, further raising the profile of a third fast-rising executive. Disney insiders consider him another possible future CEO, but a longer shot. Messrs. Chapek, 58, and Mayer, 55, have both worked at Disney for more than 20 years, while Mr. Pitaro, 48, joined in 2010. Mr. Iger recently extended his contract through 2021, contingent upon the company closing its December agreement to acquire most of the assets of 21st Century Fox Inc. for $52.4 billion. Since former Chief Operating Officer Tom Staggs was pushed out two years ago, there hasn't been a clear successor to Mr. Iger.

At a recent investor conference, Mr. Iger said he had been "thinking hard about how best to structure the company" so that once the deal is complete, "we'll be ready…to hit the ground running." Mr. Mayer was intimately involved in the Fox deal and the purchase of streaming-technology company BamTech. He has also been heavily involved in plans to launch next year a Disney-branded streaming service that would compete with Netflix Inc. His new business unit would oversee that service and BamTech, as well as an ESPN streaming service set to debut by early April. In addition, should the Fox deal be approved by regulators, it would give Disney and Mr. Mayer's division control of a third streaming service, Hulu. The new segment will also oversee global advertising sales for Disney-owned television channels, sales of content to other distributors, and the international Disney Channels. Mr. Iger said at the conference that successfully launching streaming services—which Mr. Mayer will now be responsible for—was his priority.

Mr. Mayer, who has overseen strategy and business development since 2005, has never previously had an operating role at the company, a significant deficiency in his potential candidacy to succeed Mr. Iger. He now has oversight of nearly all distribution of Disney-produced films and television shows outside of theaters, home video and domestic broadcast and cable-TV networks. Disney's movie studio, overseen by Alan Horn, and television division, run by Mr. Pitaro and Ben Sherwood, will remain largely intact.

The new theme parks, experiences and consumer products division headed by Mr. Chapek will combine the parks and resorts business he currently oversees with the smaller consumer-products business he used to run. He now has oversight of translations of Disney characters and stories created in film and TV into other forms of media, whether in theme parks, on toy shelves, online or in games. Combined, consumer products and theme parks would overtake television to become Disney's largest business. They generated a total of $6.6 billion in revenue and $1.97 billion in operating income during Disney's fiscal first quarter, which ended Dec. 30.

With his background in deal-making and digital savvy, Mr. Mayer could be well positioned to lead Disney in the new businesses it will need to conquer to maintain its dominant position in entertainment in the next decade. He has previously maintained a low public profile, however, and **some of his prior digital acquisitions have been flops**, including the YouTube network Maker Studios. Mr. Chapek, who also previously ran home video for Disney's movie studio, has less experience in digital media but is a seasoned operational executive who has held senior positions in several of the company's major businesses.

Succession at Disney has been murky since **Mr. Staggs left after Mr. Iger informed him he was unlikely to become the next CEO**, as had previously been expected. Mr. Iger has since extended his employment contract twice, first through 2019 and then, should the Fox deal close, until the end of 2021. Mr. Iger last week **faced a rare expression of criticism from shareholders** when 52% of them voted not to approve of his compensation following the board's decision to grant him lucrative bonuses to stay on to help integrate the Fox assets. The shareholder vote was nonbinding. – ***Wall Street Journal***

Mt. Lebanon Democrat Conor Lamb declared victory in Western Pennsylvania's special election for the 18th Congressional District five hours after polls closed Tuesday night. The outcome will remain unofficial for weeks. Lamb unofficially leads Republican state **Rep. Rick Saccone** by 627 votes — a margin of 0.27 percentage points. Here's what happens next:
– Elections officials in the congressional district's Allegheny, Westmoreland, Washington and Greene counties will formally begin reviewing results Friday.
Westmoreland County Elections Director Beth Lechman said her department will see if the number of voters who signed up at their respective polling places matches the number of votes cast on each precinct's voting machines. If there's a discrepancy, the department will investigate.
– Elections officials also will count provisional and military ballots starting Friday. Lechman said Wednesday that the county has about 20 provisional ballots and 23 military ballots to count. Nearly

72,000 people voted in Westmoreland on Tuesday — about a third of all votes cast in the congressional district.
Allegheny County spokeswoman Amie Downs said the county has to examine 128 provisional ballots and 99 military ballots. More than 100,000 people voted in Allegheny. Each candidate can observe or appoint someone to be on hand for the inspection of provisional ballots, Downs said. Both are entitled to challenge provisional ballots they think are invalid.
– Once that's done, officials will pre-certify the results. That will start a five-day period in which parties can file court challenges related to the election, Washington County Elections Assistant Director Melanie Ostrander said. She said at least three voters in a particular precinct have to file a petition with the county's court within that period if they want to challenge the results or ask for a recount. Candidates can also turn to county courts to request recounts.
Downs said petitioners in the precincts are required to put up $50 in cash or a $100 bond to defray the cost of challenges.
– Pennsylvania Department of State spokeswoman Wanda Murren said there is no provision in state elections law that triggers an automatic recount for congressional races. There is for statewide races when the margin of victory is less than 0.5 percent. Even in those cases, Murren said, “The votes change almost not at all. Candidates might gain a few here, lose a few there. There's usually very little change in the (unofficial) total.”
– Final results can be certified by each county's Board of Elections when the five-day period passes without any challenges or all challenges are resolved. Downs said Allegheny County's election board is scheduled to meet April 2 to certify its results. – ***Pittsburgh Tribune-Review***; ***more from the Washington (PA) Observer-Reporter***