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THE CORD-CUTTING CRUSADE: The Evolving Rise of OTT

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Top Cable Companies

Leichtman Research Group

Pay-TV Providers	Subscribers at end of 2Q 2021	Net Adds in 2Q 2021
Cable Companies		
Comcast	18,956,000	(399,000)
Charter	16,012,000	(50,000)
Cox*	3,530,000	(60,000)
Altice**	2,870,500	(48,300)
Mediacom	611,000	(15,000)
Atlantic Broadband	309,242	(4,349)
Cable One**	287,000	(11,000)
Total Top Cable	42,575,742	(587,649)



Top Other Traditional Services

Leichtman Research Group

Other Traditional Services

AT&T Premium TV^	15,412,000	(473,000)
DISH TV (DBS)	8,554,000	(132,000)
Verizon FiOS (Telco)	3,782,000	(63,000)
Frontier (Telco)*	423,000	(30,000)
Total Top Other Traditional	28,171,000	(698,000)



Top Internet-Delivered Services

Leichtman Research Group

Internet-Delivered (vMVPD)

Hulu + Live TV	3,700,000	(100,000)
Sling TV	2,439,000	65,000
fuboTV	681,721	91,291
Total Top vMVPD^^	6,820,721	56,291
Total Top Providers	77,567,463	(1,229,358)

Sources: The Companies and Leichtman Research Group, Inc.

* LRG estimate

** Includes recent acquisitions and LRG pro forma estimates of net adds

^ AT&T Premium TV includes DIRECTV, U-verse, and AT&T TV

^^ vMVPD does not include YouTube TV or Philo, as neither regularly report results

Company subscriber counts may not solely represent residential households

Top pay-TV providers represent approximately 95% of all subscribers

Net additions reflect pro forma results from system sales and acquisitions, reporting adjustments, and changes to the list of top providers – therefore, comparing totals in this release to prior releases will not produce accurate findings



Top US Broadband Internet Providers

Leichtman Research Group

Cable Companies	Subscribers at end of 1Q 2021	Net Adds in 1Q 2021
Comcast*	31,034,000	460,000
Charter	29,234,000	355,000
Cox**	5,435,000	55,000
Altice	4,370,800	11,600
Mediacom	1,454,000	16,000
Cable One	880,000	23,000
WOW (WideOpenWest)	823,800	10,000
Atlantic Broadband	511,004	6,383
Total Top Cable	73,742,604	936,983



Top US Broadband Internet Providers

Leichtman Research Group

Telephone Companies

AT&T	15,435,000	51,000
Verizon	7,193,000	64,000
CenturyLink/Lumen^	4,728,000	(39,000)
Frontier	3,052,000	(17,000)
Windstream	1,122,300	13,000
Consolidated	794,224	2,024
TDS	501,700	8,400
Cincinnati Bell	437,600	1,500

Total Top Phone

33,263,824

83,924

Total Top Broadband

107,006,428

1,020,907

Pay-TV Providers = 77.6 million subscribers

Top 7 cable companies = 42.6 million subscribers

- **net loss of 590,000 subscribers in 2Q 2021**
- compared to a loss of 505,000 subscribers 2Q 2020

Other traditional Pay-TV services = 28.2 million subscribers

- **lost 700,000 subscribers in 2Q 2021**
- compared to a loss of 1,045,000 subscribers 2Q 2020

Top publicly reporting Internet-delivered Pay-TV services = 6.8 million subscribers

- **added 55,000 subscribers in 2Q 2021**
- compared to a gain of about 45,000 subscribers in 2Q 2020



Top pay-TV providers

- **net loss of 4,520,000 subscribers over the past year**
- loss of about 5,460,000 over the prior year

Over the past year

- 4,665,000 net broadband adds
- 2,760,000 net broadband adds over the prior year

Source: August 17, 2021 - Leichtman Research Group, Inc. (LRG)



Cable's Customer Base

- 78 million broadband subscribers
- 46 million cable subscribers
- 25 million voice subscribers



2021 Comcast Revenue

- Comcast overall revenue for the quarter ending June 30, 2021
 - **\$28.546B**
 - **20.37% increase** year-over-year
- In spite of losing nearly 400K video subscribers
 - video revenues **rose 2.6%** during the quarter
- Comcast revenue for the 12 months ending June 30, 2021
 - **\$108.991B**
 - **3.26% increase** year-over-year



2020-2018 Comcast Annual Revenue

- Comcast annual revenue for 2020
 - **\$103.564B**
 - **4.94% decline** from 2019
- Comcast annual revenue for 2019
 - **\$108.942B**
 - **15.27% increase** from 2018
- Comcast annual revenue for 2018
 - **\$94.507B**
 - **11.15% increase** from 2017



Video v. Broadband

- Comcast **lost 1.4 million** video subscribers in 2020
 - But gained 2 million broadband subscribers
- Since 2013 Comcast video subscribers have
 - **Dropped 12% - (numbers skewed by acquisitions)**
 - But broadband subscribers have
 - Increased 48%



Subscriber/Franchise Fee Trend

Sample Data from an LFA with a population base of over 223,000

Year	Avg # of Subs/Mo	Avg Franchise Fee/Mo
2018	49,983	\$251,010
2019	47,260	\$241,720
2020	44,385	\$235,768
2021 (1 st 6 months)	42,276	\$241,549



How do we watch video?

Leichtman Research Group

78% prefer to watch video on a TV set

11% on a laptop or desktop computer

8% on a smartphone

3% on a tablet



Internet-connected TV devices

- **2021 - 82%**
- of U.S. TV households have at least one Internet-connected TV device
 - connected Smart TV,
 - stand-alone streaming devices
 - Roku, Amazon Fire TV stick, Chromecast, Apple TV
 - connected video game system
- **2020 80%**
- **2019 74%**
- **2016 65%**
- **2011 30%**