

Cable Views

Ohio Cable Telecommunications Association

Issue 3 2015

Cable Industry's Impact on U.S. Economy: 2.7 Million Jobs and \$386 Billion in 2014

THE U.S. cable industry supports 2.7 million jobs representing a total economic impact of more than \$386 billion in 2014, according to a new study by Bortz Media and Sports Group, Inc. released in September by the National Cable & Telecommunications Association (NCTA).

The report notes that over the last decade the U.S. cable industry has made significant contributions to the economic health and vitality of the United States. Through a commitment to quality products and services, plus capital investments that annually eclipse tens of billions of dollars, the cable industry offers consumers both infrastructure and content that is enabling a transformation in information, entertainment and connectivity.

Some key findings from the study:

- **Employment.** There are at least 300 cable industry employees in each U.S. congressional district – and more than 2,000 cable employees in some districts.
- **Job growth.** Since 2002, employment attributable to the cable industry has increased by 1.25 million jobs
- **Income.** Personal income earnings to cable industry employees total \$116 billion.
- **Infrastructure investment.** The cable industry has led the development of the country's broadband infrastructure, investing more than \$230 billion since 1996. Cable's Internet services are available to over 100 million U.S. homes with average peak connection speeds exceeding 30 Mbps in all 50 states.
- **Boosting the economy.** Cable's economic impacts are spread throughout all major sectors of the U.S. economy. Top cable companies have been recognized as "Investment Heroes" for their strong commitment to domestic capital investment even as the economy struggled through its recovery. With a total economic impact of \$386 billion, all major sectors of the U.S. economy benefit from cable's continued growth.
- **Local economies.** In 2014, franchise fees paid to local municipalities totaled over \$2.4 billion. In addition, subscriber taxes and fees added \$3.4 billion in revenues to state and local government coffers.
- **Social responsibility.** The industry's total cash and in-kind donations were more than \$1 billion in 2014.

The cable industry's expansion has significant positive impact not only on the national economy and workforce, but also on the millions of consumers and businesses that utilize its growing list of innovative services and features.

Contributions to Communities

The Bortz report also notes that the cable industry contributes substantially to charities and non-profit organizations on a nationwide basis. With 5,200 individual cable systems operating in nearly every community in the country, the effect of these payments and contributions is felt directly by the communities served.

In 2014, the cable industry (including both cable operators and program networks) contributed more than \$1 billion in public service announcements, cash and "in-kind" contributions to local and national philanthropic, charitable and public service projects.

Cable's Impact in Ohio

In Ohio, cable's economic impact is estimated at \$10.9 billion. NCTA member cable operators provide direct employment for 8,566 Ohio employees, and direct and indirect jobs numbering 73,122.

Nationally, through the *Cable Impacts Foundation*, the industry leverages resources to target the advancement of education, increasing broadband adoption and providing parents with tools and resources to help children responsibly navigate media. And the industry's commitment to narrow the "digital divide" has led to more than \$200 million being invested in broadband adoption programs connecting more than 450,000 families and more than 30,000 schools with broadband connections.

In Ohio, cable operators and their employees are a vital part of the communities they serve, sponsoring and participating in charity events, arts and entertainment activities, festivals and educational outreach. Turn to page four for a look at some recent examples of OCTA members' involvement.

Results from the complete study, including the executive summary, economic and job data by state and congressional district, is available with an interactive map on the NCTA's web site at www.ncta.com.

Face to Face

with Senator Scott Oelslager

Senator Scott Oelslager represents the 29th Ohio Senate District, which encompasses most of Stark County. Prior to embarking on his legislative career, Oelslager worked as an aide to former Ohio Congressman Ralph Regula, and later served as director of public relations for Malone College. He was appointed to the Ohio Senate in 1985, where the people of Stark County subsequently returned him for four additional terms. In 2002, Oelslager was elected to the Ohio House of Representatives, where he served as Chairman of the Judiciary Committee and the Civil and Commercial Law Committee. Stark County voters once again elected him to the Ohio Senate in 2010 and, following redistricting of the state in 2010, Oelslager was elected in 2014 by the newly formed 29th Senate District. Senator Oelslager serves as Chairman of the Finance Committee, which develops the state's two-year operating budget, and is Vice-Chair of the Civil Justice Committee. Additionally, he serves as a member of the Health and Human Services Committee, Rules and

Reference Committee, and the Joint Legislative Ethics Commission. Senator Oelslager has been honored numerous times for his work in the General Assembly, most recently being named the 2014 Alumni of the Year for Community Service by Capital Law School and the 2014 Boys & Girls Club Appreciation Award recipient. Senator Oelslager received his bachelor's degree from Mount Union and earned his law degree from Capital University Law School.

Fast Facts:

Team Colors: Scarlet and Gray

Last Movie Seen: *Jersey Boys*

Currently Reading: 'Reagan: The Life' by H. W. Brands

Non-Political Hero: My dad

Most-Watched Cable Network: Fox News

McKinley or Denali: McKinley!



Jonathon McGee: You've been in the Ohio General Assembly since 1985. Tell us about what you did before then, and why you first ran for elected office.

Scott Oelslager: Before that, I had a couple of jobs. Going into my junior year in college, I started as a district aide to Congressman Ralph Regula. I spent from 1973 to 1978 with Ralph in the district office. And then I got a call from the president of Malone College- now Malone University - asking if I would like to be their PR person in the community. That was pretty fantastic for me as a young person. I was 25 and was part of the president's cabinet. It was a great learning experience.

In 1981, I came down to Columbus first as assistant to State Senator Tom Walsh. Then I went to the Ohio Auto Dealers Association. When Tom decided to move to Florida and this job opened up, I was appointed in 1985.

JM: The Senate Finance Committee is instrumental in the development of the state's biennial budget. As chair of that committee, how would you characterize your approach to getting that daunting task done?

SO: I try to be as inclusive as possible. For the biennial budget, I spoke to all the Republican members on a pretty consistent basis, have them come in and talk to me about what their

priorities are. On the capital budget, I have both parties come in and sit down where you're sitting right now to talk about what their priorities are. I try to remain inclusive; I call them during the process and have them come in and we listen very carefully. During the hearing process, you get as many people involved as you can. Utilizing subcommittees, which was President Faber's idea, really helps because all the members of the Senate can sit on a subcommittee, which makes them feel a part of it. They have a buy-in into it, and as a result things flow pretty well. That door is always open there.

JM: Is that committee active at other times, dealing with other issues?

SO: It is. In 2014 we dealt with the Tesla issue about the automobile company coming into Ohio. But keep in mind, we'll be going into the capital budget very shortly so we're already talking about that, and I'm assuming the governor will have some more MBRs (mid-biennial budget reviews) for us to do. The main thrust is budget issues, but we do have other tough issues referred to us that we resolve.

JM: You are also vice-chair of the Civil Justice committee and serve on several other committees. Are there particular issues before any of those that you find especially intriguing?

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Capital Update

Legislative Update

House Vacancies: Recently, the House had two vacancies which it needed to fill upon its return from its summer break.

In the 89th House District, fourteen people submitted their names to the House Republican Caucus to be considered for the slot left vacant after freshman House member Steve Kraus (R – Sandusky) was convicted of felony theft stemming from an incident prior to his election. House Republicans selected Ottawa County Commissioner Steven Arndt to fill the seat. Arndt has served as an Ottawa County commissioner for 27 years. In addition to his career in public service, he has also been a small business owner and operator for 39 years. Arndt resides in Port Clinton with his wife of 41 years, Joanne. He was seated on September 30, 2015. Interestingly, former Democrat Representative Chris Redfern, who was ousted at the last election by Mr. Kraus, has expressed interest in running for his old seat against the Republican appointee.

The 59th District was left vacant when Ron Gerberry (D – Austintown) resigned after entering into a plea deal with prosecutors over campaign finance irregularities. The House Democratic Caucus took applications from those interested in filling the vacancy, and selected John Bocchieri, a former state representative, state senator, and United States congressman. Mr. Bocchieri was also seated on September 30, 2015.

Regulatory Update

Retail Rules: The PUCO opened a docket to review its Retail Telephone Rules contained in Ohio Administrative Code 4901:1-6. This review is mandated by Ohio law, which requires agencies to review their rules at least once every five years; these rules are due to be reviewed by November 2015. All comments were filed by February 6th; in the meantime, the Ohio General Assembly enacted certain telecom deregulatory provisions as part of the state budget bill (see *CableViews*, Issue two, 2015), including a method for which incumbent local exchange carriers may escape their obligation to be the provider of last resort. Along with this change in the law, the General Assembly mandated that the PUCO adopt rules to implement the changes. The PUCO has decided to use this open docket to effect those changes. In late August, PUCO staff held a hearing to take input on these new rules and proposed rules were issued on September 23rd. OCTA staff and legal counsel are reviewing these and the OCTA will provide formal input as is appropriate.

Pole Attachment Proceedings: By way of background, the PUCO adopted new rules governing pole attachment and conduit occupancy that became effective on January 8, 2015. Subsequently, the PUCO ordered all public utility pole owners to file proposed tariffs based on the new rules by May 15, 2015. Unless the PUCO suspended the new tariffs, the new tariffs (including the new rates and terms and conditions) would become automatically effective on September 1, 2015. Any party wishing to object had to do so by August 3, 2015. Over 40 filings were made by pole owners by the May 15th deadline, and OCTA staff and legal counsel reviewed them for problematic rates and terms and conditions. Based on the review, the OCTA Board authorized the OCTA to intervene and file objections in 18 of the proceedings.

After the OCTA's motions to intervene were filed and the OCTA raised questions about how the smaller telephone companies calculated their proposed rates, six of the smaller telephone companies amended their proposed rates, reducing the rates to conform to the new rules. The OCTA dismissed these six motions to intervene after confirming that the newly reduced rates did indeed conform to the new rules. Additionally, in clear response to the OCTA's motions to intervene and questions raised, a number of other small telephone companies amended their rates voluntarily, overall saving OCTA members thousands of dollars in pole costs per year.

The OCTA filed extensive formal objections to the proposed tariffs of twelve pole owners. Shortly after receiving those objections, the PUCO's attorney examiner granted the OCTA's motions to intervene in those cases, took the objections under consideration, and suspended approval of those new tariffs until further commission order. The pole owners had until August 24th to respond to our objections, which all did. As the PUCO did not set forth a procedural schedule, the OCTA requested leave to file replies to the utilities' responses. This request remains pending at the time of this publication.

The following companies have had their tariffs suspended and a new tariff will not go into effect until further commission action: Dayton Power and Light, Duke, First Energy (CEI, Ohio Edison, and Toledo Edison), Ohio Power, AT&T, Cincinnati Bell Telephone, Century Link (Century Tel, United), Windstream Ohio, Windstream Western Reserve, Frontier North.

The PUCO did not take any further action on the other companies' tariffs, and those other proposed new tariffs did take effect on September 1.

For further, up-to-date information on specific cases, please visit the OCTA's "Members Only" web page under "2015 Pole Cases."

Ohio Cable★PAC

Ohio Cable Political Action Committee

Company Participation

(January 1 – September 15, 2015)

Company	Amount Raised	Goal
Armstrong Cable	\$100	\$2,496
Buckeye CableSystem	\$1,663	\$10,972
Comcast	\$3,750	\$1,430
Cox Communications	\$550	\$3,068
G.L.W. Broadband	\$500	\$400
MCTV	\$18,549	\$2,750
Suddenlink	\$0	\$1,400
Total	\$25,112	\$23,036

Individual Contributions

(June 26 – September 15, 2015)

Buckeye CableSystem	Sarah Riedeman Charles Riley James Wolsiffer	OCTA Jonathon McGee
Jeffrey Abbas Mike Bilik Laurie Cichy Bonita Ehrhardt Pamela Koontz Jessica Pitzen	Erie County Cablevision, Inc. Nicholas Vitou	Precision Broadband Installation Chris Steininger

Thank you for your support!

Cable in the Community

Nationally, **Time Warner Cable's** Connect a Million Minds (CAMM) initiative has connected one million students to hands-on STEM (science, technology, engineering and math) opportunities. In Ohio, TWC took to the streets, and to the parks and libraries, to introduce students to STEM activities. In Akron, TWC sponsored the Gravity Racing Challenge, designing and building racing vehicles and showcasing their mini-stock cars at GRC Race Day. In Dayton, Time Warner Cable sponsored Dayton Metro Library's Summer Reading Challenge and its celebration event. And in Cincinnati, Cleveland and Columbus, the company and its CAMM employee "Connectors" sponsored and participated in regional "Invention Convention" competitions in which students use creativity and imagination to develop new solutions to everyday problems.



Buckeye Cablevision, Inc., known as **Buckeye CableSystem**, began celebrating its 50th year in operation this past February. Throughout the year, the Toledo-based company is hosting community and charitable events and rewarding loyal customers with gifts and giveaways. It is also spotlighting moments in history online. At Buckeyecablesystem.com, visitors can share their own cable memories, relive the days of the A/B switch, and more with "Buckeye's 50th" videos 'on demand'. Happy anniversary, Buckeye!



Buckeye CableSystem employees take a break from packing food for a local food bank for a group photo.

Cox Cleveland area employees have a long tradition of hands-on service to the communities where they live and work. So when Cox donated 1,000 folders to the Lakewood School Supplies Initiative, which helps purchase the supplies students need for a successful school year, employees also volunteered to work alongside other community partners sorting supplies and stuffing backpacks.

Also in Lakewood, Cox employee volunteers recently partnered with Lakewood Alive to help an elderly man maintain his home. With temperatures hovering in the 90s, they power-washed the home, performed tree removal and finished painting the house exterior and landscaping.



Cox Cleveland Painting Crew



*Katherine Gessner,
MCTV Sales &
Marketing Manager*

MCTV, headquartered in Massillon with customers in Stark and Wayne counties, is celebrating its 50th year in operation with accolades at both the local and national level. MCTV received the "large business award" for 2015 from the Jackson-Belden Chamber of Commerce. It was also included on the Plain Dealer's list of the "100 Top Workplaces" in northeast Ohio, based on employee feedback and surveys. Nationally, MCTV received CableFax's "Top Operator" award, while Katherine Gessner, a granddaughter of MCTV's founders Richard and Susan Gessner, was named to the trade publication Multichannel News' "40 Under 40" list of new names to know in media and telecommunications.

The Gessners take special pride in having employees who have reached the 40-plus year mark with the company. Many of those employees have taken advantage of the company's college tuition reimbursement plan, which kicks in after an employee has been on board for five years and repays 80% of tuition costs. In an 'oral history' interview with The Cable Center in 2011, MCTV President Bob Gessner said: "I think that the legacy of our company is 150 families with good jobs and well educated children in a community that has been the beneficiary of philanthropy from a local company continuing to be in business." Happy anniversary, MCTV!

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SO: In the health care committee, Senator Shannon Jones has done a lot with infant mortality. We've had many hearings on trying to reduce the rate of infant mortality.

JM: What are your thoughts on revisions to the way districts are mapped in Ohio?

SO: I supported the resolution that will be on the ballot so I hope people do approve it. It will hopefully make things a little more balanced as far as the legislative districts are concerned. So I do support that effort.

JM: If Ohio were to revisit the issue of term limits, what do you think would be the best policy going forward?

SO: I'm not sure we're going to get term limits repealed based on the polling that we do, but I hope that we can possibly make it 12 or 16 years. In fact, at the time term limits were on the ballot I went to leadership and said perhaps we should have the legislature set a limit of 12 years – the public was setting it at eight years – but they didn't want to do it. On the side of my grade school, the saying "Knowledge is Power" was carved into the outside wall. Knowledge is power, and it does take time to learn the issues, to learn how the process works. I think after eight years people are just hitting their stride, and suddenly they have to stop. I'm hoping that someday we can make it 12 or 16 years.

JM: If you could champion just one cause in your lifetime, what would it be?

SO: Job creation. I do what I can to help people be employed. Employment gives people a sense of self-worth, it helps them strive for goals, and it makes them feel better about themselves which makes a better state. That's what we've tried to do, especially during my chairmanship, working with the governor on tax issues and other issues, trying to make the state more attractive for job growth.

JM: You have received numerous awards over the years – perhaps most recently the Hope Award from OSU's James Cancer Hospital. Is there one honor that has been most meaningful to you?

SO: Last year I received the Outstanding Alumni Service Award from Capital University Law School. That meant a lot to me, because I didn't have an opportunity to go to law school until I was 44 years old. I would leave this building and walk down the street to Capital Law School. That award touched my heart the most.

JM: Let's talk a little about the 29th district, which you represent. How would you describe Stark County? And what would you tell someone planning a visit there?

SO: Stark County is truly a microcosm of the state and a microcosm of the nation. We have large cities; we have rural communities. We have strong agri-business, which most people don't associate with Stark County. You can see it at our county fair. We have small businesses and a pretty good diversity of demographics. In 1996, the *New York Times* looked at the whole country to see what the best place would be to place a reporter during the presidential election, a place that would be a bellwether for the country. They picked Stark County and stationed a reporter there for

months. I remember he was so relieved on Election Day that the numbers for Stark County mirrored the national numbers for President Clinton, Bob Dole, and Ross Perot. The reporter was very relieved because he was the one who talked his editors into selecting Stark County. Representing the county requires you to be a listener, and be willing to compromise on issues. As far as visiting, the Pro Football Hall of Fame is of course our flagship attraction.

JM: How do you keep your finger on the pulse on your constituency?

SO: Every year since I've had the privilege of serving the people of Stark County, I do what I call my 'Walk and Talks' in neighborhoods in the summer and fall. I go to outside shopping centers, on the main streets of the community, I stop and say 'hello, how are you doing'. I'm not in a hurry, so if someone wants to spend ten, twenty minutes with me that's fine. If they're busy, I may just give them a pad with my home phone number on it. There have been some years that I've gone to well over 200 events in the community. And I've always gone to the Stark County fair. I always feel how blessed I am because this is something I've wanted to do since I was very young. I'm out doing my job, listening to my constituents, getting some exercise; it's a great situation.

JM: What is the one thing that you'd most like to accomplish for the constituents of your home district?

SO: We're working with ODOT, Public Safety and the highway patrol to see if we can get fences up on new builds for bridges and replacement bridges. We had a very tragic situation; one of my constituents was driving through Pennsylvania with her husband when someone threw a rock through their window. The Budd family – Mrs. Budd was struck by the rock. It's a miracle that she's still alive. Her husband came down and spoke to me asking that we try to get those fences up along the interstates and other four-lane highways. That would be my first individual priority, along with what I said earlier about job creation.

JM: And, back home in the district, what might Scott Oelslager be found doing on a crisp fall Saturday?

SO: As long as the sun's shining, I'll be doing my walks in the communities.

JM: Finally, do you have any advice for the cable industry?

SO: You guys do a great job and have a great presence here in the statehouse. As you know that's the way to get your message out, by keeping in touch with key decision makers. Keep doing what you're doing because we know your industry as a result.

Read more *Face to Face* interviews online.
Click on *CableViews* at www.octa.org



Cable Calendar

Ohio Cable Telecommunications Association 2015 Annual Meeting

www.octa.org

When: October 8, 2015
Where: Longaberger Alumni House
Columbus, OH

SCTE Cable Tec Expo 2015

www.scte.org

When: October 13-16, 2015
Where: Wyndham Jade
New Orleans, LA

CTAM Think

www.ctam.com

When: November 4, 2015
Where: Convenc Conference Center
New York, NY

NARUC 127th Annual Meeting

www.narucmeetings.org

When: November 8-11, 2015
Where: Location to be determined
Austin, TX

ALEC Sate & Nation Policy Summit

www.alec.org

When: December 2-4, 2015
Where: Westin Kierland Scottsdale
Scottsdale, AZ

NCSL Capitol Forum

www.ncsl.org

When: December 8-11, 2015
Where: Marriott Wardman Park Hotel
Washington, DC

2016 OCTA EVENTS

January 13: Ad Sales Luncheon

February 24: Legislative Luncheon

May 3: Legislative Reception

June 13: Golf Outing

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