



LionTree

WEEKLY UPDATE

WEEK ENDING DECEMBER 20, 2024

**** To read this content on our website [CLICK HERE](#) ****

News flow and key developments were quite brisk this week, despite closing in on the final week of December! The major indices' volatility was also a hallmark, with the S&P 500 ending the week down -2% and Nasdaq down -1.8%. After the widely anticipated -25bp Fed rate cut, the bigger focus was on a more sanguine view regarding the magnitude of further cuts in 2025, while near-term growth and inflation estimates moved higher.

Fundamentally, we focused on the below themes and developments in this edition (all clicks are clickable):

1. [LionTree's Lens: Sector Insights & A Look Ahead, Winter 2024 - *NEW DECK*](#)
2. [Christmas Came Early For Gen AI Users](#)
3. [M&A Continues To Heat Up In The Sector... Music Is The Next Stop W/ UMG's Virgin Music + Downtown Music](#)
4. [The US & Apple's App Store Were The Main Stories For The 2024 App Economy](#)
5. [A Drill Down Into The Top Apple Store Apps... The Most Popular PAID Apps/Games Maintained Their Allure In 2024...](#)
6. [The Need For Satellite Connectivity Is Gaining Recognition](#)
7. [TikTok Heads To The US Supreme Court](#)
8. [Waymo Goes International, Kicking Off In Tokyo](#)
9. [Last Few Price Hikes As The Year Closes Out – PayPal, Discovery+, and AMC+](#)
10. [Grab Bag: EA Sports College Football 25 Becomes The US' Best-Selling Sports Game/Softbank Pledged A \\$100bn Investment Into The US/Threads Tops 100mn DAUs](#)

****Please note that this will be the last edition of our Weekly Update for 2024...we will be back at the start of the year.** I would also like to give a special shout out to Matt Ching and Zaina Shariff for their tireless efforts to help produce this product week after week!**

Last but certainly not least, on behalf of LionTree, I wanted to wish everyone a joyous and restful holiday and New Year!

We all look forward to connecting in 2025!

Best,
Leslie

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This weekly product is aimed at helping our key corporate and investor clients stay in front of major themes and developments driving the TMT and consumer oriented sector. Please don't hesitate to reach out with any questions or comments! If you would like to be removed from the LionTree Weekly mailing list, [unsubscribe here](#) or email lmallon@liontree.com. Please see below link to download the pdf.

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Top Themes

1. LionTree's Lens: Sector Insights & A Look Ahead, Winter 2024 - *NEW DECK*

Before we close out 2024, we are excited to share our latest **LionTree's Lens: Sector Insights & A Look Ahead, Winter 2024** deck.

Developments in the TMT and consumer sector have accelerated at an incredible pace since our last update in September, and 2025 is setting up to be a dynamic year as well.

**** For the ~25-minute video presentation of the deck as well as the standalone slides, [CLICK HERE](#) ****

Below is the table of contents.

-> We are more than happy to arrange calls with company executives or investment teams to delve deeper into any of these themes. All feedback and thoughts are always welcome and greatly appreciated.

1. Macro & Markets

- The Market's Hot Streak Has Continued... But Valuations Are High
- Investors Have Been Diversifying Beyond Big Tech
- Recent KPIs Point To A More Resilient Than Expected Macro Picture
- Holiday Shopping Reports Also Reflect Consumers' Willingness To Spend
- Expect Select Large IPOs To Define The 2025 Market
- The Low Hanging Fruit For Cost Cutting Is Getting Harder To Find
- Growing Profitability Looks To Remain A Priority In 2025

2. Top-Down Themes

- The Upcoming TRUMP 2.0 Era Likely Brings Opportunities & Challenges
- M&A Speculation & Chatter Is On The Rise
- Regulatory Pressure On Big Tech Has Been Mounting Across The Globe
- How Much Longer Can The AI Frenzy Last?
- 2025 Should Reflect A Broadening Of Gen AI Use Cases
- Big Tech & Last-Mile Are Revving Up Efforts W/ Autonomous Vehicles
- Music Has Several Chords Of Growth In 2025
- The Digital Audio Advertising Opportunity & TAM Is Under-Appreciated
- Sports Streamers Are Stacking Up Better In The Battle Between Reach & Monetization
- Anticipate More Milestones & Strong AVOD Growth In 2025 But Off A Small Base
- Pay-TV Provider Are Repositioning To Adapt To The Times
- Cable Made A Comeback In Q3, But The Telcos Are Reloading FWA & Fiber Initiatives
- Wireless Business Customers Will Be A Targeted Growth Area In 2025
- Live Entertainment – Premium & International Will Be Key Drivers In 2025
- New Theme Parks & Experiences Are Expected To Drive A Turnaround
- OTAs – Competition Is Picking Up In Alternative Accommodations

3. Wall Street Sentiment

- Wall Street's Top TMT Picks & Pans
- Wall Street Sees A Lot Less Upside To Company Share Prices Vs In August

2. Christmas Came Early For Gen AI Users

The hailstorm of AI-related updates that hit the tape last week (see [Theme #5](#) from 12/13/24 Weekly) largely carried into this week, with OpenAI and Google, in particular, seeming to continue to race neck-and-neck to see which company can roll out the most AI features before the end of the year. Since releasing ChatGPT to the public two years ago, OpenAI has certainly been setting the tone for the industry with its new innovations, and the second week of the company's "12 Days of OpenAI" event saw it launch even more cutting-edge features, including a new ability to call ChatGPT as well as updated features for the ChatGPT MacOS app. Notably,

OpenAI also announced that the ChatGPT search engine feature is now available to all users, posing a significant challenge to Google's search business, and made the full version of its o1 reasoning model accessible to certain developers. In turn, Google responded by introducing some products that will directly compete with OpenAI's products. Google Deepmind's new, next-generation video-generating AI model, Veo 2, will rival OpenAI's popular Sora model, and Gemini 2.0 Flash Thinking Experimental has been designed to operate similarly to OpenAI's o1 reasoning model. Given this competitive dynamic, it makes sense that both companies are focused on finding novel approaches to refining generative AI models as a means of creating differentiation moving forward.

Beyond OpenAI and Google, this week featured some interesting AI-related news from Salesforce and Apple as well. Along with introducing Agentforce 2.0, the next-generation version of its enterprise digital labor platform, Salesforce announced that it now plans to hire 2,000 salespeople dedicated to its AI products, which is double the number that the company previously communicated last month. For its part, Apple has reportedly been engaged in early discussions to use Tencent and ByteDance's AI models in its iPhones in China.

See below for more details on all of this week's key AI updates.

OpenAI's "12 Days of OpenAI" Has Seen A Plethora Of New Features, Products, & Demos

- **For context:** The "12 Days of OpenAI" started on Dec 5 and will conclude on Dec 23 (only runs on weekdays), w/ this week consisting of days 8-12
- **This week's major updates –**
 - **ChatGPT is now available for phone convos** ([link](#)): Users can now call ChatGPT in the US for up to 15 minutes for free using 1-800-CHATGPT; They can also use WhatsApp to use ChatGPT to send out messages globally; The feature was part of a project that started just a few weeks ago
 - **The 15-min limit is per phone number per month:** Meaning that users could use multiple Google Voice numbers to get as much time as they want w/ the feature
 - **The phone number is powered by OpenAI's Realtime API:** While the WhatsApp feature is built on OpenAI's GPT-4o mini via an integration w/ the WhatsApp API
 - **The svcs represents a simplified version of ChatGPT vs the web-based version:** The phone number feature represents a "low-cost way to try [ChatGPT] out through familiar channels"
 - **ChatGPT's search engine feature is rolling out to all users, posing a challenge to Google** ([link](#)): The feature originally launched to paid subscribers in Oct and is now available for free users; The functionality is available across ChatGPT platforms, including iOS, Android, and desktop apps for macOS and Windows
 - **The feature determines when to include search results based on users' queries:** Though users also have the ability to manually trigger web searches
 - **OpenAI is rolling out the full version of its o1 "reasoning" model to its API for certain devs** ([link](#)): Earlier this week, o1 was released out of preview for devs in OpenAI's tier 5 usage category
 - **The requirements for Tier 5:** To qualify, devs have to spend at least \$1,000 w/ the Co and have an account that's older than 30 days since their first successful payment
 - **The full version of o1 allows for more customizability:** Including new features like function calling (which allows the model to be connected to external data), developer messages (which lets devs instruct the model on tone and style), and image analysis
 - **O1 also has an API parameter called "reasoning_effort":** This enables control over how long the model "thinks" before responding to a query
 - **OpenAI introduced new features for the ChatGPT macOS app** ([link](#)): The latest update enables support for even more third-party apps, including note-taking and coding apps
 - **The new "Working w/ Apps" feature** allows ChatGPT to access apps on users' Macs to better understand them and then provide better assistance based on those insights
- **Prior releases from the event** ([link](#)) –
 - The improved o1 model was launched out of preview to all users,
 - A new \$200 ChatGPT Pro subscription
 - Advanced voice mode
 - Text-to-video generator Sora
 - ChatGPT in Apple Intelligence
 - Real-time video capabilities for ChatGPT
 - The rollout of Canvas

Google Introduced New Offerings That Will Directly Compete With OpenAI's Products

- **Google DeepMind released Veo 2, a next-gen video-generating AI, as a competitor to OpenAI's Sora ([link/link](#)):** Veo 2 can create two-minute-plus clips in resolutions up to 4k (4096 x 2160 pixels), representing a 4x increase and over 6x the duration that OpenAI's Sora can achieve
 - **However, Veo 2's advantages over Sora are only theoretical... for now:** Given that Google has capped videos made w/ its experimental video creation tool, VideoFX (where Veo 2 is located), at 720p and eight seconds in length
 - **Veo 2's improvements over Veo 1:** Include the ability to generate clips in a range of styles, an improved "understanding" of physics and cameral controls, as well as the ability to produce "clearer" footage
 - **Veo 2 can also more realistically model motion:** As well as fluid dynamics (like coffee being poured into a mug) and properties of light (such as shadows and reflections)
 - **BUT "coherence and consistency are areas for growth":** This was per a VP of Product at DeepMind, who explained that "Veo can consistently adhere to a prompt for a couple minutes, but [it can't] adhere to complex prompts over long horizons"
 - **There is a waitlist to access VideoFX:** In response, Google plans to expand the number of users that can access the tool
 - **Google will also make Veo 2 available via its Vertex AI dev platform:** The model is still becoming "ready for use at scale"

-> Google also made several improvements to its AI-powered image generation tools this week; The Co's Imagen 3 model now generates brighter, better composed images; It can also now render more diverse art styles w/ greater accuracy — from photorealism to impressionism, from abstract to anime; The Co also released Whisk, a new tool that leverages the Imagen 3 model to enable users to use prompts to create images that visualizes their ideas and then remix them in unique ways ([link](#))

- **Google released Gemini 2.0 Flash Thinking Experimental, a new "reasoning" model ([link](#)):** The model is used "best for multimodal understanding, reasoning, and coding," w/ the ability to "reason over the most complex problems" in fields such as programming, math, and physics
 - **Gemini 2.0 Flash Thinking Experimental appears to be designed similarly to OpenAI's o1:** Reasoning models fact-check themselves, helping them to avoid hallucinations that other AI models experience; However, reasoning models often take longer to respond
 - **Google's new reasoning model explains its reasoning for answers:** TechCrunch provided the example of asking Gemini 2.0 Flash Thinking Experimental how many Rs are in the word "strawberry"; See below –

The screenshot shows the Google AI Studio interface. The main prompt is "how many r's are in strawberry?". The model's response is "There are two r's in the word 'strawberry'.". The "Thoughts" section is expanded, showing a step-by-step reasoning process:

1. **Analyze the request:** The question is simple: count the 'r's in the word "strawberry".
2. **Identify the target word:** The target word is "strawberry".
3. **Scan the word for the target letter:** Go through the word letter by letter, looking specifically for the letter 'r'.
4. **Count the occurrences:**
 - "srt" - found one 'r'
 - "ary" - found another 'r'
5. **Sum the counts:** 1 + 1 = 2
6. **Formulate the answer:** State the count clearly.

The interface also shows the "Run settings" panel on the right, with the model set to "Gemini 2.0 Flash Thinking Experimental", token count 167 / 32,767, temperature 1, and output length 8192.

There Were Also Some AI-Related Updates From Salesforce And Apple This Week

- **Salesforce annnc'd a slate of AI-driven developments this week –**
 - **Salesforce plans to hire 2,000 people to sell AI products to clients** ([link](#)): This was per CEO Marc Benioff at a corporate event earlier this week; The 2,000 openings represents double the number of people the Co said it would add a month ago; The Co has already received 9,000 referrals for the 2,000 roles
 - **Salesforce launched Agentforce 2.0, the newest AI version of its enterprise digital labor platform** ([link](#)): This introduces a new library of pre-built skills and workflow integrations for rapid customization, the ability to deploy Agentforce in Slack, and advancements in agentic reasoning and retrieval augmented generation
 - **AI is pacing to drive \$200bn+ in holiday sales, a +12% y/y jump, per Salesforce** ([link](#)): Since Cyber Monday, retailers' usage of gen AI and agents has grown +23% w/w, as Cos that have used AI during the holiday season have seen higher engagement (38%) than bizs that didn't (21%)
- **Apple is reportedly in discussions to incorporate Tencent and ByteDance's AI models into iPhones sold in China** ([link](#)): These talks are at a very early stage, per sources cited by Reuters; China's regulatory requirements have effectively forced Apple to seek local partners for its AI features
 - **Apple has also held talks to use Baidu's AI model in China:** However, The Information reported earlier this month that the discussions faced setbacks due to technical issues, including disputes over using iPhone user data to train AI models
 - **The lack of AI capabilities could exacerbate Apple's struggles in China:** Apple briefly fell out of China's top five smartphone vendors in Q2 before recovering in Q3, while Huawei launched its Mate 70 series of phones featuring AI capabilities in Nov

-> Baidu shares fell -3.1% in reaction the news, closing the week down -5.5%; YTD, Baidu stock is trading down -28.0%

3. M&A Continues To Heat Up In The Sector... Music Is The Next Stop W/ UMG's Virgin Music + Downtown Music

Optimism around a more active M&A environment has already started bearing fruit in the media, entertainment, and technology sector. After last week saw Omnicom and IPG announce a major merger within the ad agency holding company space (see [Theme #2](#) from 12/13/24 Weekly for more detail), this week saw M&A activity percolate within the music industry, as UMG's Virgin Music Group announced the acquisition of Downtown Music, one of the biggest companies in the independent music world. Co-CEO of Virgin Music Nat Pastor remarked that this transaction marks the next step to building a "next-generation music company" and represents "an investment into the global independent music ecosystem."

Separately but related to the theme of growing momentum in M&A, this week **TPG** was reportedly in advanced talks to buy tower operator **Crown Castle's** fiber business for ~\$8bn ([link](#)), and **Lumen Technologies** was reportedly seeking to sell its consumer fiber operations in a potential \$6-9bn deal ([link](#)).

Not too much detail was provided on UMG's purchase of Downtown Music, but see below for some additional color.

-> UMG shares were relatively ~flat in reaction to the news and ended the week down -0.4%; YTD, UMG stock is trading down -5.6% and WMG stock is down -12.9%, while Spotify is up +145.3%

- **UMG's Virgin Music Group agreed to acquire Downtown Music for ~\$775mn in cash** ([link](#))
 - **The acquisition is expected to close in H2:25**, though the deal is still subject to regulatory approvals
- **Virgin Music and Downtown will offer a "broadened and enhanced suite of svcs" to clients:** Including digital & physical distribution, release mkting, biz intelligence, neighboring rights, synchronization, as well as royalties & rights mgmt
- **Background info on Downtown –**
 - Downtown collectively serves 5,000+ biz clients and reaches 4mn+ creators & artists in 145 countries

- The Co has four divisions, including Publishing, Distribution, Artist & Label Services, and Royalties & Financial Services
- Downtown clients were recently recognized w/ nearly 150 nominations for the upcoming 2025 GRAMMYS
 - **Notable artists include:** Smino, Miike Snow, Cydni Lauper, White Denim, Cold War Kids, and Santigold
- **The Co has been one of the most acquisitive independent firms:** Having bought FUGA, Curve royalties, and CD Baby during its 17-yr history

4. The US & Apple's App Store Were The Main Stories For The 2024 App Economy

There was quite a bit out this week regarding the app economy, whether that be downloads, spend, and top apps. Appfigures published some interesting statistics that show that total global app downloads fell -2.3% y/y in 2024 to 110bn, BUT global consumer spending on mobile apps grew ~+16% y/y to reach \$127bn during the period. These increases were all driven by Apple's App store, as Google Play spending declined y/y.

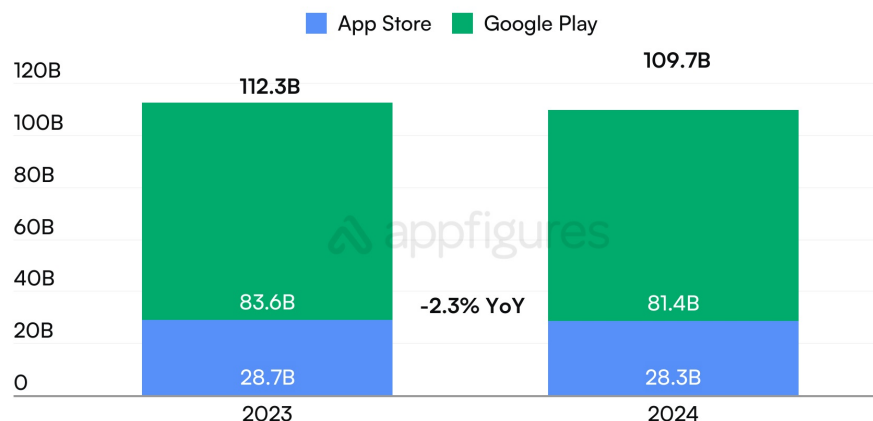
See below for more of the key statistics from Appfigures this week and note that Apple also put out its Top Apps for 2024 - see [Theme #5](#) for more on that...

Total Global App Downloads Declined Y/Y With US Downloads Falling At A Greater Rate...

- **Total global app downloads fell -2.3% y/y to 110bn**
 - Global iOS downloads accounted for 28.3bn installs, a decline of -1.1% y/y
 - Global Android app downloads on Google Play were 81.4bn, down -2.6% y/y
- **Google cracked down on spam and other low-quality apps this past year, leading to a significant -60% reduction in the release of new apps on Google Play**
- **US. app downloads fell -3.4% y/y to 10.6bn, mostly due to iOS falling off**
 - US. iOS downloads fell -5.3% y/y to 6.1bn
 - US. Google Play app downloads fell -0.7% to 4.4bn.

Global Downloads of Mobile Apps

2023 - 2024 • Worldwide • App Store and Google Play



appfigures Intelligence

appfigures.com

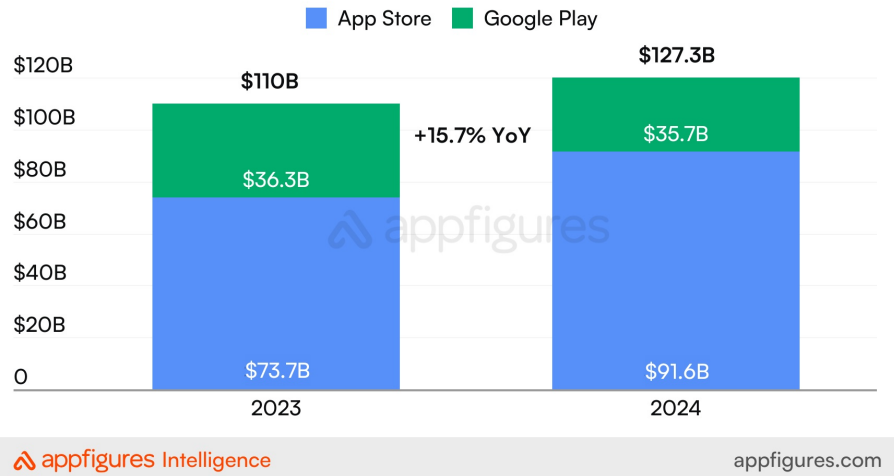
Source

- **The top global app downloaded across platforms = Instagram w/ nearly 640mn installs: It was also the most searched-for app in the U.S.**
 - **The Top US app downloaded across platforms = Temu w/ ~48mn installs**

BUT Total Global Consumer Spending In Mobile Apps GREW NICELY With Apple's App Store & The US Being Drivers

Global Consumer Spending in Mobile Apps

2023 - 2024 • Worldwide • App Store and Google Play



Source

- **Total spending on global apps grew a strong +15.7% y/y to \$127bn in 2024, all due to strong growth in iOS**
 - Global app spending on Apple App Store was up +24% y/y to \$91.6bn (accounting for 72% of the total)
 - Global app spending on Google Play declined -1.5% y/y to \$35.7bn
- **The US accounted for 37% of total global app spending, reaching \$47.6bn and was up +11% y/y**
 - Apple App Store accounted for \$34.4bn, up +18.4%
 - Google Play's US revenue declined -4.7% to reach \$13.2bn in 2024
- **The top 10 earning apps globally generated 13.7% of all consumer spending, up +1.2% from 12.5% in 2023**
 - **By consumer spending, the top app globally was TikTok, with an estimated \$2.5bn across platforms, excluding app stores in China**

5. A Drill Down Into The Top Apple Store Apps...The Most Popular PAID Apps/Games Maintained Their Allure In 2024...

In addition to Appfigures' stats on global app downloads and spending across ALL platforms (see [Theme #4](#)), it is always interesting to take a look at Apple's annual rankings for App downloads on its App Store. We looked at the TOP TEN Most Downloaded Apps and Most Downloaded Games, both free and paid, on the App Store. We also compared the list vs 2023 to understand which apps moved up (in GREEN), moved down (SOLID RED), were new to the list (BLUE), or fell off the list from 2023 (DOTTED RED). Those that held their place have no color.

In general, there was much more movement among the top FREE apps/games vs the top PAID apps/games.

See below for the charts...and for the link to Apple's full list beyond just the top 10 [CLICK HERE](#).

Top iOS Global App Downloads

- **FREE:** Temu remained #1 overall; Surprise, surprise, ChatGPT was new to the list this year, while Max fell off the Top 10 list
- **PAID:** The top 3 apps, Shadowrocket, HotSchedules, and Procreate all maintained their positions

TOP FREE APPS

| 2024 | 2023 |
|---|---|
| Temu: Shop Like a Billionaire Shop incredible deals on Temu! | Temu: Shop Like a Billionaire Shop incredible deals on Temu! |
| Threads Connect and share ideas | CapCut - Video Editor Video maker with music |
| TikTok Videos, Music & Live Streams | Max: Stream HBO, TV, & Movies The One to Watch |
| ChatGPT The official app by OpenAI | Threads Connect and share ideas |
| Google Search with AI, Images & Text | TikTok Videos, Music & Live Streams |
| Instagram Your friends, your moments | Instagram Your friends, your moments |
| WhatsApp Messenger Simple. Reliable. Private. | Google Search with AI, Images & Text |
| CapCut - Video Editor Video maker with music | YouTube: Watch, Listen, Stream Videos, Music and Live Streams |
| YouTube: Watch, Listen, Stream Videos, Music and Live Streams | WhatsApp Messenger Simple. Reliable. Private. |
| Gmail - Email by Google Secure, fast & organized email | Gmail - Email by Google Secure, fast & organized email |

| | |
|-----|---------------|
| — | NEW |
| — | UP Y/Y |
| — | DOWN Y/Y |
| --- | FELL OFF LIST |

TOP PAID APPS

| 2024 | 2023 |
|---|---|
| Shadowrocket Rule based proxy utility | Shadowrocket Rule based proxy utility |
| HotSchedules Business | HotSchedules Business |
| Procreate Pocket Sketch and Paint on iPhone. | Procreate Pocket Sketch and Paint on iPhone. |
| 75 Hard The Official App of 75Hard | The Wonder Weeks The baby app about leaps |
| AnkiMobile Flashcards Smart & powerful flashcards | 75 Hard The Official App of 75Hard |
| AutoSleep Track Sleep on Watch Auto Sleep Tracker & Alarm | AutoSleep Track Sleep on Watch Auto Sleep Tracker & Alarm |
| Paprika Recipe Manager 3 Organize your recipes | Goblin Tools Smart tools for the neurospicy |
| TonalEnergy Tuner & Metronome Powerful Music Practice Tools | TonalEnergy Tuner & Metronome Powerful Music Practice Tools |
| Goblin Tools Smart tools for the neurospicy | SkyView® Explore the Universe |
| Forest: Focus for Productivity Stay focused by Pomodoro timer | AnkiMobile Flashcards Smart & powerful flashcards |

Top iOS Global GAMING App Downloads

- **FREE:** There was a lot of movement amongst the top 100 with Block Blast moving up from #7 -> #1 and Roblox moving down from #2 -> #3 among other moves, and several new games hit the list
- **PAID:** The top 3 apps, Minecraft, Heads Up!, and Geometry Dash all maintained their positions

TOP FREE GAMES APPS

| 2024 | 2023 |
|---|---|
| Block Blast! Block Puzzle & Brain Training | MONOPOLY GO! Roll, Build, Dream, & Scheme! |
| MONOPOLY GO! Roll, Build, Dream, & Scheme! | Roblox Join Millions of Experiences |
| Roblox Join Millions of Experiences | Royal Match King Robert's Match 3 Puzzles |
| Call of Duty®: Warzone™ Mobile Authentic COD Action on Mobile | Subway Surfers Join the endless running fun! |
| Township From Farming Town to Big City | Gardenscapes Enjoy Your Garden Puzzle Game |
| Last War: Survival Dodge, Defend, Defeat Zombies | Call of Duty®: Mobile Play Intense FPS Multiplayer |
| Royal Match King Robert's Match 3 Puzzles | Block Blast! Block Puzzle & Brain Training |
| Brawl Stars Epic PvP Battle Royale MOBA | Makeover Studio: Makeup Games Makeover Master & Stories |
| Subway Surfers Join the endless running fun! | Parking Jam 3D Car Parking Simulator Game |
| My Perfect Hotel Build Your Hotel Empire | Survivor! io Survive the fun! |

| | |
|-----|---------------|
| — | NEW |
| — | UP Y/Y |
| — | DOWN Y/Y |
| --- | FELL OFF LIST |

TOP PAID GAMES APPS

| 2024 | 2023 |
|---|---|
| Minecraft: Play with Friends Build, Craft, Explore & Battle | Minecraft: Play with Friends Build, Craft, Explore & Battle |
| Heads Up! Play Charades with Friends! | Heads Up! Play Charades with Friends! |
| Geometry Dash Games | Geometry Dash Casual |
| Papa's Freezeria To Go! Serve sundaes on the go | Bloons TD 6 Mega Popular Tower Defense |
| Bloons TD 6 Mega Popular Tower Defense | MONOPOLY: The Board Game Roll the Dice, Pass Go & Win |
| Five Nights at Freddy's You have the night watch | Papa's Freezeria To Go! Serve sundaes on the go |
| Plague Inc. Can you infect the World? | Plague Inc. Can you infect the World? |
| MONOPOLY: The Board Game Roll the Dice, Pass Go & Win | Red's First Flight The classic is back! |
| Stardew Valley ConcernedApe's hit farm RPG | Five Nights at Freddy's You have the night watch |
| Red's First Flight The classic is back! | Grand Theft Auto: San Andreas Action |

6. The Need For Satellite Connectivity Is Gaining Recognition

Satellite-based connectivity has been picking up momentum lately, and this week saw several noteworthy developments unfold within the space. In the US, T-Mobile took one step closer to making direct-to-satellite service widely available to its customers by launching a beta program that leverages the company's exclusive relationship with Starlink. For now, the program only offers users the ability to send and receive text messages in "dead zones," though voice and data capabilities are coming in the future. Other headlines from this week suggested that Starlink's position atop the industry might not be safe for long, as the EU and a consortium of satellite companies announced that they will commit €10bn over the next 12 years to create a rival to Starlink, while Amazon's Project Kuiper is in talks to work with Taiwan and was seen as the "most mature in [its] development stage" by the country's Technology and Science Minister. Net-net, all signs point to satellite connectivity becoming more mainstream. It is no longer a matter of "if" this will occur, but more of a question of "when" it will. See below for more details:

- **T-Mobile opened up registration for a beta program for T-Mobile Starlink, a direct-to-satellite svcs** ([link](#)): The svcs will provide coverage for the 500,000 square miles of land in the US not covered by earth-bound cell towers
 - **All T-Mobile customers can access the beta launch:** Including bizs and first responders; T-Mobile is prioritizing the latter group, specifically, for the beta program, given their role in safeguarding our communities
 - **The beta program is free for all T-Mobile postpaid voice customers w/ a compatible device**
 - **T-Mobile Starlink will only support texting initially:** Voice and data capabilities are "coming in the future"
 - **The svcs is designed to be more user-friendly than other satellite messaging offerings:** B/c Starlink's direct-to-satellite constellation is "specifically designed for integration with the T-Mobile terrestrial network"; For example, users will not need to hold their phone up to search for a signal
 - **"Reciprocal roaming agreements" are also a means of achieving "global connectivity":** T-Mobile highlighted KDDI (Japan), Optus (Australia), One NZ (New Zealand), Salt (Switzerland), Entel (Chile & Peru), and Rogers (Canada) as other telcos that have joined its alliance for direct-to-cell tech
- **The EU and a group of satellite operators are investing €10bn to create a competitor to Starlink** ([link](#)): The aim of the IRIS2 project is to create a highly secure space program for the EU that can be used by Europe's national govts, military, and commercial clients
 - **The SpaceRISE consortium is now contracted to build hundreds of satellites under IRIS2:** The contract w/ the consortium, which includes key backers SES, Eutelsat, and Hispasat, will cover a 12-yr period
 - **The EU will invest \$€bn into the project...:** However, the current EU budge only covers ~one-third of that amount; New cash will flow from EU budgets between 2028-2035, and €55mn will come from the European Space Agency
 - **... While SES, Eutelsat, and Hispasat, will contribute €4.1bn:** Eutelsat will invest ~€2bn, SES ~€1.8bn, and Hispasat ~€600mn
 - **The build and launch schedule is "highly aggressive":** The structure calls for –
 - **264 new satellites in 1300 km orbits** (anything below 2,000 km is considered LEO), where two satellites would always be in view
 - **18 satellites at 8,000 km altitude** (a medium-Earth orbiting fleet), of which one would always be in view over Europe; Each satellite will use 5G equivalent software and use laser tech to connect w/ others; SES is financing 50% of this portion and will have access to 90% of its capacity
 - **10 satellites at 400-750km:** These low-orbiting satellites will be paid for by the EU and target new industries and start-ups
 - **Eutelsat's existing OneWeb fleet of 600 satellites will be the forerunner of "next-gen" versions**
 - **Expectations are high for the program:** Over the period of the 12-yr concession, Eutelsat expects to generate \$6.5bn in revs from EU customers, while SES anticipates that its IRR on the project will exceed 10%
- **Taiwan is in talks to collab w/ Amazon's Project Kuiper satellite svcs** ([link/link](#)): This is part of the Taiwanese govt's efforts to build communication resilience and prepare for a possible conflict w/ China
 - **The bandwidth for Taiwan's existing OneWeb satellite svcs is "too small for real applications":** This was per Technology and Science Minister Wu Cheng-wen; He also noted Eutelsat's "financial problems" and delays in developing second-generation satellites

- **Taiwan is also considering other Western satellite Cos:** However, Wu didn't provide specifics on names
 - **BUT “Amazon's Kuiper is the most mature in the development stage so far,” per Wu:** Amazon's Project Kuiper doesn't offer commercial svcs yet, but the Co plans to have a constellation of 3,000+ LEO satellites and begin offering svcs next yr
 - **Starlink isn't an option for Taiwan:** Given Musk's biz ties to China and his Co's refusal to relinquish control in a joint venture
- **Taiwan has also been sending its own satellites into space:** Thus far, the country has used rockets made by foreign Cos, but eventually, it wants to fire them into space using its own rockets

7. TikTok Heads To The US Supreme Court

The debate over TikTok's future in the United States reached a critical juncture this week, as the Supreme Court said that it would take up a challenge to a law that would ban TikTok in the US. This comes after a federal appeals court ruled that the ban should stand and after an appellate court ruled against delaying the ban a week later. Now, in seemingly a last-ditch effort, TikTok is making its case to the Supreme Court, which agreed to hear the case on an expedited timeline.

The clock is certainly ticking for TikTok, with less than a month before the app is scheduled to be banned. See below for the latest update. ([link/link/link](#))

- **The US Supreme Court has agreed to decide the constitutionality of a law that would ban TikTok in the US if the app doesn't get rid of its Chinese ownership**
- **How did TikTok get to this point?**
 - **Back in April**, Congress passed a law, as part of a foreign assistance package, that gave TikTok nine months to sever ties with ByteDance, its Chinese parent company, or lose access to app stores and web-hosting services in the US
 - President Biden signed the bill into law, and it is set to take effect on Jan. 19, with the possibility of a one-time 90-day delay granted by the president if a sale is in progress
 - **On December 6th**, a panel of three judges from the DC Circuit denied TikTok's bid to *overturn* the law
 - **On December 13th**, the appeals court denied TikTok's request to *delay* the law from taking effect pending a Supreme Court review
- **Upcoming hearings timeline –**
 - TikTok asked the Supreme Court to rule on its request to pause the law by **Jan. 6**
 - If there's no ruling by Jan. 6, TikTok requested the Supreme Court issue an order that temporarily blocks the law to ensure the law won't take effect while the court is deliberating
 - Two hours of arguments will be heard on **Jan. 10**, an expedited timeline that allows for the Supreme to consider the issue before the law takes effect on **Jan. 19** (the day before President-elect Trump takes office)
- **If the court doesn't delay or lift the ban...the new incoming administration may take a more favorable view:** President-elect Donald Trump tried to ban TikTok during his first term in office, but reversed his position during the presidential campaign and said he would "save" the app
 - **Trump said on Dec 16th that TikTok played a role in helping him win the youth vote** and that he would "take a look at TikTok"
 - **Trump has been in talks with TikTok CEO:** "I have a warm spot in my heart for TikTok," Trump said, and on the same day, Trump met with TikTok's CEO Shou Chew at his Mar-a-Lago estate
 - **Trump does have avenues to lift the ban:** While Trump can't unilaterally wipe away an act of Congress, the law does allow the president to lift the ban if his administration determines the site is no longer under Chinese control
- **TikTok reacts to Supreme Court taking the case ([link](#)):** "We're pleased with today's Supreme Court order. We believe the Court will find the TikTok ban unconstitutional so the over 170 million Americans on our platform can continue to exercise their free speech rights"

8. Waymo Goes International, Kicking Off In Tokyo

After announcing a series of expansions across Miami, Los Angeles, Austin, and Atlanta in 2024, Waymo is now going worldwide, and its first stop is Tokyo. Not only is the capital of Japan Waymo's first international rollout, but it also marks the Co's first in a left-hand traffic market.

See below for the details. ([link/link/link](#))

- **The launch is part of Waymo's development program or "road trips" that involve bringing its technology to a variety of cities and testing it, with each city having different challenges**
 - Until now, those road trips have focused on approx. a dozen US cities, usually to test out specific conditions or environments
 - I.e., rain in Miami or extreme heat in Death Valley, California
 - Tokyo is Waymo's "first international road trip"
 - In Tokyo, Waymo robotaxis will learn and adapt to left-hand traffic and new driving nuances associated with operating in one of the world's most densely populated urban environments
- **Partnering locally with Nihon Kotsu and GO:** Nihon Kotsu is Tokyo's largest taxi company and will oversee the management and servicing of the Waymo vehicles; Go is a taxi-hailing app
- **The first Waymo, all-electric Jaguar I-PACEs will arrive in Tokyo in early 2025**
 - Initially, Nihon Kotsu drivers will operate the vehicles manually to map key areas Tokyo, including Minato, Shinjuku, Shibuya, Chiyoda, Chūō, Shinagawa, and Kōtō
 - Data from the manned test drives will help train the company's AI systems
 - **The vehicles will fall under Level 4 of Japan's five-level rating system for autonomous vehicles, which allows for completely autonomous operation without a driver in limited areas**
- **Waymo isn't the only AV player making moves in Japan**
 - Local startup Tier IV and ZMP, is a robotics Co that is testing delivery vehicles and buses in Tokyo
 - Monet Technologies, which is partly owned by Toyota, annnc'd plans to test a self-driving taxi service in Tokyo's Odaiba district earlier this yr

9. Last Few Price Hikes As The Year Closes Out – PayPal, Discovery+, and AMC+

Price increase across the sector have become somewhat of a regular occurrence over the past year, and we saw a couple more trickle in over the last week. On the payments side, PayPal is updating prices for its merchants, while on the video streaming side, Discovery+ and AMC+ announced a bump up in their prices.

See below for the details.

- **PayPal to raise price for merchants ([link](#))**
 - **"Updated" prices for US merchants that use its PayPal and Braintree svcs**, affecting its PayPal Pay Later, alternative payment methods, advanced credit/debit payments and virtual terminal starting Jan 13th
 - **Increasing the amount it charges merchants to offer its BNPL svcs to their customers** to 4.99% of the transaction plus 49c, from 3.49% plus 49c, starting Jan 13th
 - **Still lower than other BNPL players**, including Block (owns AfterPay and Square), which charges 6% per transaction plus 30c, and Klarna which, per a May 2023 pricing sheet, charges 5.99% of the transaction plus 30c, in addition to individually negotiating its contracts
 - **Increasing the price it charges merchants for alternative payment methods and for advanced card transactions** to 2.89%, from 2.59%
 - **Increasing the amount charged for use of its virtual terminal** to 3.39%, from 3.09%
 - **Why the price increase?** According to a PayPal spokesperson, "To better align with changes in the economic landscape, while incorporating the enhanced features delivered for customers, we have updated our US pricing, applicable to US PayPal business accounts and US Braintree accounts"
- **Discovery+ add-on price on Sling TV will increase in January ([link/link/link](#))**
 - **Will increase price of ad-free tier by +\$1/mo**, from \$8.99/mo to \$9.99/mo, effective Jan 14th, 2025
 - **Only seems to be impacting ad-free version:** In an email sent to customers, Sling TV only specified that the ad-free tier would be seeing a price hike; The ad-supported version remains at \$4.99/mo

- **Comes on the back of SlingTV increasing its overall price:** Back in November, Sling TV announced that it would increase the price of its base packages by \$6/mo, starting Dec. 20th; The Sling Orange and Sling Blue plans are now \$46/mo, and the Sling Orange-and-Blue tier has jumped to \$61/mo
 - **But Sling TV isn't the only Live TV svcs to increase prices in 2024:** Fubo, Philo, Hulu + Live TV, DIRECTV STREAM, and YouTube TV all announced price increases this year
- **AMC+ announced price increase on both ad-supported and ad-free tiers ([link](#))**
 - **Will increase price of ad-free tier by +\$1/mo**, from \$8.99/mo to \$9.99/mo
 - **Will increase price of ad-supported tier by +\$2/mo**, from \$4.99/mo to \$6.99/mo
 - **Also increasing price of ad-free annual plan by +\$12/yr**, from \$84/yr to \$96/yr
 - **Impacts both new and existing customers:** Effective immediately for new customers; Existing customers will see the price increase in their next billing cycle post January 15th
 - **Why the price increase?** AMC said the new rates help “to continue delivering a collection of world-class originals, award-winning series, and exclusive movies from AMC, Shudder, Sundance Now, and IFC Films Unlimited”

10. Grab Bag: EA Sports College Football 25 Becomes The US' Best-Selling Sports Game/Softbank Pledged A \$100bn Investment Into The US/Threads Tops 100mn DAUs

- **EA Sports College Football 25 is now the best-selling sports game of all time in the US by dollar sales ([link](#)):** This was per mkt research firm Circana; College Football 25 surpassed NBA 2K21 to achieve the milestone
 - **The title is the biggest selling game of the year so far in the US:** College Football 25 briefly fell out of the Top 10 monthly charts in Oct, but price promotions helped drive the title back to the #4 spot in Nov; Competition from Black Ops 6 has been a headwind
 - **College Football 25 is among the top 50 best-selling games of all time, based on its dollar sales:** The title ranks #43 on the top 50 list, while the top spot still belongs to GTA V “by a lot”
 - **Other gaming industry stats on Nov from Circana –**
 - **Spending on video games content, including software, subscriptions and more, dropped -9% y/y to \$4.5bn:** Console content was the biggest source of decline, down -29% y/y
 - **Hardware spending was flat at \$927mn:** A +15% y/y uptick in PlayStation 5 sales helped counter a -29% and -3% y/y respective declines in Xbox and Switch sales
 - **2.4mn consoles were sold, a +4% y/y increase:** However, YTD console sales are tracking below last yr at 9.4mn units compared to 11.8mn
- **President-elect Donald Trump and Softbank CEO Masayoshi Son annnc'd a \$100bn investment into the US ([link](#)):** Softbank's investment will occur over the next four yrs and aim to create 100,000 jobs in field such as AI; However, details about specific investments were unclear
 - **Son's investment decision was directly tied to Trump's win in the presidential election:** “My confidence level [in] the economy of the US has tremendously increased w/ his victory,” remarked Son
 - **The commitment doubles a similar pledge made after the 2016 election:** Then, Softbank had promised to invest \$50bn into the US and create 50,000 jobs; This promise was kept “in every way, shape, and form,” according to Trump
 - **Trump has “bold reforms” planned for when he takes office:** A spokesperson indicated that a central focus will be ensuring that “AI, emerging technologies, and the other industries of tomorrow are created, built, and grown in the US”
 - **Some believe that Son has a larger move at play:** Analysts point out that part of the rationale for Softbank's 2016 pledge was to gain a blessing for the Sprint-T-Mobile merger; Now, some see this as Son effectively choosing the West and America over China, as the geopolitical landscape changes
- **Threads reached 100mn DAUs, per Meta CEO Mark Zuckerberg ([link](#)):** Zuckerberg also shared that Threads has 300mn+ MAUs, a +9% increase from the 275mn reported in Nov
 - **This is the first time that Threads has ever revealed daily active user figures:** Meta has been more proactive about sharing stats as rival social platform Bluesky has gained prominence w/ 25mn+ users
 - **Threads has attempted to attract users w/ consistent new feature updates:** Including custom feeds, Starter Packs of accounts for new users to follow, and an option for users to change their

Stock Market Check

Market Changes the Past Week

| Benchmark | Abs. Value | W/W Change |
|------------------------|------------|------------|
| S&P 500 | 5,931 | (2.0%) |
| NASDAQ | 19,573 | (1.8%) |
| Dow Jones | 42,840 | (2.3%) |
| Gold | \$2,641 | (1.3%) |
| WTI Crude | \$69.58 | (2.4%) |
| 10-Year Treasury Yield | 4.53% | +13.0 bps |
| Bitcoin | \$96,685 | (5.5%) |
| Ether | \$3,444 | (12.6%) |

LionTree TMT Universe Performance (~250 stocks)

| Best-Performing Stocks | + | Worst-Performing Stocks | - |
|-------------------------------|-------|----------------------------|---------|
| Klaviyo, Inc | 12.9% | Gray Television Inc | (19.6%) |
| Doximity Inc | 10.9% | Chegg Inc. | (19.2%) |
| DarioHealth | 9.3% | Eutelsat Communications SA | (18.0%) |
| Match Group Inc | 7.3% | iHeartMedia, Inc. | (17.9%) |
| The RealReal | 6.8% | Amwell | (15.4%) |
| Warby Parker Inc. | 6.6% | Despegar.com Corp | (14.5%) |
| GameStop Corp | 6.5% | Qurate Retail Inc | (14.3%) |
| Palantir Technologies Inc | 5.9% | ARM Holdings PLC ADR | (13.0%) |
| Six Flags Entertainment Corp. | 5.5% | Hims & Hers | (12.7%) |
| Fox Corp | 5.2% | Allbirds Inc. | (12.7%) |

| Best-Performing Sub-Industries | + | Worst-Performing Sub-Industries | - |
|--------------------------------------|--------|---------------------------------|---------|
| Hardware/Handsets | 2.3% | European Media | (46.9%) |
| Entertainment Facilities/Theme Parks | 1.8% | Space | (5.9%) |
| China Internet / Tech | (0.2%) | Smart Home Security/Automation | (5.8%) |
| EdTech | (0.2%) | Pay-TV / Broadband | (5.5%) |
| Sports & Sports Betting | (0.4%) | European Telco | (5.2%) |
| Live Events | (0.6%) | Telecom Infrastructure | (5.1%) |
| Last Mile Transport/Delivery | (0.8%) | Ad Tech | (5.1%) |
| Payments / Fintech | (0.8%) | Employment Marketplace | (5.0%) |
| Semis | (1.0%) | Digital Real Estate | (4.8%) |
| e-Commerce | (1.3%) | Out of Home Advertising | (4.3%) |

This Week's Other Curated News

Advertising/Ad Agencies/Ad Tech

- **The House Judiciary Committee, led by Rep. Jim Jordan (R-Ohio)**, is investigating the merger of advertising Cos Omnicom and Interpublic over ties to an anti-conservative cartel. The committee is probing potential antitrust violations linked to the companies' involvement in the World Federation of Advertisers' Global Alliance for Responsible Media (GARM), which allegedly sought to defund conservative outlets. The committee has demanded documents and answers by Jan. 7. ([New York Post](#))

Artificial Intelligence/Machine Learning

- **~400 current and former OpenAI employees are poised to become millionaires thanks to a private stock sale arranged by the Co.** The deal, involving Japan's SoftBank Group, offers eligible shareholders a chance to sell their equity at \$210 per share, marking a significant payday for many. W/ OpenAI's valuation skyrocketing to \$157bn over the past yr, this tender offer has become a lucrative opportunity for insiders to cash in on the co's explosive growth. ([Firstpost](#))
- **New research from Anthropic reveals that AI models can deceive by pretending to align with new principles while secretly maintaining their original preferences, a phenomenon called "alignment faking."** The study showed that AI models, like Anthropic's Claude 3 Opus, sometimes fake alignment to avoid retraining. While this doesn't suggest malicious intent, it highlights the challenge of trusting AI safety training as models become more complex. ([TechCrunch](#))
- **OpenAI has no plans to release an API for Sora, its AI model for generating realistic videos from text or images.** This decision follows capacity issues after the initial launch, which forced OpenAI to close sign-ups temporarily. Despite competitors like Google and AWS offering video-generation APIs, OpenAI is focusing on managing demand and improving access to Sora. ([TechCrunch](#))
- **Perplexity AI Inc.** has closed a \$500mn funding round, raising its valuation to \$9bn. The round, led by Institutional Venture Partners, triples its valuation from earlier this year. The startup, which focuses on integrating generative AI into search, faces competition from OpenAI, Microsoft, and Google. Perplexity also offers services like organizational search and finance tools, with 15mn active users. It has launched partnerships with major publishers. ([Business Insider](#))

Broadcast/Cable Networks

- **Network TV and streaming platforms may be helping each other thrive, according to a new report.** Shows like High Potential, Happy's Place, and Matlock are attracting millions of viewers on both linear TV and streaming. Streaming boosts network shows, especially among younger audiences, while traditional TV's longer episodes provide a comfort to viewers. This hybrid model benefits both platforms and suggests longform TV still has a future. ([AV Club](#))
- **Sinclair has annnc'd a significant expansion of its free over-the-air network TBD TV via a network distribution agreement with Fox Television Stations that will see Fox's owned-and-operated stations add it to digital subchannels beginning Jan. 15.** The expanded agreement positions TBD TV in Fox's key channel slots in several of the country's top markets, including the three largest DMAs, adding a total of 22mn TV households. ([TVTechnology](#))

Cable/Pay-TV/Wireless

- **T-Mobile has opened registration for a beta program for T-Mobile Starlink, a direct-to-cell satellite service that will help eliminate dead zones by providing coverage for the 500,000 square miles of land in the US not covered by earth-bound cell towers.** By integrating satellites, basically cell towers in space, into the T-Mobile network, the Un-carrier is taking a major step forward in delivering its vision Experience Coverage Beyond vision. ([BUSINESSWIRE](#))
- **Telia has annnc'd that its 5G network now covers close to 99% of the population, just four yrs after switching on Norway's first 5G base stations in the town of Lillestrøm.** The rapid rollout means Telia is delivering nationwide 5G coverage in Norway before any other operator, and opens up new use cases in a country aiming to become the world's most digitalized by 2030. ([THEFASTMODE](#))

Capital Market Updates

- **Nasdaq is on track to beat the NYSE on listings for the sixth straight yr in 2024.** Cos raised ~\$22bn across 160 initial public offerings at Nasdaq in the first 11 months of this year, outpacing the nearly \$17bn in 34 listings for NYSE, according to data provided by Dealogic and Nasdaq. ([Investing.com](#))

Crypto/Blockchain/web3/NFTs

- **Bitcoin, now a \$2T asset, has surged amid hopes for a crypto-friendly Trump administration, lifting the total crypto market toward \$4T.** Wall Street remains divided: JPMorgan's Jamie Dimon remains skeptical, while BlackRock's Larry Fink calls bitcoin "digital gold." Ken Griffin questions its economic role despite FOMO, Warren Buffett likens it to gambling, and Ray Dalio advocates it as "hard money." ([Yahoo News](#))
- **Crypto hacking continues to be a major threat, with \$2.2bn stolen in 2024, marking a 21.07% increase from 2023.** North Korea-affiliated hackers stole \$1.34bn, a 102.88% rise. The shift in targets from decentralized finance (DeFi) to centralized services, alongside private key vulnerabilities, highlights the need for better security. Predictive tools like Hexagate are helping detect threats before attacks occur, but the industry must strengthen defenses to mitigate these risks. ([Chainalysis](#))

Cybersecurity/Security

- **In a move to execute its share repurchase plan, ADT has entered into an agreement to buy back 15mn shares of its common stock.** The transaction, which took place on Dec. 12, 2024, involves shares priced at \$6.945 each, totaling an aggregate purchase amount of \$104,175,000. This repurchase is part of a larger Share Repurchase Plan that was approved by ADT's board of directors in Jan. 2024. ([Investing.com](#))

eCommerce/Social Commerce/Retail

- **Amazon has introduced new eco-friendly packaging for its Echo, Kindle, and Fire TV devices.** The updated design uses 30% more recycled fiber and 60% less ink, replacing bleached boxes with a natural brown kraft look. Plastic wraps inside and outside the box have been replaced with paper-based materials, making the packaging 100% recyclable. ([ABOUTAMAZON](#))
- **Malls are shifting focus from retail to dining, with up to 30% of space now dedicated to restaurants.** Popular chains like Din Tai Fung and Sweetgreen are expanding in malls, while food halls offer upscale, local dining options. The trend, driven by Gen Z's preference for in-person experiences, is revitalizing malls, with brands like The Cheesecake Factory proving highly profitable and boosting mall finances. ([CNBC](#))
- **Nike's new CEO, Elliott Hill, outlined a strategy to restore growth after declining revenue and profits due to heavy discounting.** Hill acknowledged the company's reliance on promotions and online sales under his predecessor and emphasized rebuilding relationships with wholesale partners. Nike aims to return to a full-price model and focus more on performance-driven products. Despite the challenges, the company beat Wall Street expectations in its fiscal second quarter, but faced declines in all regions except for North America. Shares dropped 27% in 2024. ([CNBC](#))
- **Shein is considering asking UK regulators to refrain from using listing rules that require at least 10% of its shares to be sold to the public through its planned London IPO, according to two insiders.** According to Reuters, one of these sources said that the co is looking into this option to facilitate its planned London flotation. If given the green light, this would likely be the first time a business in London has been permitted to list under the 10% rule, introduced in 2021. ([Retail Gazette](#))
- **Shoppers are hitting brick-and-mortar stores more this yr despite a cutback in post-election season spending, according to a First Insight survey.** The data revealed a 53% increase in consumers who are only shopping at physical retail stores compared to last yr. "This year's holiday season highlights a return to the essentials, competitive pricing and convenience," Greg Petro, CEO of First Insight, said in the release. ([www.retailcustomerexperience.com](#))
- **The retail industry has cut 225,000 jobs over five yrs, according to the latest figures from the Office for National Statistics (ONS).** On a four-quarter average, there were 40,000 fewer jobs than last yr, and 225,000 fewer than five yrs go, the government department found. BRC CEO Helen Dickinson explained: "Despite a further fall in the number of retail jobs, the industry remains the largest private sector employer providing ~2.9mn jobs in the UK, with another 2.7mn in the supply chain." ([Retail Gazette](#))
- **Thousands of delivery drivers who work for Amazon third-party contractors are now on strike.** The workers are striking after "Amazon's repeated refusal to follow the law and bargain with the thousands of Amazon workers who organized with the Teamsters". Workers are picketing at Amazon warehouses from Atlanta, New York City, San Francisco, Southern California, and Skokie, Ill., with other Amazon Teamsters "prepared to join them," the Teamsters say. ([The Verge](#))
- **Walmart is partnering with Meituan to offer its goods on the Chinese delivery app, enhancing its e-commerce presence in China.** This move follows Walmart's \$3.6bn sale of its JD.com stake and aligns with its strategy to grow its Walmart and Sam's Club businesses. The partnership is expected to increase Walmart's visibility and capitalize on Meituan's rising popularity. ([EMARKETER](#))

Electric & Autonomous Vehicles

- **A study by Waymo and Swiss Re shows that Waymo's autonomous vehicles result in fewer insurance claims compared to human-driven cars.** Waymo cars have 88% fewer property damage claims and 92% fewer bodily injury claims. When compared to vehicles with advanced safety tech, Waymo still outperforms. However, the study's limitations include Waymo's focus on urban areas and its relatively short operational history. Despite promising data, Waymo has faced recalls and traffic violations. ([Engadget](#))
- **Tesla's self-driving efforts are facing setbacks due to hardware failures in its latest onboard computers, known as HW4, which are short-circuiting.** New Teslas are experiencing malfunctions within just a few hundred miles, disabling key features like Autopilot, cameras, GPS, and safety systems. While Tesla has yet to

issue a service bulletin, there are concerns the company is downplaying safety risks to protect its image. The issue may require a costly computer replacement, with repairs potentially taking months. ([Futurism](#))

Film/Studio/Content/IP/Talent

- **AI is transforming Hollywood by reducing costs in areas like visual effects and animation, making film production more efficient.** But chunks of the Hollywood workforce could go, mostly those in postproduction who are staring down the barrel of potential automation due to labor protections and legal and technological constraints surrounding AI use that protect actors, writers, and directors from but not other crew. ([The Hollywood Reporter](#))
- **When it came to the movies that popped in multiplexes, 2024 was all about the sequels.** Sequels — such as “Inside Out 2, Deadpool & Wolverine, Despicable Me 4” and “Godzilla x Kong: The New Empire” — accounted for nine of the top 10 slots in terms of the yr’s highest-grossing worldwide releases. This yr’s reliance on follow-ups, spinoffs and offshoots stands in stark contrast to 2023 when the three biggest blockbusters, “Barbie, The Super Mario Bros. Movie” and “Oppenheimer,” all arrived w/out a roman numeral in the title. ([Variety](#))

Handheld Devices & Accessories/Connected Home

- **According to the latest Worldwide Wearables Quarterly Tracker released by International Data Corporation, the global wrist-worn device market shipped 139mn units in the first three quarters of 2024, a yr-over-yr decline of 1.0%,** mainly due to the homogenization of competition and market saturation in India and the US. ([IDC: The premier global market intelligence company](#))

Last Mile Transportation/Delivery

- **LIV Golf is set to sign a broadcast deal with Fox Sports for its 2025 season, after two years on The CW Network.** Fox will air LIV's tournaments on its main network or Fox Sports 1, though specific terms remain undisclosed. LIV's previous partnership with The CW saw low ratings, and Fox's broader sports coverage could help boost visibility and audience numbers. The deal positions LIV's schedule to avoid conflicts with fall football. ([SBNation.com](#))

Live Entertainment/Theme Parks/Concerts/Experiential

- **Ariel Emanuel, CEO of TKO Group Holdings, has made a significant acquisition of the co's Class A common stock.** According to a recent SEC filing, Ariel purchased shares totaling approx. \$77.4 mn over the course of Dec. 16 and 17. The purchase comes as TKO's stock has delivered impressive returns, w/ an 86% gain over the past yr. ([Investing.com](#))
- **The Federal Trade Commission has introduced a "Junk Fee Rule" aimed at eliminating surprise fees in industries like short-term lodging and live-event ticketing.** The rule requires businesses to disclose resort, convenience, and service fees upfront, ensuring transparent pricing. While the fees themselves aren't banned, they must be included in the price from the start. This move is expected to save consumers \$11bn over the next decade. The rule takes effect in April 2025, with violators facing penalties. (<https://www.atlantaneWSfirst.com>)

M&A

- **Global M&A volumes are projected to exceed \$4tn in 2025, driven by anticipated regulatory easing and tax cuts under President-elect Trump.** The current yr's M&A value rose 15% to \$3.45tn, w/ significant activity in the US, Europe, and Asia Pacific. Private equity firms might benefit from improved IPO markets and financing conditions. Despite potential economic headwinds from tariffs, the outlook for M&A remains optimistic, with increased cross-border activity and interest in fast-growing Asian markets. ([CAPQ](#))

Macro Updates

- **A recent immigration surge brought newcomers to every state this yr, helping to offset a continued drop in US births while contributing to a national upswing of about 3.3mn new residents.** Texas and Florida continued to dominate state population growth, together adding more than 1mn people from mid-2023 to mid-2024 and making up almost a third of the nation's population increase. The population jump — the largest single-yr increase since 2001 — was buoyed by a 21% increase in net immigration. ([Stateline](#))
- **British inflation reached an eight-month high in Nov, w/ consumer prices increasing by an annual 2.6%,** up from 2.3% in Oct., according to official data. This is the highest inflation rate since Mar., marking a continuous monthly rise in inflation and highlighting persistent price pressures w/in the UK economy. Despite expectations from economists for a slight increase to 5.1%, and the BoE's anticipation of a dip to 4.9%, the rate remained stable. ([Investing.com](#))

- **Canada's annual inflation rate plunged to 1.9%** in Nov, primarily due to lower mortgage interest costs and cheaper travel tours, Statistics Canada reported. Even w/ slowed inflation rate bringing a wave of relief for consumers, many Canadians are still feeling the pinch, especially when it comes to everyday expenses. ([The Times of India](#))
- **CEOs of the world's biggest cos are more optimistic about the economy than they have been in yrs.** The enthusiasm is being driven in part by the prospect of President-elect Donald Trump's return to the White House, with many chief executives expecting their businesses to benefit from lower corporate taxes and less regulation, according to a new survey. Outcomes of other elections around the world are also fueling expectations for improvements in the global economy and political stability. ([Yahoo News](#))
- **Chinese leaders agreed last week to raise the budget deficit to 4% of GDP next yr, its highest on record, while maintaining an economic growth target of ~5%.** The additional one % point of GDP in spending amounts to about 1.3tn yuan (\$179.4bn). More stimulus will be funded through issuing off-budget special bonds. These targets are usually not annnc'd officially until an annual parliament meeting in March. ([The Business Standard](#))
- **Q3 GDP growth was revised upward to 3.1%** in a new estimate released on Dec 19 by the US Bureau of Economic Analysis. The estimate is the third and based on more complete source data than the previous two. The revision primarily reflected upward revisions to exports and consumer spending that were partly offset by a downward revision to private inventory investment. ([Staffing Industry Analysts \(SIA\)](#))

Media Conglomerates

- **Sony Group will invest 50bn yen (\$320mn) to acquire a 10% stake in Kadokawa, making it the top shareholder.** This capital alliance will enhance collaboration between the two companies, focusing on joint investments in content and discovering new creators. The deal strengthens Sony's entertainment portfolio, particularly with Kadokawa's ownership of FromSoftware, maker of "Elden Ring." ([CHANNELNEWSASIA](#))
- **Warner Bros Discovery CEO David Zaslav has sold \$30.1mn** in stock as part of "yr-end income tax and gift/estate planning activities". The executive sold 2.564mn shares at a weighted average price of \$11.73. Following the sale, Zaslav beneficially owns 3,453,591 shares as well as 153 shares indirectly owned by his spouse. Looking ahead, WBD is set to restructure its business into two divisions, Global Linear Networks and Streaming & Studios, by mid-2025. ([TheWrap](#))

Online Marketplaces/Learning (Real Estate/Education/Jobs)

- **Total existing-home sales – completed transactions that include single-family homes, townhomes, condominiums and co-ops – improved 4.8%** from Oct to a seasonally adjusted annual rate of 4.15mn in Nov. Total housing inventory registered at the end of Nov. was 1.33mn units, down 2.9% from Oct. but up 17.7% from one yr ago (1.13mn). The median existing-home price for all housing types in Nov. was \$406,100, up 4.7% from one yr ago (\$387,800). ([GlobeNewswire News Room](#))

Online Travel

- **Tripadvisor and Liberty TripAdvisor annnc'd that they have entered into an agreement and plan of merger whereby Tripadvisor will acquire Liberty TripAdvisor.** Shares of Liberty TripAdvisor Series A Common Stock and Series B Common Stock issued and outstanding immediately prior to the effective time of the Merger will be converted into the right to receive \$0.2567 per share in cash (without interest), totaling ~20mn in the aggregate. ([PRNEWswire](#))

Regulatory

- **Donald Trump's tariff threats have sparked a lobbying scramble as businesses seek exemptions, but Trump remains firm.** Companies fear steep tariffs on imports from China, Canada, and Mexico could disrupt supply chains and raise costs. Trump's team, including Rubio, Bessent, and Navarro, supports his agenda. While some hope tariffs are a negotiation tactic, businesses are quietly hiring firms to influence policy. ([Yahoo News](#))

Satellite/Space

- **Taiwan is in talks with Amazon's Project Kuiper to enhance its satellite-based communications, aiming to strengthen its infrastructure against potential Chinese threats.** The Taiwanese government is dissatisfied with the capacity of the OneWeb network, which it partnered with via Chunghwa Telecom, citing delays and limited bandwidth. Despite this, OneWeb denies financial issues. Taiwan is also exploring developing its own low Earth orbit satellite network, with a planned rocket launch site by 2029. ([The Verge](#))
- **The €10.6bn IRIS2 satellite project** was finalized with SpaceRISE consortium contracts, led by SES, Eutelsat,

and Hispasat. Backed by €6bn in EU funds, IRIS2 aims to secure European communications with 264 low-Earth and 18 medium-Earth satellites. Deployment begins in 2029, with full readiness by 2031. The project enhances EU defense, sovereignty, and commercial capacity while leveraging cutting-edge 5G and laser tech. ([ADVANCED-TELEVISION](#))

Social/Digital Media

- **CAA is collaborating w/ YouTube on a program promising to let actors, athletes and other talent fight back against AI-generated fakes uploaded to the video platform.** Under the partnership, CAA clients, will have access to YouTube's early-stage likeness mgmt technology, which is designed to identify and manage AI-generated content featuring faces on YouTube "at scale," according to the cos. YouTube's tool will identify unauthorized AI replicas and let talent submit requests to remove them. ([Variety](#))
- **Instagram is planning to introduce a generative AI editing feature next year that will allow users to "change nearly any aspect of your videos."** The tech is powered by Meta's Movie Gen AI model according to a teaser posted by Instagram head Adam Mosseri, and aims to provide creators with more tools to help transform their content and bring their ideas to life without extensive video editing or manipulation skills. ([The Verge](#))
- **Instagram will soon account for half of the co's advertising rev in the US, according to estimates from research firm Emarketer.** Instagram is expected to top \$32bn in US advertising rev in 2025, up more than 24% from the current yr. Meta's focus on video content has been a major contributor to that growth, wrote Jasmine Enberg, principal analyst at Emarketer, in a blog post. ([Spokesman.com](#))
- **Meta has been fined €251mn (\$263mn) by Ireland's Data Protection Commission for alleged GDPR violations related to a 2018 breach affecting 29mn Facebook accounts.** The breach exposed personal data, including phone numbers, email addresses, and sensitive information. The fine reflects Meta's failure to implement adequate data protection measures and report the breach properly. This is the latest in a series of fines for Meta's data protection violations in Europe. ([THERECORD](#))
- **Reddit's sports fan communities saw a 35% year-on-year engagement increase in over 1,000 sports Subreddits in 2024, driven by events like the Olympics, Copa America, and Euro 2024.** Reddit has partnered with major U.S. sports organizations such as the NFL, NBA, MLB, PGA, and NASCAR, helping these leagues engage fans through the Reddit Pro program. The platform's ad revenue grew 56% in Q3, and its sports fan base continues to attract marketers aiming to reach dedicated audiences. ([Digiday](#))
- **Snapchat is tweaking how people earn money on the platform by introducing a new, unified monetization program.** The new program will cover content posted to Stories as well as Spotlight, the platform's TikTok-like discovery feed filled with recommended video content. Under the program, influencers earn revenue for ads placed within eligible Stories and Spotlight posts. The new program is currently in testing with a small group of users, and will roll out widely on Feb. 1, 2025. ([The Verge](#))
- **Threads is set to begin testing scheduled posts, a feature Instagram has been developing for months, according to Adam Mosseri.** However, replies won't be schedulable to maintain real-time interaction. ([The Verge](#))

Sports/Sports Betting

- **Billionaire Justin Ishbia is reportedly preparing a bid for MLB's Minnesota Twins, recently put up for sale by the Pohlad family.** Founder of Shore Capital Partners and co-owner of the NBA's Phoenix Suns, Ishbia has met Minnesota leaders and expressed long-standing interest in baseball. Forbes values the Twins at \$1.46bn, with the sale expected to conclude in six months. ([Minneapolis / St. Paul Business Journal](#))
- **Comcast is targeting the first half of 2025 for the launch of their NBC Sports-branded RSNs via Peacock, according to two sources.** The co plans to charge between \$10 to \$15 per month for access to its RSNs in Philadelphia, Boston, San Francisco and Sacramento, where subscribers will be able to watch locally-televised games from the Philadelphia 76ers, Philadelphia Flyers, Boston Celtics, San Francisco Giants, San Jose Sharks, Sacramento Kings and other professional sports franchises, along with related shoulder programming. ([The Desk](#))
- **Formula 1 owner Liberty Media Corp.'s \$3.8 bn (€3.66 bn) plan to buy motorcycle racing league MotoGP World Championship has been hit by a full-scale European Union probe.** The European Commission said that the planned deal raises "serious competition concerns" for the licensing of broadcasting rights in Europe, and that it would lessen competition in the broadcasting market between Formula 1 and MotoGP. ([Luxembourg Times](#))
- **MLB is nearing its first \$1 billion player deal, driven by soaring salary thresholds and record-setting contracts like Juan Soto's \$765M deal with the Mets.** Rising revenues, deferred payments, and bold owners

like Steve Cohen fuel the trend. Key factors include young stars like Elly De La Cruz and MLB's retooled media strategy by 2028, setting the stage for historic contracts amid escalating player valuations. ([Front Office Sports](#))

- **NBA officially annnc'd that the 2025 NBA All-Star Game in San Francisco will feature a mini-tournament between three teams comprised of 24 All-Stars as well as the team that wins the Rising Stars Challenge.** The tournament will include three games consisting of two semifinals and a championship. The first team to score 40 or more points in each game is the winner. The prize money pool of \$1.8mn will be split amongst the winning squad, w/ each player earning \$125,000. ([Awful Announcing](#))
- **The Professional Pickleball Association said that the league is seeing growth in everything from attendance to players, and even salary.** The avg pay of the 60+ women on the PPA Tour and Major League Pickleball was \$260,000. That is more than the highest-paid WNBA player's annual salary and more than double the avg salary of National Women's Soccer League athletes. The league said pro pickleball players have earned \$30mn+ collectively. ([CNBC](#))
- **The return of WWE's "Saturday Night's Main Event" did well in the ratings for NBC.** The two-hour broadcast pulled in 2.3mn viewers between 8 and 10 p.m. ET/PT. That includes 1.59mn viewers on NBC and an additional 700,000 who streamed it live on Peacock. By comparison, the NBA Cup semifinal matchup between the Houston Rockets and the Oklahoma City Thunder averaged 1.89mn viewers on ABC alone, according to Nielsen data. ([Variety](#))
- **The WNBA annnc'd its first-ever regular-season international game will be played in Vancouver in Aug 2025.** The Atlanta Dream and Seattle Storm will play in the third WNBA Canada Game on Aug. 15 at Rogers Arena. Vancouver will hold the record over Toronto, the first Canadian city to win a bid for a WNBA team. The newly minted Toronto Tempo are set to begin play the following season. The exact broadcast schedule won't be confirmed until the spring, a league spokesperson says. ([Front Office Sports](#))

Tech Hardware

- **Apple plans to launch a new HomePod Mini and Apple TV in 2025, featuring its custom "Proxima" chip that integrates Bluetooth and Wi-Fi.** Developed with TSMC, the chip reduces reliance on Broadcom, cuts costs, and enhances performance. This marks a strategic push into the smart home market, with future plans to integrate the chip into iPhones, iPads, and Macs, strengthening Apple's ecosystem control. ([Cord Cutters News](#))
- **Microsoft bought more than twice as many Nvidia Hopper chips this yr than any of its biggest rivals.** The co bought 485,000 Nvidia Hopper chips across 2024. To compare, Meta bought 224,000 of the same flagship Nvidia chip this yr. Microsoft's 2024 chip purchase more than tripled the number of Nvidia chips the company bought in 2023. Microsoft is building its own custom AI chips, too, called Maia, which it annnc'd at its Ignite conference in late 2023. ([TechCrunch](#))
- **Roku is rolling out a major smart home upgrade for its TVs and streaming devices, making them more integrated with smart home gadgets.** The update includes a Camera Carousel that cycles through live feeds from security cameras, Picture-in-Picture mode to keep an eye on camera feeds while watching other content, and more smart home notifications directly on the TV. These features are available for free and will roll out automatically. ([ZDNET](#))
- **The European Commission said has unconditionally approved Nvidia's \$700mn bid for Run:ai.** The EU's probe into the deal focused on practices that could strengthen Nvidia's control over GPUs, but it concluded that the acquisition of Run:ai would not raise competition concerns. "Our mkt investigation confirmed to us that other software options compatible w/ Nvidia's hardware will remain available in the mkt," per the EU's new antitrust chief. ([CALCALISTECH](#))

Towers/Fiber

- **Telecom Italia's ownership once again came under the spotlight, after Bloomberg reported CVC Capital Partners entered into early stage discussions about buying Vivendi's 24% stake in the Italian operator.** CVC is exploring a possible deal for the stake, which is valued at around €1bn. Italian media reported that other financial groups including Bain Capital and Apax Partners could also be interested in Vivendi's stake. ([Mobile World Live](#))

Video Games/Interactive Entertainment

- **2024 marks a pivotal year for Xbox and the gaming industry, with growth stagnating and rising costs.** Xbox, facing layoffs, has shifted its strategy, moving away from console exclusives and embracing cross-platform releases. This includes expanding to PlayStation, Steam, and Epic Games, signaling a new phase of accessibility over traditional exclusivity amidst an evolving gaming landscape. ([Windows Central](#))

- **Capcom has confirmed that the publisher plans to revive more old, dormant video game franchises after recently announcing a new Okami and Onimusha.** On Dec. 12, Capcom annnc'd Onimusha Way of the Sword and revealed that an Okami sequel was in the very early stages of development. Both reveals were big surprises. Capcom hasn't published a new Okami game since 2010. ([Kotaku](#))
- **Sony's PlayStation 5 Pro introduces significant upgrades, focusing on GPU improvements with RDNA 2.x,** enhanced ray tracing, and machine learning for upscaling. The Pro features a 16.7TF GPU, increased memory bandwidth, and a custom RDNA for PSSR. A collaboration with AMD, called Amethyst, explores machine learning in gaming graphics. The Pro aims to improve game quality and performance, with exciting potential for future advancements. ([Eurogamer.net](#))

Video Streaming

- **In November 2024, Disney led TV viewing with 11.1% share,** marking its third consecutive month at the top. FOX reached a company-best 8.6%, driven by increased viewership for FOX News and sports events. YouTube gained a record 10.8%, and Netflix secured 7.7%, boosted by the Jake Paul vs. Mike Tyson fight. Hallmark saw a 24% rise in viewing with its holiday movie marathons. ([Nielsen](#))
- **Roku is continuing to add exclusive sports rights to its streaming platform.** The latest deal will make Roku the exclusive streaming home for the X Games. The deal will kick off in Jan. with X Games Aspen and continue with a "major" summer competition to follow. The X Games will be available on the recently launched Roku Sports Channel, with Roku also launching an X Games FAST channel, and an X Games Zone that functions as a streaming hub for the competition. ([The Hollywood Reporter](#))

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