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What the Industry Reads First

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Title II Recap: Realtors, NPR, AGs Join Those Against Title II Rollback

Monday's deadline to file comments at the **FCC** on its proposal to rollback Title II classification for ISPs came and went, with comments still being added to the online docket late Tuesday. At our deadline, the proceeding had already amassed more than 9.45mln comments. The battle lines are well established here, so you can pretty much fill in the blanks on who said what. Cable loves the proposal, while **Free Press**, Sen *Al Franken* (D-MN), **Amazon** and the like are in anguish. There were comments filed beyond the usual suspects. **NPR** said it opposes such deregulation absent more substantial evidence of harm to ISPs under the current rules. **The National Association of Realtors** also came out against the FCC's proposal, arguing that the "vast majority" of its members would likely find themselves out bid by larger players "in an Internet 'fast lanes' environment." The group worried changes to the rules would limit use of emerging tech in real estate, such as drone photography and Internet of Things. **AccuWeather** chimed in, but didn't get into reclassification. Instead it wants the FCC to give "priority status" to weather information companies. The current Open Internet rules grant priority status only to emergency services, cybersecurity monitoring and VoIP services since they require priority for maximum effectiveness. "Weather information services from companies like AccuWeather provide targeted localized content that is site-specific for consumers to properly understand the importance of severe weather warnings for their area so they can take potentially life-saving actions or just to know if it will rain today," the company told the FCC. The NY State Office of the Attorney General claimed that major broadband providers made the deliberate business decision to let their networks' interconnection points become congested with Internet traffic and use that congestion as leverage for payments from backbone providers and edge providers. The AG contends it only stopped because of the FCC's 2015 Open Internet rules. If the rules are rolled back, broadband providers "will have as free a hand to profit from blocking, throttling, and paid prioritization as they once had to profit from interconnection." Attorneys General for IL, CA, CT, HI, IA, ME, MD, MA, MS, OR, VT, WA and DC also submitted comments arguing against changing ISP service from its telecommunications classification.

Open Internet Regulars: With the **FCC** docket fast-approaching 10mln comments, there's a lot to sort through. But here are some highlights from those who've been in this fight for years now. **Comcast** coupled its comments with

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a blog post by sr evp *David Cohen*, who cited economist *Hal Singer's* study that found cap ex from the 12 largest US ISPs has fallen by \$3.6bln (-5.6%) from 2014 levels. **Charter** put a finer point on it, telling the FCC it put on hold a project to build out its out-of-home WiFi network due in part to concerns about whether future interpretations of Title II would allow it to continue to offer WiFi as a benefit to existing sub or whether it would be compelled to separate access to its wireless network from its wired broadband services and sell it separately. In expressing its disappointment with the FCC proposal, **Netflix** pointed to analysis from the **Internet Association** (it's a member) that indicates some providers have increased investment since the 2015 rules took effect. **Amazon** argued that cable and phone companies have a greater incentive to discriminate against unaffiliated content now that consumers are embracing online subscription VOD at such a high rate. In a lengthy filing largely supportive of the FCC's proposal, **NCTA** cautioned that the agency needs to reaffirm its ability and intention to preempt state and local laws that attempt to regulate broadband providers. Some states are already seeking to establish their own broadband speed measurement regimes that conflict with existing federal obligations. And NCTA warned of Eugene, OR, which is requiring Comcast to pay a 7% fee on broadband revenues even though it was already authorized to be in the rights of way and pays cable franchise fees. The Oregon State Supreme Court recently upheld that new fee, with NCTA worried other cities will follow the same suit.

Welcome to the Machine: **Comcast** plans to expand **machineQ**, its enterprise IoT service, to 12 new US markets: Atlanta, Baltimore, Boston, Denver, Detroit, Indianapolis, Miami, Minneapolis/St. Paul, Oakland, Pittsburgh, Seattle and DC. The service will enable businesses and municipalities to gather, transmit and analyze data about the operation of connected devices. Comcast launched machineQ last year with trials in Philadelphia, the Bay Area and Chicago. The company says interest has come from a number of industries, including healthcare, public utilities, automotive and so-called smart cities.

MGM Acquires Evolution: **MGM** acquired the assets of TV production studio **Evolution Media**, which is best known for unscripted shows like "The Real Housewives." The company will continue to operate under the Evolution moniker out of its Burbank HQ. Founder/CEO *Douglas Ross* will become pres, while evp, programming and development *Alex Baskin* assumes the role of president, programming and development. Both Ross and Baskin will report to MGM pres of unscripted television *Barry Poznick*. Financial terms of the deal were not disclosed.

Labor Talks: The **Communications Workers of America** and **Frontier Communications** have agreed to extend their existing labor agreement covering 1,600 union members in West Virginia and Ashburn, VA, for three months while negotiations continue. The deal was scheduled to expire Aug 5, but is now in effect through Nov 4. Negotiations between the union and operator began in May.

Layer3 Adds More Music: Less than three weeks after announcing an **iHeartRadio** integration, **Layer3 TV** is now making the **Pandora** Internet radio platform available on its set-top boxes. Pandora, which launched in 2005, currently boasts 81mln monthly active users.

Ratings: To no one's surprise, the Season 7 premiere of **HBO's** "Game of Thrones" was last week's most-viewed cable program with an average of 10.1mln viewers (live + same day). **MLB's** Home Run Derby drew 8.2mln viewers Monday night on **ESPN**, good for second place last week and the event's best number since 2009. Among basic cable nets last week, **Fox News** topped average viewership once again in both primetime (2.1mln) and total day (1.3mln). In primetime, **MSNBC** saw a 36% week-over-week viewership increase to take the No. 2 spot with an average of 1.7mln. **ESPN** (1.6mln), **HGTV** (1.5mln) and **USA** (1.4mln) rounded out last week's primetime top five. In total day viewership, Fox was followed by **Nickelodeon** (1.2mln), **MSNBC** (949K), **Disney** (851K) and **HGTV** (814K).

People: **Turner** announced a number of promotions and expanded roles in its content distribution division. The programmer elevated *Jennifer Mirgorod* from evp, content brand distribution to the broader role of evp, content distribution and strategic partnerships. *Scott Miller* goes from serving as svp and associate general counsel of legal and business affairs to evp, content negotiations and strategy and general counsel. Finally, Turner promoted *Donna Northington* from svp, strategic planning to evp, distribution planning and strategy. All three are based in Atlanta and will report to Turner Content Distribution pres *Rich Warren*.