

Cablefax Daily™

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What the Industry Reads First

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School's Out: FCC To Vote On Auctioning EBS Spectrum

It's full-speed ahead on expanding 5G, with the **FCC** to vote on whether to auction off spectrum from the 2.5GHz band at its July 10 open meeting. It is the single largest band of contiguous spectrum available for terrestrial broadband below 3GHz, and it's mid-band spectrum that has the capability to offer both 5G coverage and capacity. The band is composed of two segments: the 114MHz educational broadband service spectrum (the focus of chmn *Ajit Pai's* proposed rulemaking) and the 80MHz broadband radio spectrum. Under the current FCC rules, only educational groups or institutions are granted licenses, with those licensees being able to lease up to 95% of that EBS spectrum for use by outside entities. At its core, the proposal would eliminate the eligibility requirements, use requirements and leasing restrictions that currently keep much of the band under lock and key and offer up a bevy of unused spectrum. Much of the EBS spectrum remains unused with current licensees only covering half of the US geographical area, according to a senior FCC official. The newly-proposed plan would give rural tribal nations first dibs at the spectrum through a local priority filing window. Following this, an auction would commence for commercial users. Those newly-issued licenses would come with rigorous build-out requirements to ensure the spectrum's quick deployment. "Making this valuable mid-band spectrum available for new mobile services will allow for more efficient and effective use of these airwaves and will advance U.S. leadership in 5G," *Pai* wrote in an FCC blog post. "My colleagues have expressed a strong interest in bringing mid-band spectrum to market, and this order represents a prime opportunity to do just that." Incumbent users will not be directly affected by the auction, which is good news for companies like **Sprint**. Sprint is a major user of the leased spectrum available in the 2.5 GHz and is planning on utilizing it in the 5G rollout it promises would come following its pending \$26bln merger with **T-Mobile**. It's far from the first time the Commission has looked at reorganizing the rules surrounding the band. The process began at its May 2018 open meeting, where the Commission passed a notice of proposed rulemaking on updating the framework for the licensing of EBS spectrum. "A scarce public resource that could be used to connect millions of Americans for a long time hasn't been put to the best use, if it's even been used at all," *Pai* said in his April 2018. "At a time when we are seeking to lead the world in 5G and connect every American with digital opportunity, that's not acceptable. We can't afford to leave this large band of spectrum behind." The plan being voted on at the July meeting varies from that NPRM and will

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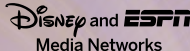
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not include a condition that would modify existing licenses to include all of the census tracts covered by each current geographic service area. It also drops a proposal for a local priority filing window for educational institutions, instead favoring a flexible use approach that will more quickly deploy services like 5G nationwide.

SC2020 Convention: **MSNBC** nabbing exclusive live TV rights for the SC Democratic Party’s annual convention next week isn’t sitting right with its news net competitors. MSNBC didn’t return **Cablefax’s** requests for comment. A representative from the SC Democratic Party told Cablefax that any footage taken outside the exhibit hall can be broadcast live Saturday, but that’s not sitting well with everyone. **C-SPAN** said it’s never been denied live coverage of a state convention in its 40-year-history, with political director *Steve Scully* giving the *Washington Examiner* an **earful** on the snub. “We will not be [coming], absolutely not, and I also told them in no uncertain terms you better think long and hard before you reach out to us to cover something else. We’ll deal with 49 other state Democratic Parties. It’s ridiculous. It’s an open event,” Scully told the paper. “We’re not happy.” The Examiner reported that **CNN** filed a complaint after the SC Dem party announced that any footage of the convention taken by outlets other than MSNBC may not be aired live, and is embargoed for three hours after the close of the convention.

Industry Ads: Comcast Advertising is making an industry-wide push for addressable advertising with the launch of its “On Addressability” initiative. **Charter** and **Cox Media** (Cox’s ad division) have already signed onto the effort. The company made the announcement Tuesday morning at the Cannes Film Festival, and the trio plans to “deliver a sound, scalable and sustainable addressable solution to marketers that maximizes the impact and value of television as a marketing platform.” In order to enable full addressability, the entire ecosystem needs to be involved, beginning with content distributors. “It’s the distributors who bring the ads into viewers’ households each day. It is therefore incumbent upon us to lay the groundwork and set up the infrastructure to truly ‘turn on’ addressability for the industry in a way that is secure, scalable and effective,” said *Marcien Jenckes*, pres, advertising, Comcast Cable. “TV is a tremendous, resilient medium with unparalleled reach and engagement, but data has changed the way that marketers use media. Historically, TV has lagged digital in this area, and this must change. Our industry needs to find a way to fully participate in, and lead, the data-driven future of advertising as only TV can. We’re fully committed to making this happen. That’s the impetus behind the On Addressability initiative.” The initial focus will be to help distributors with the “how to” of enabling addressability between the learnings of Comcast and **Sky Media**. Other areas of focus include educating advertisers on the use cases and value in an addressable world, and for inventory and content owners to identify best practices and business standards for

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transacting on addressable campaigns. Comcast is basing the initiative off previous research that showed advertisers would be more willing to buy more addressable TV advertising if challenges were met, including better measurement solutions, proof of ROI and easier to buy at scale. "Clients face a common set of challenges to increase addressability to their TV advertising strategies. As an industry, we must find a common set of solutions to these challenges in order to offer the scale, security and ease of buying that today's advertisers demand," said *Louis Gump*, svp, Cox Media. "We look forward to working with Comcast, Charter and a growing list of other partners to make this happen."

Locast Comes to South Dakota: Free online streaming broadcast service **Locast** has launched in South Dakota, serving Sioux Falls and Rapid City. Locast said it was able to launch in the markets because of "generous contributions" from local businesses and residents. It's the service's most rural launch, with it previously rolling out in DC, Baltimore, Philly, NYC, Boston, Houston, Dallas, Denver and Chicago. "Serving rural America has always been a goal of ours," chmn *David Goodfriend* said in a statement. "Like much of rural America, many households in South Dakota cannot receive an over-the-air signal and in some cases are more likely to have access to broadband than to broadcast." The state's a bit of a retrans hotbed, with **Mediacom** losing **Fox** affiliate **KTTW** in Sioux Falls, owned by **Independent Communications**, for two years. It didn't return until this past March. **DirectTV** lost the same Fox station for 7.5 weeks earlier this year.

Still Fighting: **VidAngel** indicated it would continue to fight after a jury awarded **Disney** and other Hollywood studios nearly \$62m in a copyright case against the streaming service, which filters out objectionable content from movies and shows. "We find today's ruling unfortunate, but it has not lessened our resolve to save filtering for families. VidAngel plans to appeal the District Court ruling, and explore options in the bankruptcy court. Our court system has checks and balances, and we are pursuing options on that front as well," the company said.

DOJ Broadcast Settlement: **DOJ** announced late Monday that it had reached settlements with **CBS**, **Cox Enterprises**, **Scripps**, **Fox Corp** and **Tegna** to resolve a lawsuit that claimed the companies shared sensitive information in regards to advertising. The agreement requires them to refrain from sharing revenue pacing and other competitive sensitive info. Additionally, the Department's proposed settlement with Cox requires that spot ad firm **Cox Reps** implements firewalls in markets where it represents more than one broadcast station. DOJ reached a similar settlement in November with **Sinclair**, **Raycom**, **Tribune**, **Meredith**, **Griffin** and **Dreamcatcher**. Neither settlement includes any sort of fine. The government commended the broadcasters for the cooperation, calling out Fox in particular. "Fox assisted in the expeditious resolution of the Division's investigation, even though Fox's relevant conduct of which the Division is currently aware appears to have occurred before Fox's spin-off from the recently merged **Walt Disney Company** and **21st Century Fox**," DOJ said.

Expanding the Footprint: **NCC Media** is partnering with **OpenAP** to standardize audience-based TV buying across more of the television ecosystem through the latter's advanced audience segment definitions. The deal allows national TV advertisers to use the definitions to extend their campaigns to include NCC's footprint of 85m households through its linear, VOD and addressable inventory.

Done Deal: **Tegna** completed its acquisition of 24/7 multicast networks **Justice Network** and **Quest** from **Cooper Media**. The deal was approx \$77m in cash for the 85% of the two nets it didn't already own, valuing them at a combined \$91m. Justice and Quest offer ad-supported programming and reach more than 87m homes. Tegna financed the transaction through available cash and borrowing under its existing credit facility, and it's not expected to have a material impact on Tegna's leverage.

True Media: **Free Press** has launched a campaign to make the news less "ugh" ahead of the 2020 election cycle. The organization launched a "#NewsWeDeserve" petition calling on networks, newspapers and reporters to "clean up election coverage" by following eight ethical principles. "The misinformation and journalistic bias that defined the last election cannot stand this time around. We are depending on you to defend your hallowed place in our democracy by protecting journalism and journalists and holding them accountable," the petition reads.

People: **CompTIA** tapped *Cinnamon Rogers* as its evp, public advocacy. She previously served as svp, government affairs at the **Telecommunications Industry Association**. She spent eight years at **NCTA** as vp and legislative counsel. -- *Vanessa Chandis* has been upped to vp, business & legal affairs for **NBCU** Content Distribution. Chandis first joined the team in 2015 as senior counsel. Before coming to NBCU, Chandis spent seven years at **Weil, Gotshal & Manges LLP** as an associate in its complex commercial litigation group.