

Cablefax Daily™

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What the Industry Reads First

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Commerce Markup: Bill Would Make Retrans Good Faith Rules Permanent

House Commerce unanimously approved a compromise bill Wednesday that would make permanent the requirement that broadcasters and MVPDs negotiate retransmission consent in good faith. It also would extend the good faith provision to buying groups like **NCTC**—with restrictions—and require pay TV operators to disclose the total price, including all company-imposed fees, before a consumer signs up for a video package. What it doesn't do is extend the satellite compulsory license, leaving that decision in the hands of the **Judiciary** committee. The bill could put an end to the attempt to reform video marketplace laws every five years when STELAR is set to expire. "While I'm not convinced STELAR should be reauthorized, and I'm not sure it's actually going to be given the work in the Judiciary Committee, everybody is going to have to give a little bit and live with something that isn't to their full liking and that includes me," Ranking Member *Greg Walden* (R-OR) said during the Commerce markup. "By making the good faith provisions permanent, we're providing strong protections for consumers while making clear the days of using STELA or STELAR as a means to enact targeted reforms to the media marketplace are over." **ACA Connects** is pleased a buying group provision is included, but disappointed with its limits. MVPDs with more than 500K subs (like **Mediacom**) wouldn't be able to participate in buying group deals. "If the broadcasters keep raising retrans prices at the current clip, all cable operators will be under 500,000 in a few years," Mediacom govt & public relations svp *Tom Larsen* told **CFX** jokingly. The bill also limits the buying group from representing more than 25% of households in a single market of a large station group. Right now, only 12 broadcast station groups would be required to negotiate with a buying group since the bill restricts the station groups to only those with a national audience reach of more than 20%. **ACA** said the bill, which is headed to the full House, would also impose other restrictions on buying groups with regard to their negotiations with broadcasters that are not obligations on buying groups with respect to their talks with cable programmers. **ACA Connects** said it looks forward to working with **Senate Commerce** on its version of STELAR to make sure it "includes a buying group provision to benefit all subscribers of small and medium sized cable operators." "The final bill was not fully as we had hoped to cover all of our members and to ensure all markets were covered, but that in no way diminishes the commitment and compromise of Reps. *Pallone, Doyle, Walden* and *Latta* and all Members of House Energy &

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TRACE ADKINS IS BACK FOR A SECOND SEASON OF INSP'S HIT COWBOY COMPETITION SERIES

"Great program. We set the DVR and watched every show each night..." - Patsi M.

"INSP hit it out of the park with this program..." - Stephanie L.

"I would watch most any show with Trace Adkins..." - Dianne C.

"Trace Adkins was a perfect host!" - Martha Y.

"...Great show..." - Marcia F.

"...LOVED watching Trace Adkins... PLEASE do another season..." - Joleen D.

"...Sure hope to watch season 2. Trace Adkins is awesome." - Boyce

"...watching this show and I hope there will be a series of it..." - W.

"This show was so addictive I want more..." - Karen

"...watching each episode. Love it!" - Paula L.

"...LOVED watching... PLEASE do another season..."

"I love... and I hope they do more of it..."



ULTIMATE
COWBOY
SHOWDOWN
WITH TRACE ADKINS



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Commerce to pass this language. On behalf of all their efforts, I sincerely thank them,” ACA Connects pres/CEO Matt Polka said. House Communications subcmte chmn Mike Doyle (D-PA), who introduced the initial Commerce bill that included a five-year extension of the satellite compulsory license, said he was pleased with the compromise that was still being worked on late Tuesday night. House Judiciary was slated to markup STELAR legislation Wednesday, but hadn't gotten to it by a 3pm recess that was still underway at our deadline. **NAB** gave a thumbs-up to the House Commerce bill, saying a permanent good faith requirement is preferable to the current five-year STELAR renewal cycle.

Pai Proposes Unlicensed Use of 5.9GHz Band: An already busy week for **FCC** chmn *Ajit Pai* became even busier Wednesday with his announcement of a proposal to free up the lower 45MHz of the 5.9GHz band for unlicensed use. Those unlicensed uses would include WiFi technology, including the soon-to-be-deployed Wi-Fi 6. Wi-Fi 6, which yields increased capacity, speeds and efficiency, works best when it uses wide 160MHz channels. Pai's proposal would allow for those wider channels by allocating the lower 45MHz of the 5.9GHz band, which sits directly next to the 5.8GHz band, the most widely used Wi-Fi band globally. The proposal marks a major success for commissioners *Jessica Rosenworcel* and *Michael O'Rielly*, who have long worked together to explore using the 5.9GHz band for unlicensed service. The upper 20MHz of the band would be reserved for C-V2X, an automotive communications technology that paves the way forward for the development of autonomous vehicles. The FCC would seek public input on whether to allocate the final 10MHz of available spectrum in the band to C-V2X or DSRC (Dedicated Short-Range Communications). The 75MHz of spectrum in the 5.9GHz band the proposal aims to reallocate was originally allocated by the FCC in 1999 for the DSRC service, which supports vehicle-to-vehicle communications as well as vehicle-to-infrastructure communications. But DSRC has been criticized as being outdated in comparison with newer technologies like C-V2X. “Here we are, two decades later, and the situation can at best be described as ‘promise unfulfilled,’” Pai said in remarks at the National Union Building Wednesday. “DSRC has evolved slowly. It's not widely deployed. And in the meantime, a wave of new transportation communication technologies has emerged.” **TechFreedom** echoed Pai's sentiments, saying that the proposal would turn a “failed experiment” into a win. “The auto industry has failed to find a use for the spectrum that produces real safety gains on the roads—and the 5.9 band remains largely unused,” TechFreedom said. “Meanwhile, the economic benefits of allowing unlicensed use of this spectrum could run into the tens of billions.” Not everyone shares the sentiment, as the proposal has already been opposed by the **Department of Transportation**. The DOT Office of the Assistant Secretary for Research and Technology **Twitter** account tweeted Wednesday that the DOT “has clearly stated in testimony and correspondence that the 75 MHz allocated in the 5.9 GHz, what we call the

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‘Safety Band’ must be preserved for transportation safety purposes.” The opening of the band for unlicensed use has been applauded by groups across the industry, including **Comcast** and **NCTA**, with the latter saying in a blog post that this proceeding is the right move to ensure consumers benefit from gigabit Wi-Fi service. “The nation’s first Wi-Fi band, 2.4 GHz, is so overburdened that experts say it is no longer suitable for enterprise applications,” NCTA wrote. “And even unlicensed spectrum available at 5 GHz won’t be enough to meet forecasted demand, much less support new technologies. Dedicating part of the 5.9 GHz band for Wi-Fi is a great first step in supporting Wi-Fi growth and innovation.” The proposal will be discussed at the Commission’s open meeting on Dec 12.

Programmers, Broadcasters Onboard with Public C-band Auction: Content companies and broadcasters that previously supported a private sale of C-band spectrum run by the **C-Band Alliance** are now expressing their support for **FCC** chmn *Ajit Pai*’s proposal for a Commission-led public auction of 280MHz. **NAB, Disney, Viacom, A&E, NBCU, CBS, Viacom, Univision, Fox and Discovery** sent a letter to the FCC applauding *Pai*’s proposal, especially his decision to keep the upper 200MHz in the band dedicated to content distribution. While making it clear that they’re committed to working with the Commission on a plan to transition operations out of the C-band, the group said that no clear transition will be able to be made without cooperation from everyone, including the satellite companies. “Active participation by satellite operators, in conjunction with the companies that rely on C-band service, is the only way to protect the viewers and listeners that currently depend on the C-band,” the group said. “A successful transition will require careful planning, testing, oversight, and cooperation among the satellite companies, customers, distributors, mobile providers, and other stakeholders.” The group also detailed the rules they would like to see govern the transition process, including reimbursement of all costs associated with the transition, costs associated with upgrading compression and modulation technologies and “honoring of the commitments that the C-band satellite companies have made in this proceeding...”

Technetix Latest to Join NCTA: Advanced tech developer **Technetix** joined **NCTA** as a new member of the association. In conjunction with the membership, *Technetix* evp/pres, *Americas Sandy Howe* has been appointed associate director on **NCTA**’s board. *Howe*, who heads all functions for the US, Canada, Latin America and the Caribbean, previously held roles at **Arris, Cisco** and **Broadband Networks Inc** (now **Numerex**).

C Spire Boosts Broadband in MS: **C Spire** completed a 10-month project to deploy more spectrum and add capacity to 252 cell sites across 41 counties in MS. The multi-million dollar project improved nearly one out of every five cell sites for the MS-based company.

DTC Does Well With Hulu: After 12 years, **Hulu** has some insight into streaming audiences. The company found that 73% of Hulu viewers say they are interested in DTC brands, and more than half say they regularly use at least one DTC brand. Ad-supported OTT viewers spend twice as much (\$119) on DTC subscription services than TV-only viewers (\$52). Additionally, ad-supported OTT viewers are five times more likely to purchase DTC brands.

Distribution: True Royalty TV, the SVOD focused on the British Royal Family, launched on **Sling TV**. -- Sling TV is now available on **Google Nest Hub** and **Nest Hub Max**. New customers who sign up through the **Google Home** app will receive a 3-day free trial. The launch expands Sling’s footprint to more than 20 platforms. -- **CuriosityStream** is expanding its reach, this time partnering with **Bharti Airtel**, India’s largest integrated telecommunications services provider. The content partnership means that **CuriosityStream**’s entire content catalogue is available to **Airtel** customers on its digital platform **Airtel Xstream**. This is the first time the streamer is available in India.

Ratings: Fox News led broadcast and cable networks Tuesday morning in total viewers for the third day of House impeachment hearings, averaging 2.254mln viewers from 9am-1:45pm, just ahead of **MSNBC**’s 2.246mln for the same period. By afternoon (3:30-5:45pm), **MSNBC** had the edge with 2.539mln total viewers vs **Fox**’s 2.518mln. **NBC** was third for afternoon coverage with 2.169mln viewers. **Fox News** took the win among cable newscasters for prime, with 3.66mln viewers compared to 3mln for **MSNBC** and 1.58mln for **CNN**.

Programming: WE tv renewed “Love After Lockup” for Season 3 and its spinoff “Life After Lockup” for Season 2. -- **Epix** will premiere six-episode docuseries “Slow Burn” on Feb 16 at 10pm. The series is based on the podcast of the same name. -- **INSP** renewed competition series “Ultimate Cowboy Showdown” for Season 2.

People: A+E Networks realigned its senior programming executives for **History** and **A&E**. *Amy Savitsky*, the former svp, development and programming at **A&E**, is moving to the same role at **History**. *Dolores Gavin*, former senior executive of development for **History**, is shifting to **A&E**. The company says the swap allows for creative growth for the execs.-- **NBCU** advertising & partnerships tapped *Ryan McConville* as evp, ad platforms & operations. The newly created role unifies oversight of ad tech and platform solutions. He previously served as pres/COO of mobile-only ad firm **KARGO**.

Think about that for a minute...

What's Good For The Goose....

Commentary by Steve Effros

It started out simply. There were, as always, complaints about the price folks had to pay for their cable television service. That's always been the case, since cable, originally "CATV," or community antenna television service, started by almost exclusively delivering over the air television signals to homes. Those television signals were "free." Broadcasters made their money from ads.

"Free TV" became a mantra, and folks conveniently forgot about the fact that the reason CATV started was because the television broadcasters weren't overly concerned about those who couldn't get their television signals in more rural areas, or "behind the mountain." It wasn't worth the broadcaster's while to spend extra money on translators or higher power transmitters or taller antennas. It was easier to just forget about those potential viewers. Enter CATV.

If there was an "original sin" of those early cable operators it's that they popularized the concept that they were "selling television" rather than the far more accurate statement that they were selling the *delivery* of television. Too late. The battle over "free TV" has been with us ever since.

Given that folks didn't want to pay anything for that which was "free," you can well imagine that any increase in prices didn't go over well. One increase was local franchise fees. The cable folks at the very least wanted to make sure that their customers knew that five percent, and in many cases more than that, of the cable "price" didn't really go to the operator, it went to someone else. In this case the customer's local government.

Of course the government was perfectly happy to call something a "fee" as opposed to a "tax" and see that charge buried in the total price. That's when the fight started about "breaking out" the fees. Cable won that



one, and the law made clear that those fees could be separately listed. We did that, but then started going a lot farther. Broadcast retransmission consent fees started being listed separately, PEG fees, regional sports fees and the like. That's how we've gotten to today, where all sorts of "fees" adorn the bill (telephone companies do the same thing, of course) and are not advertised, up front, as the "price" of the service.

So now Congress is looking at passing a bill that includes a requirement that cable service ads have to publicize the full cost. I don't necessarily disagree with that. The consumer should know, not be surprised, by the ultimate bill. However we should still be allowed to break out that cost so folks know where that money is going. What's more, if there's going to be that new allegiance to truth in price advertising, it should be across the board, not just for cable.

As an example, as I have noted a lot, all the new "OTT" services which like to advertise they are competing with, and much cheaper than, cable conveniently leave out the fact that they can't be used without an additional payment for delivery! This "competitive" service is comparable without that additional payment. Shouldn't that be noted as part of the "price?"

Once you look more carefully, you find that in car ads, cell phone ads, and just about all others, there are additional fees that are not included in the "advertised price." So if we're going to go that route, fine. But as the old saying goes, what's good for the goose is good for the gander! Apply the new advertising rule to everyone, not just cable.

Steve

T:202-630-2099
steve@effros.com

(Steve Effros was President of CATA for 23 years and is now an advisor and consultant to the cable industry. His views do not necessarily reflect the views of Cablefax.)

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