

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Quad Review: FCC Gets Earful on Broadcast Ownership Rules

The **FCC** opened the door to a host of opinions on broadcasters with its refresh of the record in the 2018 quadrennial review proceeding—a Congressional directive to review the broadcast media rules every four years and modify or repeal them in light of competitive changes to the media marketplace.

The Media Bureau reopened the record after the US Supreme Court issued a 9-0 ruling in April that the FCC was within its rights in 2017 to relax rules limiting the number of TV stations, newspapers and radio stations an entity can own in a single market. The ruling was 3-2, with Republicans in the majority. Comments in the proceeding were due late last week, and they came from broadcasters, cable associations and public interest groups.

NCTA emphasized the continued importance of the FCC prohibiting ownership of more than one top-four ranked station in a market. “The common ownership of two top-four stations in a market gives the owner increased leverage in retransmission consent negotiations, leading to increases in retransmission consent costs and ultimately higher consumer prices,” said the association.

The American TV Alliance, made up primarily of MVPDs, including **DISH** and **Mediacom**, also used the docket to raise retransmission concerns. It wants the FCC to close “loopholes” to the rules, which it cited as using low-power stations or multicast carriage to control two, three and even all four of the

top-rated networks in a market. In its initial comments filed in 2019, ATVA identified 111 instances of duopolies, triopolies, or quadropolies formed by using the multicast or low-power loophole. That number has increased to 121, the group said, pointing to markets such as Greenville, Mississippi, where **Terrier Media** controls all top-four rated networks. It also cited the FCC recently proposing a more than \$500,000 fine against **Gray Television** for violating the top-four prohibition by purchasing Anchorage’s CBS affiliate when it already owned the NBC station.

Broadcasters such as **TEGNA** came out in favor of the FCC eliminating the rules on owning two or more top four stations, and also suggested the agency should revisit the question of whether to treat virtual MVPDs like their traditional counterparts, at least for retransmission consent purposes. “Given the intense competition broadcasters now face, the FCC’s primary concern in this quadrennial review should be the economic viability of local stations and their consequent ability to offer the programming and services, including local news, upon which Americans rely,” **NAB** said.

Retrans wasn’t the only issue tackled in quadrennial review comments, with **ViacomCBS**, **Fox** and **NBCUniversal** filing joint comments in favor of striking down the dual network rule, which effectively prohibits a merger between any of the big four broadcast networks—**ABC**, **CBS**, **FOX** and **NBC**. The network groups complain that the ban has been on the books with only modest tweaks for 75 years. “Without the

THE CLIMATE IS CHANGING

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Wed, September 8th 5:00-6:30pm CT

5pm Update - MidAmerica Cable Show & other cable industry events

MODERATOR



Amy Maclean
Cablefax

REMARK



Jean Stothert
Mayor of Omaha



Crystal Kemp
Conway Corp.



Loren King
Fidelity



Jack Latzer
NCTI



Matt Polka
CEO, ACA Connects

5:30pm Virtual Panel - Re-Building Communities affected by Covid

HOST



Ellen Schned
Strong Women Alliance

PANELISTS:



Janet Barnard
Former Cox Automotive
& GM Cox Central Region



Christopher Lord
Dir. Govt Partnerships
Mediacom



Josh Fox
CEO
Bottom Line Concepts



Joelle Walrath
Miss Rodeo Nebraska

Leaders in cable, finance and entertainment – including good old fashion rodeos share what they're doing to help communities - including "Emergency Broadband Benefits", "Rural Broadband Expansion" & funding for businesses who kept employees on during the pandemic, w/ "Employee Retention Credits" (ERCs) (to supplement PPP".

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dual network rule, regulators would still retain the authority to review individual transactions involving the named broadcast networks and make appropriate decisions on a case-by-case basis,” they wrote. “Competition law, together with the Commission’s own review in the context of any license transfers, is a more appropriate method to determine whether and under what circumstances a particular combination of any of the four named networks should be allowed to take place.”

Byron Allen’s **Allen Media** using the docket to emphasize the need for FCC action to address the absence of minority ownership of media outlets. The company want the reinstatement of the Minority Tax Certificate Program, which was ended by Congress in 1995. The FCC program permitted sellers to minority-owned businesses to reinvest the proceeds from their sale into a new media property and defer the taxable gain from the sale. There have been some recent legislative proposals to bring it back, but Allen Media objects to some of the limits in those proposals, such as putting a \$50 million cap on the program and not allowing the re-investment feature of the program to extend to media properties not licensed by the FCC.

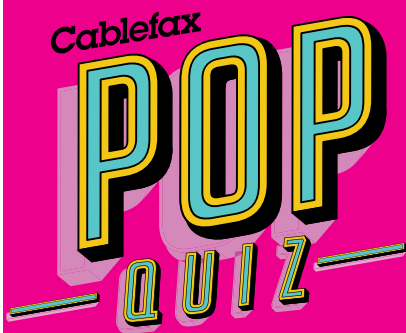
The broadcast station and **Weather Channel** owner also recommends a program to make capital available to minority investors. “Allen Media has firsthand experience in competing with investment firms to purchase broadcast television stations. It estimates that its cost of capital is more than twice as much as the cost to the investment firms against which it is bidding in station auctions. The federal government can and should do something to level that playing field—whether it be through investments by government employee pension funds or guaranteed loans,” the company said.

CNN+ FLOATING PRICE POINTS

CNN’s streaming product is getting closer to launch, with mobile users of CNN.com getting messages marketing **CNN+**. A mobile ad we spotted on Tuesday put the product at \$4.99/month with the first seven days free. However, a spokesperson said CNN is currently testing prices ranging from \$1.99 to \$9.99 with one million mobile CNN.com users to get data on interest based on price point. Consumers can click that they are interested to be added to an invite list once the streamer is available. CNN+’s marketing pledged daily live show from prominent CNN talent as well as new faces, new original series, library content and “a community for fans to connect directly with anchors and experts in real time conversations.” CNN announced in July that the service would debut in 1Q22 with 8-12 hours of live, daily programming at launch.

FCC PROBES BROADBAND IN APARTMENTS

The **FCC** is seeking comment on competitive access to broadband in apartment and office buildings, with the Wireline Competition Bureau seeking input on the three main issues: revenue sharing agreements between multiple tenant environment owners and service providers; exclusive wiring arrangements; and whether exclusive marketing arrangements create confusion and lower choices for tenants. Comments will be due 30 days after the notice is published in the Federal Register. – In other FCC news, the Media Bureau is seeking comment the accessibility of children’s educational and informational television programming to children with disabilities. Comments are due Oct 7 with replies due Nov 8.



One winner will be selected each week for a Starbucks gift card

Last week’s answer: Ben Matlock was TV’s hot dog-loving criminal defense attorney.

Kudos to last week’s winner: Kimberli O’Meara of INSP

Who was the original host of “Jeopardy!”?

[CLICK HERE TO ANSWER](#)

SPORTS STREAMERS MULTIPLY

No games required for two new sports streamers in an already-crowded ecosystem, launching just as the 2021 college football and NFL seasons begin. Virtual MVPD **Sling TV** launched the **Barstool Sports Channel** last week with a plethora of commentary shows including “Barstool College Football Show,” “The Pro Football Football Show,” “Pardon My Take,” and more. As part of the agreement with Barstool, Sling will also provide live shows ahead of several games. Meanwhile, **USA TODAY Network** launched SVOD **USA TODAY Sports+**. The service provides users with sports news, content, betting odds and insider analysis from local and national publications. Parent company **Gannett** also struck an exclusive sports betting agreement with **Tipico Group** U.S.-focused sportsbook **Tipico U.S.**, which will provide odds integration and gaming data across USA TODAY Sports+. The SVOD launched Tuesday in seven markets including Arizona, Cincinnati, Cleveland, Indiana, Michigan, Tennessee and Wisconsin. The product is free for existing digital subscribers of select Gannett properties in the launch markets including *The Indianapolis Star*, *Detroit Free Press* and *The Enquirer*. New users can subscribe via the USA Today Sports+ App or directly on the website to receive a three-month free trial. The launch comes after USA TODAY debuted a premium digital subscription model aligning its content with its local and national brands, announcing a goal of 10 million subscribers by the end of 2025.

PRICES RISING FOR HULU SERVICES

Hulu notified customers today that its raising price by \$1 on each tier. Starting October 8, the ad-supported tier will go from \$5.99 to \$6.99 per month and the ad-free tier will reach \$12.99 per month. The announcement comes after sister streamers **ESPN+** and **Disney+** saw prices rise in recent months. However, costs for the **Disney** bundle and Hulu's live TV service remain the same for now, at \$13.99 per month and \$64.99 per month, respectively.

VEXUS FIBER BUILDS TYLER NETWORK

Fiber internet service provider **Vexus Fiber** will bring its FTTH network to Tyler, Texas. Vexus will fully fund the build, which will connect more than 40,000 homes and businesses in the city to its network. The provider plans to fully complete the network within 24-30 months, going live in 2022.

NAMIC ELDP WINS BRONZE

NAMIC's Executive Leadership Development program received a 2021 bronze medal from research analyst firm **Brandon Hall Group** for Excellence in Learning in the category of Best Advance in Leadership Development for Racial/Ethnic Minorities. The ELDP was created to advance high-potential leaders of color to senior levels in their companies. The program began in 2001, marking its 20th anniversary this year. Cohorts for the program typically last eight months and include 45 participants. The 2021 Excellence Award entries were evaluated by Group analysts and

executives as well as senior-level industry experts. They were judged on program design, innovation and measurable benefits.

PROGRAMMING

José Díaz-Balart will anchor “José Díaz-Balart Reports,” premiering Sept 27 and airing weekdays at 10am ET on **MSNBC**. He will also continue to anchor “NBC Nightly News Saturday” on **NBC News** and will take on a broader role anchoring monthly specials and breaking news events on **Noticias Telemundo** as well as special coverage across multiple platforms, including **Peacock**. He'll move on from his current role as anchor of nightly newscast “Noticias Telemundo” at the end of the month in light of his expanded responsibilities. – **HBO Max** audience initiative “**Pa'lante!**” is launching a creative partnership with **WarnerMedia** artistic studio **OneFifty** to support Latino creatives. The program, called the “Pa'lante! Promise,” is a slate of OneFifty-selected series, films, shorts and podcasts that feature Latinos in front of and behind the cameras, creating a platform to elevate Latin creatives. Pa'lante! Promise projects that will go into pre-development in 2022 include short “The Sun Who Can't Play Trumpet,” features “A Love Supreme” and “Harvest” and episodic “L.A.tinas.” To complement the promise, HBO Max and OneFifty acquired a slate of Latin content from Latino filmmakers to premiere on HBO Max within the next year including shorts “Acuitzeramo,” “Anacronte” and “Rosa” as well as feature “A La Calle” and episodic “Nina Furia.” – **HGTV** series “The Nate & Jeremiah Home Project” premieres on the net Oct 5 at 9pm and will be available to stream on **discovery+** the same day.

PEOPLE

Phil Berman is joining **Mattel Television** as vp, live action development. He comes from **NBCUniversal**, where he worked as vp, current programming. The news comes as Mattel announces a ramped-up TV slate with unscripted series, fiction series and television movies. – **Ingrid Mariotti** is joining **Wurl** as director of business development, streamers. The role, newly created, will require Mariotti to optimize current partnerships with video streaming platforms and sign on new platform for distribution, monetization and advertising services. She joins the company from **Sling TV**, where she most recently served as head of business development. – **Jill Arbet** joined **Vyve Broadband** as svp, marketing, effective immediately. She replaces **Diane Quennoz**, who is no longer with the operator. Arbet hails from **Suddenlink**, where she most recently served as vp, marketing.

EDITOR'S NOTE

Friday is the deadline to submit nominations for **Cablefax: The Magazine**'s “Most Powerful Women” list. We're also looking for candidates for The Rising Tide, a new feature focusing on women whose hard work already makes it clear that they are on the path to making big waves in the future as well as a Mentor of the Year and Women's Advancement Champion. Enter today at [CablefaxWomen.com](https://www.cablefaxwomen.com).