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WHAT THE INDUSTRY READS FIRST

Better, But...: ACAC Says New Rules Helped, But Retrans Needs Work

ACA Connects never misses an opportunity to tell the **FCC** that it believes the retransmission consent market is broken.

The latest came in the agency's request for comments on the Television Viewer Protection Act. The law includes a requirement that became effective in December 2020 requiring MVPDs to disclose a total monthly charge for video service at the point of sale. But it also has a provision that requires large broadcast station groups to negotiate retransmission consent with qualified MVPD buying groups, such as **NCTC**.

The buying group provision has largely worked as intended, although the "retransmission consent market remains broken," ACAC wrote in comments to the agency. Under the provision, more than 628 MVPDs have used NCTC to negotiate with broadcasters. **Nexstar** was the only broadcaster NCTC was interested in working with, but couldn't reach a deal with. "This, in part, was because Nexstar at one point refused to negotiate unless NCTC agreed to forgo rights given buying groups under the FCC's rules. To take just one example, Nexstar insisted that the negotiations be limited to NCTC members of a much smaller size than granted under the FCC rules," ACAC said. The FCC allows for a buying group to negotiate for an MVPD that serves less than 500,000 subs national or collectively serves less than 25% of all households served by MVPDs in a single market in with the station group operates.

While Nexstar was a bust, NCTC did deals with Scripps on

behalf of 119 member companies, **TEGNA** (274 members opted in), **Meredith** (43 members) and **ViacomCBS** (59 members). It also was able to renew a previous agreement with **Sinclair** on behalf of 387 members.

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ACAC acknowledged that NCTC's buying group rights likely resulted in lower retrans prices for the smallest cable operators and somewhat lower prices for what the co-op's membership would have likely paid in individual deals. But it believes there's more to be done. "After all, available evidence suggests that smaller providers that have purchased programming through buying groups have historically been paying significantly higher prices for cable programming than larger MVPDs," wrote ACAC, pointing to 2019 data showing cable ops paid \$5.5 billion in retrans fees—a 11.2% increase over total fees paid the previous year.

As for the TVPA's truth-in-billing provision, cable operators have gotten it done, despite the implementation requiring substantial resources at a time they were already stretched thin by the COVID-19 pandemic, **NCTA** and ACAC told the Commission. Under the rules, operators must disclose the total monthly charge within 24 hours of a customer entering into a contract and allow a consumer to cancel within 24 hours of receiving that notice without incurring any penalty.

Some operators have gone above and beyond the requirements, with NCTA describing how one major operator offers a 30-day money back guarantee and allows customers to cancel their service at any point in time without penalty. NCTA said implementing these systems was "no small feat."



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"In particular, the need to pinpoint the fees associated with each potential subscriber's location was difficult and costly to implement, since local tax and fee information had not generally been available to sales teams. Implementing the TVPA therefore required our members to develop, lab test, field test, and roll out new billing and other software capable of pulling required disclosure data from information housed," the association said.

ACAC painted a similar picture, saying the truth-in-billing requirements seem to be working effectively—though it questioned just how much of an impact they are having. "Customer responses to the requirements have been generally favorable, but the overall impact of the requirements on the consumer experience appears to be modest," the group told the FCC. "This outcome is not surprising. As noted in the Joint Letter, ACA Connects Members had strong incentives to achieve and maintain transparency in their sales and billing practices prior to the adoption of Section 642, and they had already implemented business practices tailored to achieving these ends."

POLITICS DOMINATE OLYMPICS OPENING CEREMONY

The 2022 Winter Olympics kicked off last night at the Beijing National Stadium on NBC and Peacock and had no shortage of drama from the get-go. With the pandemic continuing to cause havoc and controversy surrounding the Chinese government, NBC didn't shy away from discussing the external factors that could affect the games. During NBC's broadcast Thursday night, sportscaster Mike Tirico narrated a piece discussing China's treatment of Uyghur Muslims in the Xinjiang region, describing it as "genocide." Tirico highlighted Chinese police moving against protestors in Hong Kong as well. China didn't back away from the tension from other countries. Cross-country skier Dinigeer Yilamujiang, an ethnic Uyghur Muslim, assisted Nordic Combined skier Zhao Jiawen in lighting the Olympic cauldron. "This was a riposte to President Joe Biden for skipping these Olympics and a message to the West: China won't be lectured to on human rights or any other issue," Andy Browne, Editorial Director of the Bloomberg New Economy Forum, said in a roundtable discussion with Tirico. Co-host Savannah Guthrie agreed with the sentiment, calling it an "in-your-face" response to countries that have diplomatically boycotted this year's games. Covering this year's Olympics is nothing short of peculiar because of the wide range of issues. Many fans at home are choosing to skip this rendition of the Olympics because of concerns regarding Chinese treatment of Uyghur Muslims, but it's yet to be seen if that will have a big impact on viewership numbers. As events begin and the natural drama from the games ramps up, a clearer picture of total viewers will be painted.

A FRONT ROW SEAT TO BEIJING

Comcast NBCUniversal launched its NBC Olympics VR by Xfinity app — available on the Meta Quest 2 app store — which will provide more than 150 hours of live and on-demand virtual reality coverage of the 2022 Winter Olympics in 8K. Technical teams from NBCU and Comcast developed the VR technology that allows fans to feel fully immersed in the Beijing Olympic Games. Pay TV customers can authenticate with TV Everywhere credentials and will have access to on-demand coverage of six sports. In addition, viewers can watch the Opening Ceremony from an athlete's point of view and can host virtual watch parties with up to three friends. – AVOD **Haystack News** is offering a streaming channel focused on the latest news from the Beijing Winter Olympic Games from Feb. 4-22. The service also launched a Black History Month offering Friday that will run through the end of February and coming soon is a Super Bowl LVI channel (Feb. 7-14).

WOW! GOES SOUTH FOR FIRST GREENFIELD BUILD

WOW! is moving forward with its first greenfield expansion, announcing Seminole County, Florida, as its target. More than \$60 million will be dedicated to the project, which is part of a larger greenfield initiative announced at an investor day in December that will see the company passing at least 200,000 homes over the next five years with network builds in areas not adjacent to its existing footprint. The provider has already begun work on the fiber expansion and will pass 60,000 additional homes when the project reaches completion. WOW! already serves Florida's Pinellas County and Panama City.

ZASLAV ON ZUCKER, WARNER BROS DISCOVERY

The sky is the limit for **Warner Bros Discovery**, according to **Discovery** CEO David Zaslav. Zaslav, who will serve as CEO of the merged company, said during an appearance on **CNBC**'s "Squawk Box" Friday that the company would generate \$8 billion or more in cash flow in 2023 as well as \$14 billion in adjusted EBITDA and more than \$50 billion in revenue. He also made it clear that nobody at Discovery had any input or opinion on this week's resignation of WarnerMedia News & Sports chief *Jeff Zucker*. "Jeff is a good friend of mine. I can't speak to this issue. We don't own the company yet," he said. "In terms of **CNN+**, we couldn't be more excited about the fact that they've been hiring great journalists... We think it's a huge differentiator and it's something that for the long-term was going to be a fantastic asset for us."

COMCAST LAUNCHES LIGHTNINGJS PLATFORM

Comcast has been blazing trails in the accessibility space, through innovations such as voice guidance and X1 Eye Control that allows users to control devices with their eyes. Now, it can make those advancements even faster thanks to LightningJS, a new web-based platform running an open-source JavaScript framework. Previously, it was having to retrofit existing systems to make them more ac-

Cablefax Daily (ISSN 1069-6644) is published daily by Access Intelligence, LLC | www.cablefax.com | 301.354.2101 | Editorial Director: Amy Maclean, 301.354.1760, amaclean@accessintel.com | VP/Group Publisher, Cablefax and Cynopsis: Robbie Caploe, 917.974.0640, rcaploe@accessintel.com | Managing Editor: Sara Winegardner, 301.354.1701, swinegardner@accessintel.com | Associate Editor: Noah Ziegler, 301.354.1704, nziegler@accessintel.com | Director of Business Development, Cablefax: Ellen Kamhi, 917.626.5574, ekamhi@accessintel.com | Dir of Marketing: Kate Schaeffer, kschaeffer@accessintel.com | Production Manager: Joann Fato, jfato@accessintel.com | Kerry Smith, Divisional President, Marketing & Media Group, ksmith@accessintel.com | Group Subs/Subscription Questions, Client Services: 301.354.2101, clientservices@accessintel.com | Annual subscription price: \$1,799.00/year | Access Intelligence, LLC, 9211 Corporate Blvd., 4th Floor, Rockville, MD 20850

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cessible. Two years in the making, the platform should speed to market accessibility features not only for Comcast but third-party sources. "Lightning is an extension of our commitment to building inclusive products and the belief that if you build an accessible or inclusive product, you end up building a better product for everyone else in the process," Tom Wlodkowski, Comcast Cable's VP of Accessibility, told CFX. "Lightning really allows us to have that framework and really behave more like a true operating system like a lot of our mobile friends. Apple and Google with iOS and Android have accessibility frameworks within their iOS and Android platforms." Lightning also will be available to those companies who license the X1 platform, such as Cox and Rogers. While accessibility design is one feature of LightningJS, it has broader implications in how Comcast delivers the entire entertainment experience. "The big thing is that Lightning is a web technology so it's built on top of a browser. And I think the benefit of that is because web browsers have been around for a long time, and accessibility is kind of built into them, we get to inherit a lot of the good work that the internet has already established through web browsers in general," said Chris Lorenzo, a Distinguished Engineer for Comcast Cable. On the accessibility front, LightningJS allows Comcast to incorporate accessibility into user experience and interface design, including typeface and font size, announcer capability and a text magnifier.

CARRIAGE

Anthem's Fight Network and Impact Wrestling are now available on YouTube TV as part of its Sports Plus add-on package. The add-on, which also includes networks like **belN Sports** and NFL Redzone, comes in at \$10.99/month.

PEOPLE

Disney Branded Television tapped *Charlie Andrews* to serve as EVP, Live-Action and Alternative Series. He'll report to Disney Branded Television President *Ayo Davis*, who previously held the role. Andrews is well-known for his time at **Fox Entertainment** as EVP, Drama Development, Programming and Event Series. Disney also elevated *Sarah Finn* to SVP, Production, Disney Television Animation.

CABLEFAX DASHBOARD

Twitter Hits





Completely obsessed with these Rings.







Research

(Source: Dell'Oro Group Private Wireless Advanced Research Report)

➤ Total private wireless RAN revenues, including macro and small cells, are projected to more than double between 2021 and 2026.

➤ The overall technology mix has not changed much with the introduction of 5G as LTE still dominated the private market in 2021.

➤ 5G NR is on track to surpass LTE by the outer part of the forecast period, approaching 3-5% of the total 5G private plus public RAN market by 2026.

Successful launches of private 5G services could accelerate the pace of adoption.

Up Ahead

FEB 4-20: <u>Beijing 2022 Winter</u> <u>Olympics</u>

FEB 8: INCOMPAS Policy Summit, DC

FEB 15: Media Institute Luncheon Series, Virtual

FEB 28-MARCH 3: Mobile World Congress Barcelona

MARCH 11: The Faxies 2022 Entry Deadline

Quotable

"Jeff resigned and the decision to resign was Jeff's decision, and it's an unfortunate set of circumstances... I know that Jeff had a tremendous following within CNN and there's a lot of people who are incredibly loyal and supportive of him, and that makes it hard for those individuals. However, when I step back and think about what Jeff's been able to accomplish over nine years, you can't take that away from him. He's been a very strong leader at CNN. But there's a lot of people at CNN who make that success possible. And I think even Jeff himself talks about the fact that it's the team that makes the difference there. We've been working really hard at repositioning that asset just like we have the entertainment assets and we're about ready to launch CNN+." – AT&T CEO John Stankey speaking on CNN's Jeff Zucker's resignation on CNBC's "Squawk Box"