# Cablefax Daily

### WHAT THE INDUSTRY READS FIRST

## **Complaint Dept:** Charter Joins Comcast, Argues Nexstar Violated FCC Cap

**Charter** has filed an informal complaint at the **FCC** against **Nexstar**, arguing that the broadcasters should actually be attributed ownership of NYC station **WPIX**—which would make it in violation of the FCC's 39% cap on broadcast national audience reach.

**Comcast** filed essentially the same <u>complaint</u> against Nexstar in July, and the FCC recently announced its Media Bureau is investigating those claims as an "informal complaint." Both complaints allege Nexstar is in violation of divestiture requirements that were part of the FCC's order allowing the broadcaster to purchase **Tribune**. And just as it did with Comcast, Nexstar has filed a lawsuit against Charter claiming it has refused to pay millions in retransmission consent fees tied to the dispute over WPIX. In both lawsuits, Nexstar argues that the courts don't need to wait on an FCC ruling to act, a notion both cable operators are strongly fighting.

"Permitting such forum shopping may embolden Nexstar (and others) to flout Commission directives and attempt to avoid Commission review of its media ownership rules and its oversight of broadcast transactions," Charter said in its FCC filing. "As the agency charged by Congress with implementing and enforcing media ownership policies, it is the Commission that should assess and address Nexstar's violations to vindicate the public interest underlying these rules and protect the integrity of the Commission's transaction review process."

A little background here: Nexstar agreed to divest WPIX in 2019 to stay under the 39% broadcast cap following its \$4.1 billion acquisition of Tribune. It sold the station to **Scripps**, but retained the option to repurchase the station. It later assigned its purchase option to **Mission Broadcasting**. Mission closed on the acquisition of WPIX in December 2020 and has a Local Marketing Agreement (LMA) in place with Nexstar that give its rights to all of the station's revenue, programming and ad sales. Charter claims that before Mission's acquisition of WPIX had even closed, Nexstar asserted control over the station's retransmission consent rights and demanded Charter pay fees directly to Nexstar for WPIX.

Nexstar insists its compliance with the FCC's national ownership cap and Nexstar/Tribune Order is not relevant to its breach of contract claims against Charter and Comcast. The broadcaster noted that after it opposed Charter's motion to dismiss or stay the lawsuit pending FCC action on Comcast's complaint, Charter filed its own informal complaint with the FCC on the very same day that it filed its reply brief in Delaware Superior Court (April 12). "As Comcast acknowledges, Spectrum's complaint is 'substantively identical' to Comcast's informal FCC complaint," Nexstar told the court, referring to Charter by its Spectrum brand name. "Spectrum's complaint therefore in no way 'height-



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ens the risk of inconsistent rulings as between judicial and regulatory tribunals;' it simply repeats the same arguments that Comcast made to the FCC nine months ago, which are irrelevant to the resolution of the breach of contract claim alleged in this case."

#### NFL SUNDAY TICKET INCHING TOWARD APPLE TV+

The chances that **Apple TV+** will snag "NFL Sunday Ticket" from **DirecTV** seem to be on the rise. In a <u>Q&A article</u> for Puck News, founding partner *Matthew Belloni* told readers that his sources either indicate that Apple is the frontrunner for the sports package or that the deal has already been completed. The package, which allows viewers to watch out-of-market regular season games on Sunday afternoons, has been a part of DirecTV's portfolio since its inception in 1994 and will remain with the provider until 2023. Apple TV+ made its first dive into the sports world with the kickoff of "Friday Night Baseball" on April 8.

#### FCC RELEASES GUIDE ON NEW MTE RULES

The **FCC** released a Small Entity Compliance Guide aimed at offering small businesses the guidance they need to comply with the agency's new rules aimed at promoting competition in multi-tenant environments. The rules, adopted in February, would prevent ISPs from entering into certain revenue sharing agreements with owners of apartment buildings, public housing, corporate real estate and more. The document breaks down the Commission's Report and Order and offers highlights on prohibited agreements, a general overview of exclusive access to multiple dwelling units and recordkeeping and reporting requirements.

#### HELLO CNN, GOODBYE TWITTER

Soon-to-be **CNN** President *Chris Licht*'s first day on the job will be May 2, and he's already setting the tone for how he'll lead the news network. He tweeted Monday that his first official day in the CNN office will also be his last day on Twitter. "Twitter can be a great journalistic tool, but it can also skew what's really important in the world. I'm logging off & looking forward to working with the incredible team at CNN," Licht wrote. He will replace *Jeff Zucker*, who resigned in February after failing to disclose a consensual relationship with former CNN EVP and Chief Marketing Officer *Allison Gollust*.

#### RATINGS

**YES Network**'s broadcasts of Brooklyn Nets averaged 78,000 total viewers in the New York DMA this NBA season, up 95% from the last uninterrupted season in 2018-19. It was the most viewed Nets campaign since 2013-14, when YES Network averaged 85,000 total viewers. – The **USFL**'s opening game between the Birmingham Stallions and New Jersey Generals delivered a projected 3 million viewers across **Fox**, **NBC** and their streaming platforms, peaking at nearly 3.5 million at 10:45pm. The simulcast was the first scheduled sports competition to air at the same time on competing networks since Super Bowl I.

#### VERIZON, T-MOBILE WIN HIGH MARKS AT OOKLA

**Verizon** emerged as the fastest fixed broadband provider in the U.S. during 1Q22 in **Ookla**'s latest Speedtest Global Index with a median download speed of 184.36 Mbps. It was just high enough to beat out Comcast's average of

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179.12 Mbps. Switching over to mobile, **T-Mobile** took the top spot as the fastest and most consistent wireless provider with a median download speed of 117.83 Mbps and a consistency score of 88.3%. Those are both increases over its 4Q21 scores. T-Mobile's 5G network alone also beat the competition with median download speeds of 191.12 Mbps.

#### VERIZON TAKES OWNERSHIP STAKE IN CASA

**Verizon** has invested \$40 million in infrastructure technology solutions provider **Casa Systems**' common stock, giving it a 9.9% ownership stake. Casa has also been awarded a multi-year purchase contract from the mobile provider that will see it provide Verizon with its 5G Core Network Functions solution. That should power Verizon's public Mobile Edge Compute service, which allows for the moving of computing resources onto cloud servers at the network edge.

#### KIDS STREET HEADS TO XFINITY'S DIGITAL STARTER

**Comcast** has moved **Kids Street** onto its Digital Starter package, leading to a near doubling of the children's network's distribution. The move comes as the network unveiled a new look and content lineup with a mix of programming for children and the whole family. In the coming weeks and months, shows like "Chocolix," "The Fox Badger Family" and "Yakari" will make their U.S. linear TV premieres on the network. New seasons of "Atchoo" and "Earth to Luna" are also on the way. Kids Street is also distributed on **Spectrum**, **Optimum**, **Evoca**, **Vidgo**, **Intermountain Cable**, **Rodeo TV**, **Suddenlink** and **Fidelity**.

#### FRONTIER IMPROVES ACP OFFERING

**Frontier Communications** upped its lowest fiber broadband speed offered to ACP customers from 50MB to 100MB. The plan will be offered at a net zero cost to ACP-eligible house-holds, but they will also be able to apply their ACP credit to Frontier's higher speed tiers.

#### SURF BROADBAND BUILDING IN INDIANA

**Surf Broadband** has begun construction on a project that will bring its fiber service to Westville, Indiana. More than 1,000 properties will have infrastructure in place and be able to connect to the company's broadband offerings by the end of the year.

#### CARRIAGE

**Frndly TV** is adding three new channels to its lineup Tuesday at 7am: **Decades**, **Heroes & Icons** and **Start TV**. The networks were part of the agreement Frndly TV made with **Weigel Broadcasting** and bring the amount of live linear networks on the vMVPD to 36. Decades offers pop culture programming and blasts from the past while Heroes & icons showcases heroes in action and adventure shows. Start TV highlights female leading characters in various dramas.

#### NETFLIX BRINGS TOGETHER ORIGINALS, GAMING

**Netflix** is bringing its original series and gaming ventures

even closer together through adaptations of the "Exploding Kittens" card game. A mobile game of the same name will debut in May and be available to all Netflix members at no additional cost. Players will draw cards while aiming to avoid the Exploding Kitten, and more cards and mechanics will be added to the game over time. An adult animated comedy series also of the same name will come in 2023 and *Tom Ellis, Lucy Liu* and *Sasheer Zamata* are among those set to star.

#### PROGRAMMING

Magnolia Network released its cable and streaming lineup for May. Coming exclusively to discovery+ and the Magnolia app are originals like "The Retro Plant Shop with Mikey and Jo," a series about launching a retro-inspired plant shop coming May 20, and interior design centric "Rooms We Love" set to debut May 27. New seasons of "From the Source," "Mind for Design," "Zoë Bakes" and "Restoration Road with Clint Harp" will also come to the apps next month, with From the Source also airing Sundays at 3pm ET on the Magnolia Network. Other linear premieres include "Self Employed" (12pm ET, May 13) and "Art in Bloom with Helen Dealtry" (10am ET, May 15). -- The Weather Channel is diving deeper into the future of our planet with "Pattrn," airing weekdays from noon-2pm. The show will aim to help viewers learn about climate change and its effects on everyday life, extreme weather and sustainability. -- "Dark Winds," a noir thriller based on the Leaphorn & Chee book series from Tony Hillerman, will premiere June 12 on AMC and AMC+. -- Smithsonian Channel will premiere "The Color of Care" on May 1 in the U.S., with **Paramount** launching a year-long campaign aimed at eradicating racial disparities in U.S. healthcare. The original doc, which will also debut simultaneously for free on Smithsonian Channel Selects on Pluto TV, examines how people of color suffer systemically substandard healthcare and how COVID-19 exposed the tragic consequences of these inequities. -- Zak Bagans signed a three-year agreement with **discovery+**. The deal will see Bagans create, star in and produce more than 100 hours of supernatural and horror content for the streaming service, including new seasons of "Ghost Adventures" and "The Haunted Museum."

#### PEOPLE

Aamir Hussain is joining **Liberty Latin America** as SVP, Chief Technology and Product Officer. The former **Verizon Business** Chief Product Officer and SVP will lead Liberty Latin America's Technology & Innovation team across the company's operations in Latin America and the Caribbean. - *Michael Nemcik* is joining the **FCC** as Acting Legal Advisor while Commissioner *Brendan Carr*'s Legal Advisor *Danielle Thumann* is on maternity leave. Nemcik comes from the **Wireline Competition Bureau**'s Competition Policy Division where he focuses on robocall mitigation and numbering issues and was an intern in Carr's office back in 2019.