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WHAT THE INDUSTRY READS FIRST

Dear FCC: Must Carry, All-In-Pricing Among Suggestions for Statute Scrapyard

FCC Chair Brendan Carr opening up a [proceeding](#) to ask industries for comments on what outdated federal regulations should be erased is like asking a child to write their Christmas wish list for Santa—don't be surprised when they ask for a pony, a spaceship and no bedtime.

NAB wants the FCC to eliminate the TV national audience reach cap and the local TV rule; NCTA is seeking relief from rules requiring cable operators to carry certain types of programming, such as PEG channels, must-carry broadcast stations and leased access programming; and the **American Television Alliance** called for the elimination of the regulatory presumption that bundling complies with the "good faith" retransmission consent negotiation rules.

It's each industry's chance to get the new administration to take a second look at some of their biggest pain points, so as you can imagine, the docket is bursting with feedback. Initial comments were due Friday. There are a lot of rules to dissect. The **U.S. Chamber of Commerce** declared that the Biden Administration alone issued 982 final rules presenting 308.9 million hours of paperwork with a \$1.8 trillion impact to the economy. "Overregulation in the communications sector will disincentivize affordable access to networks that will be necessary for people to stay connected, small businesses to reach customers, and ensure all Americans reap the benefits of the AI, space and next generation communications technologies," the Chamber said.

NCTA and NAB both argued that the video marketplace has changed so drastically that their members shouldn't be burdened by rules from the past. "There is, for example, no lawful justification for expansive must-carry rules now that any video programming provider can distribute its video content via the internet," NCTA said. "The same is true of program-carriage mandates, and of rules governing how cable providers advertise services, disclose prices and structure service tiers. These and other requirements should be eliminated—not only because they are obsolete, but also because they actively distort and harm competition in today's market."

NAB struck a similar note in asking for reform of broadcast media ownership rules. "These woefully outdated restrictions only serve to increase Big Tech and streaming dominance, while making broadcasters' service to their local communities increasingly and unnecessarily challenging by the day," the association said.

One recent FCC [decision](#) brought up by the U.S. Chamber as well as NCTA and **ACA Connects** is "All-in-Pricing" obligations on cable and satellite—but not streaming. "Adoption of the rule is a prime example of the Commission exceeding the bounds of the authority delegated to it by Congress and imposing requirements that are unnecessarily duplicative and disruptive in ways the people's elected representatives did not intend," NCTA said.

Another regulation that broadband players argued could use a light touch is the FCC's 2022 [Broadband Label order](#). ACA Connects said its members, particularly its smallest providers, have expressed frustration with the inability to streamline the consumer

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labels, with many reporting that maintenance and upkeep of the labels is a substantial monthly expense. “Although broadband labels are statutorily mandated, the Commission has discretion over the rules governing their creation and display,” ACAC said, suggesting streamlining the order by allowing providers the option to display an icon or a link to the label—rather than requiring providers to display the actual label at the point-of-sale webpage.

USTelecom said the Commission’s top priority for deletion should be regulations that force broadband providers to waste significant resources maintaining copper telephone lines that faded from relevance long ago. At a panel last week, the association’s CEO said some members that have to maintain copper networks end up having to rely on eBay to find supply inputs. **SpaceX** called on the FCC to quickly initiate new rulemaking proceedings to modernize outdated protections for legacy Geosynchronous Orbit systems, open mid-band mobile satellite spectrum for more efficient and intensive sharing and establish a robust satellite spectrum pipeline. And **Sinclair** added a sunset date for ATSC 1.0 as being as important as reforming ownership rules for leveling the playing field for broadcasters.

There’s a lot to tackle in this filing, but there may be some low-hanging fruit for the Commission to act on quickly. For instance, ACA Connects hopes to see swift action on making permanent the waiver of the professional engineer certification requirement for Broadband Data Collection. “ACA Connects joined a large coalition of groups early on, explaining why this requirement was overbroad, and the difficulty and cost for smaller companies to find these professional engineers,” said *Brian Hurley*, the association’s SVP, Legal and Regulatory Affairs. “The FCC granted a waiver for the first three rounds, then it granted a second waiver for the next three rounds of filings. We’re coming up on the seventh in the fall. I think our experience with the first six rounds have shown that this is a workable process, that our members are continuing to make these certifications using their in-house engineers.”

The FCC’s Delete, Delete, Delete proceeding also reminded **TechFreedom** of Christmas, but the org said that “unlike so many other commenters, we’re not making a pilgrimage to the FCC mall to sit on Santa’s lap to ask for the deregulatory equivalent of Air Jordans.” Instead, it focused on how the FCC should conduct proceedings to reach rational decisions to change or repeal outdated rules—calling for strict adherence to the Administrative Procedure Act.

“The FCC can modify or eliminate policy statements and internal organization rules without notice and comment. However, substantive rules generally require notice and comment rulemaking, including repeals, subject to the ‘good cause’ exception,” TechFreedom said. “The FCC must also ensure it has statutory authority to act, especially given the post-Chevron Deference landscape. The FCC should be wary of overreach, as it may not survive appellate scrutiny under the Major Questions Doctrine.”

WATCHDOG GROUP OPPOSES SINCLAIR SALE TO RINCON

A group that bills itself as a consumer watchdog is asking the **FCC** to block the license transfer of five **Sinclair**-owned TV stations to **Rincon Broadcasting Group**. The stations involved are KHQA in Quincy, Illinois; KTVO in Kirksville, Missouri; WICS in Springfield, Illinois; WICD in Danville, Illinois; and WVTW in Milwaukee, Wisconsin. According to FCC filings, Sinclair is selling the five stations to Rincon for \$29.4 million. *Todd Parkin*, former SVP, Sports Operations at **Ballys Sports Networks**, is principal owner of Rincon. **Frequency Forward**, which says its mission is to promote greater transparency and accountability at the FCC, claims Sinclair has systematically used shell corporations to evade the Commission’s multiple ownership rules and has repeatedly misled regulators about the extent of its control over local TV stations. The group alleges Sinclair’s use of sidecar companies, including **Cunningham Broadcasting** and **Deerfield Media**, amounts to de facto control of stations it cannot legally own under FCC rules. It’s asking the FCC to hold a hearing on whether Sinclair has the “basic character qualifications” to remain a licensee. Frequency Forward cites the FCC’s 2020 \$48 million consent decree with Sinclair regarding its disclosure of information relating to its proposed acquisition of stations owned by **Tribune Media**, as well as whether it negotiated retransmission consent deals in good faith and committed violations of sponsorship ID laws. Frequency Forward, which lists **Smithwick & Belendiuk** Partner *Arthur Belendiuk* as a signatory, argues that the fine was an inappropriate substitute for a full investigation into misconduct.

DIRECTV STREAMLINES BRAND

DirecTV is moving away from the **DirecTV Stream** branding and pointing all customers to DirecTV.com in a move that unifies the MVPD’s offerings under one identity. DirecTV’s refreshed website now encompasses its streaming options after DirecTVStream.com was retired. That includes displaying its four Genre Packs and three qualifying Mini-Packs, the FAST product **MyFree DirecTV** in addition to traditional pay TV packages that start at \$84.99/month. However, customers have the option to choose whether they want to access their pay TV plan via satellite dish, or they can stream it through either Gemini Air or the DirecTV Streaming app (or both). Gemini Air devices are available to lease for \$10/month per device.

FTC OPENS PUBLIC INQUIRY ON ANTI-COMPETITIVE RULES

Quite a busy Monday at the **FTC**. On the same day that **Meta**’s antitrust trial got underway, the **FTC** introduced a public inquiry

to investigate the impact of federal regulations on competition following last week's executive order targeting anti-competitive regulatory barriers. The FTC said it'll look at regulations that "exclude new market entrants, protect dominant incumbents and predetermine economic winners and losers." The agency's request for information is open to the public through May 27.

GCI TAPS ERICSSON FOR CORE NETWORK, CLOUD MIGRATION

GCI is going with **Ericsson** to help improve the Alaska provider's core network infrastructure and accelerate its cloud-native transformation. Ericsson already provides the Radio Access Network, microwave transport and core network technology to support GCI's 3G, 4G and 5G Non-Standalone networks, but the expanded partnership includes the addition of a dual-mode 5G Core ahead of the future launch of 5G Standalone services. Ericsson will manage core network operations across all generations while using AI to improve customer experience. The two companies will also work on creating a framework to simplify and accelerate the deployment of future core functionality.

IS THE DIGITAL DIVIDE GROWING?

While the **Fiber Broadband Association** said fiber now passes 56.5% of U.S. households, the hurdles in closing the digital divide remain tall. **Ookla's** Speedtest Intelligence data evaluated where each state stands with broadband availability in 2H24, finding that 23 states have 60% or more Speedtest users receiving the **FCC's** minimum standard of 100/20 Mbps for fixed broadband speeds. For comparison, only 10 states met those criteria in Ookla's 1H24 report on the issue. However, Ookla noted that the digital divide grew in 32 states from 1H24 to 2H24, although that's likely due to the end of the FCC's Affordable Connectivity Program last June. Washington, Oregon and Illinois show the biggest discrepancies in urban and rural areas meeting minimum speeds with differences of 37.36%, 28.08% and 27.5%, respectively. One state has the roles reversed: South Carolina had 59.48% of rural users meet minimum speeds compared to 57.96% of urban users. New Jersey and Connecticut led the way in the 2H24 report with 68.97% and 68.35% meeting the minimum standard, respectively. Delaware jumped from fifth in the 1H24 report to third in 2H24 with 67.59%, bumping down North Dakota (66.79%) and Maryland (66.41%). Only two states sit below 40% of users meeting the 100/20 Mbps benchmark: Montana with 34.45% and Alaska with 35.39%. New Mexico saw the biggest YOY improvements from 2H23 to 2H24 at a 20.52% change, followed by Colorado with 19.13% and Pennsylvania at 18.45%. As progress continues to be made with speeds, it's mostly because of improvements in urban areas.

LOGIX RECALIBRATES

Logix Fiber Networks, a fiber-based network infrastructure provider in Texas, wrapped up a series of recapitalization transactions

to boost liquidity and position itself for long-term growth. That includes a new investment of \$45 million from **UBS' O'Connor Capital Solutions** in addition to moves that resulted in an aggregate debt reduction of more than \$150 million. The de-leveraging and incremental liquidity will enable Logix to pursue growth opportunities and expand its product offerings, such as expanding its high-capacity fiber footprint, introducing 800G wave connectivity and improving service capabilities for enterprise and carrier customers. With the recalibration, Logix will have new leadership as **Greg O'Connor** steps in as CEO. O'Connor previously spent time as COO of Cogent and GM/VP Wireline for **T-Mobile**.

FIBER FRENZY

Zipty Fiber is up and running in Chehalis, Washington. The provider is available to nearly 900 addresses in the area but plans to reach more than 1,400 once everything is completed. Construction to the remaining homes and businesses will continue in the coming weeks.

MASTERS RATINGS

The golf season is fully underway after **Rory McIlroy** won his first Masters. The ratings are in for the first two rounds on **ESPN**, with Thursday's coverage averaging 2.3 million viewers from 3-7:23pm. That was good for the most-viewed sports program of the day across all broadcast and cable networks. Friday's Masters telecast ramped up to 3.1 million viewers from 3-7:30pm, peaking at 3.4 million from 4:45-5pm, according to **Nielsen** Fast National Data. Stay tuned for ratings from the final two rounds that aired on **CBS**.

PROGRAMMING

If you want to go off the grid for a little bit, you might want to look into applying for **Fox Nation's** three-part game show "Greg Gutfeld's What Did I Miss?" The premise is that from Jan. 20 through April 13 of this year, four contestants spent time in upstate New York with no contact from the outside world, meaning no access to phones, internet, television or social media. When they return, they compete to decipher which scenarios and headlines are real and fake, all for a prize of \$50,000. Episode 1 debuts May 12 before the final two installations roll out on May 13 and 14, respectively.

- The **WNBA** Draft will air tonight at 7:30pm on **ESPN**. **Ryan Ruocco** will host alongside **Rebecca Lobo**, **Andraya Carter** and **Holly Rowe**.
- The return of "Duck Dynasty" is set for later next month. "Duck Dynasty: The Revival" will premiere May 28 at 9pm on **A&E**. The show has already been greenlit for a second season.

PEOPLE

ImOn Communications tapped **Lisa Gaspar Thompson** as VP, Business Transformation. Her background includes roles with commercial equipment finance company GreatAmerica Financial Services and aerospace firm Rockwell Collins.