

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Public Interest: FCC Meeting Faces Kimmel Aftermath, Media Ownership

Seven items were on the FCC's September open meeting agenda, but it felt as if there was a *Jimmy Kimmel*-sized cloud that loitered over Tuesday's proceedings now that the late-night debacle is in the rearview mirror (at least temporarily).

The criticism of agency chief *Brendan Carr* was on display soon after the meeting began. Multiple protestors interrupted from the crowd, chanting, "Fire Carr, the censorship czar." ABC's suspension of Kimmel, *Nexstar* and *Sinclair*'s preemption and the circumstances surrounding "Jimmy Kimmel Live!" took up a majority of the post-meeting questions from media. Carr continued to defend how he navigated the situation, saying it was the first time in decades local TV stations pushed back against national programmers.

Carr reiterated that he didn't pressure Disney/ABC to suspend Kimmel or encourage broadcast groups to pull his show. As usual, he pointed to the public interest obligation while declaring it a swing in the balance of power between national programmers like **Comcast NBCUniversal**, **Disney** and **Paramount** and local TV stations.

"I've been in this job since 2017 and there's numerous times that local TV stations or their ownership groups come to me and say, 'Listen, I would love to preempt this program, but I don't think I have the power to do that because the national programmers have so much leverage over us,'" Carr said. "So to the extent that local TV stations, maybe for the

first time, feel empowered to stand up for their assessment of the needs of their local communities, I think that's a good thing, and that's something that I want to continue to see."

The two words "public interest" have been a fixation of Carr's since becoming the FCC's chair. He's of the belief that the Commission hasn't been doing its job in enforcing the standard on local broadcasters. However, some accuse Carr of using public interest as a shield to go after Trump's critics, which could lay the groundwork for future administrations of the opposite party to go after conservative programmers.

"I'm very sensitive to that exact same type of concern. We don't want to see [the] weaponization of government by any administration against any perspective. And that's certainly not what we're doing here," Carr said.

But in today's day and age, public interest could carry a myriad of meanings. That's why Commissioner *Anna Gomez* wants the FCC to issue a Notice of Proposed Rulemaking to define what the public interest standard is, "because we can't just use it as a weapon to go after content we don't like."

Gomez brought up Kimmel earlier during her remarks about the FCC proceeding to open the 2022 [quadrennial review of broadcast ownership rules](#). Her trepidations stem from consolidation and its impacts on the greater media ecosystem, with Gomez worried that fewer companies mean fewer viewpoints. Still, she and fellow Commissioner *Olivia Trusty* joined Carr in voting to move the review forward.

"A significant question to be addressed is, how would own-

Media and broadband executives'
NUMBER 1
TRUSTED SOURCE
for the industry's most
important developments

1 Cablefax
Daily

PARTNER WITH US TODAY: Harry Singh • 917-832-0064 • hsingh@accessintel.com

ership of a group of local broadcasters that together reach the majority or all of the nation change the incentives of that station group,” Gomez said. “In the past two weeks, the public has raised serious concerns that large station groups made programming decisions to serve their national corporate interests, not their communities of license. What is the impact of letting them get even bigger?”

There was more than media ownership and late-night TV on the FCC’s hands. Carr, Gomez and Trusty voted 3-0 to launch an inquiry into Section 253 of the Communications Act, which prevents state and local governments from imposing requirements that prohibit the provision of telecommunications service. The FCC’s Big 3 also adopted a notice to seek comment on reforms that would streamline the deployment of towers and other wireless infrastructure. **NCTA**, **ACA Connects** and **USTelecom** were among those celebrating the moves to peel back permitting-related delays.

Another topic on Tuesday’s agenda, the E-Rate program, didn’t have any celebrations. The FCC reversed a previous decision to expand the Universal Service Program to fund hotspots in libraries or schools that could be used by those outside of the property. It also determines it’ll halt funding for WiFi on school buses

A group of lawmakers were quick to condemn the decision to pull back funding, writing a letter to Carr saying it diminishes progress made in bridging the digital divide. Signing the letter included Sens. *Ed Markey* (D-MA), *Ben Ray Lujan* (D-NM) and *Peter Welch* (D-VT).

“Rolling back the E-Rate hotspot and school bus decisions would undercut some of the most effective tools for addressing inequities in home connectivity and would reverse progress in closing the ‘Homework Gap.’ For millions of students, especially those from low-income households, internet access outside of school walls is not a luxury but a prerequisite for academic success. We urge the Commission to preserve the E-Rate hotspot program and Wi-Fi on buses to ensure that low-income students are not left behind,” the letter read.

WELCOME TO CABLE, GARDNER

We’re still getting a feel for **NCTA**’s new chief. *Cory Gardner* is either a huge sports fan or a really good politician as he skirted a question about what he’s currently streaming by answering that it’s mainly football—thus avoiding giving any preference to one Internet & Television Association content company member. We did learn that Bengals middle linebacker *Logan Wilson* is a family member, so we’re assuming his home team Denver’s 28-3 victory over Cincinnati on Monday night

was a little bittersweet. Gardner did admit to starting the first season of non-member **Netflix**’s series “Wednesday” so he can watch the newest season with his daughter. It’s been a whirlwind start for Gardner, who has been moderating policy panels at **SCTE TechExpo25** after just one week in the role as NCTA president and CEO. The industry will get a chance to know him a little better during next month’s Leadership Development week. He’s joining the speaker lineup for **The WICT Network** Leadership Conference’s Pearls of Wisdom, a series of TED Talk-like quick hits that are a highlight of the annual gathering. Gardner spoke a little about his first days in the job from The Continuum, the 10,000-square-foot immersive exhibit on the Expo show floor that serves as a hub with exhibits on cable’s history as well as demos on spectrum sharing, AI and more. As for how Gardner envisions his first 90 days on the job, he’ll be listening a lot. “It’s understanding the people. It’s understanding the technology. It’s developing the relationships, and it’s creating the vision and building on the vision that exists over those 90 days to take us into the next 90 years and beyond,” he said. “It’s about taking the great things that were accomplished in the leadership of *Michael Powell* at NCTA and building on those. And the team at NCTA is just absolutely incredible. So beyond finding my way around the office..., it’s about getting to know the people who drive policies and our member companies.” The new NCTA boss got a crash course on what it means to work in cable, with a cousin reaching out shortly after he got the job to complain to him about his primetime lineup. “I explained to him that’s not exactly what I do, but it was fun,” he quipped. Welcome to cable.

AI REGULATION HEADLINES TECHEXPO DAY 2 POLICY TALK

The deadline to avoid a government shutdown loomed over the policy section of Tuesday’s Headliners sessions at **SCTE TechExpo25**. When **NCTA** President/CEO *Cory Gardner* asked Sen. *Mark Warner* (D-VA) what he expected to happen this evening, he complained about one-sided negotiations. Barring last-minute progress, the government is set to shut down just after midnight. Meanwhile, beating China on artificial intelligence and passing regulation that empowers tech companies to innovate in the AI space were points Rep. *Brett Guthrie* (R-KY), who chairs the House Committee on Energy and Commerce, really hammered home during his turn with Gardner. Guthrie delivered such a scorcher of a line on the subject that Gardner paused to repeat it: “We’re not competing with Europe to regulate, we’re competing with China to innovate,” referring to regulation, including energy and privacy

laws, that he believes have kept Europe from competing in the AI space. He warned that U.S. lawmakers must avoid making the same mistake. “If you want to see what not to do, just go to Europe. They’re not competitive in this. And it’s either us or China.” Guthrie explained that lawmakers have to find a balance between protecting Americans and making way for innovation. He said that the U.S. needs a national standard in AI vs a myriad of laws at the state level. “We don’t want to take away from local, so where’s that balance? We can’t have the local governments block everything and not get anything done at the national level.” Asked about his expectations regarding the funding deadline tonight, Guthrie said he hoped Senate Minority Leader *Chuck Schumer* (D-NY) would do “the right thing for the country” and avoid a shutdown.

STRIKING BACK ON NETWORK VANDALISM

Tom Monaghan, EVP, Field Operations at **Charter**, minced no words when talking about the need to have more aggressive laws to stop network vandalism across the country, reiterating that fiber cuts should be thought of as domestic terrorism because it disrupts critical services in communities. Monaghan, who is on the board of the new STRIKE initiative as vice chair, said that while network vandalism is currently a felony in 28 states, it needs to be one in all 50, and that those laws need to actually lead to prosecution. “We’ve had cuts in major markets in broad daylight that have happened, people have gotten arrested and ultimately not prosecuted,” Monaghan said. “That can’t happen anymore, or this problem won’t go away.” He was joined on an infrastructure panel at **TechExpo25** by **SCTE** President/CEO *Maria Popo* and **Comcast** EVP/CNO *Elad Nafshi*, who said that fiber cuts aren’t just about stealing copper but that there are cases where it’s “vandalism for the sake of vandalism.” Nafshi, who chairs the STRIKE board, explained that Comcast is focusing a lot of its energy on discovering cuts in its network as quickly as possible. “We’ve invested a lot of money and a tremendous amount of technology innovation, including putting in place fiber monitoring with AI operations that monitor more than 800 kilometers (497 miles) of fiber across our footprint, and are capable of detecting fiber cuts within 120 seconds with pinpoint precision where the fiber cut occurred,” Nafshi said, adding that this is a problem that is hitting operators “in scale.” Monaghan also pointed out that while “this used to happen in the dark of night...it’s getting brash where they’re doing this during the day, and over a period of time, it affects millions of customers.” The Charter exec also wants stricter laws on the selling of copper that could be stolen.

REPORT: VERIZON, ECHOSTAR TALK POSSIBLE SPECTRUM DEAL

Everyone wants a piece of **EchoStar**’s spectrum, it seems. After [making deals](#) with **AT&T** and **SpaceX**, EchoStar is re-

portedly negotiating a portion of its wireless spectrum with **Verizon**, [per Bloomberg](#), which adds that the deal could include AWS-3 licenses. EchoStar’s stock rose nearly 3% upon the report Tuesday morning. Its deal with AT&T in August was valued at \$23 billion, while the SpaceX transaction is \$19 billion. **New Street Research** predicts “easy approval” from the **FCC**, though it cautioned that the **Department of Justice** may scrutinize the deal. Although it approved **T-Mobile**’s bid to acquire **UScellular**, it cited concerns with competition in the mobile wireless market and the availability of spectrum needed for said competition. Despite the DOJ expressing trepidations over the Big 3 mobile companies impeding a fourth carrier, “at the end of the day, it will be difficult for the DOJ to block a spectrum sale to the big three.” “If cable or some other entity (such as one of the Big Tech players) wanted to buy SATS’ assets, the apparent desire of the DOJ to prevent the Big Three from buying the assets could enable cable or another buyer to obtain the assets at a lower sales price. But we don’t think cable is interested—it argues that its MVNO deals already make it the fourth competitor—and a Big Tech buyer brings with it other antitrust concerns,” NSR said in a note, adding that Starlink is a factor in “fourth competitor” talks as well.

FBI SEEKS VANDALISM LEADS

The FBI was in the house at **SCTE TechExpo25**, a sign of how seriously the government is taking an uptick in vandalism to communications networks and the power grid. While some cuts may be attempts to steal copper, “others appear to be deliberate efforts to take pieces of critical infrastructure offline, to eliminate communication abilities between law enforcement or factions of government and in situations like those you need to reach out to the FBI, because there are organizations, there could be other countries, people—both criminally or politically motivated—attempting to damage our ability to communicate,” FBI Supervisory Special Agent *Bill Cochran* said during a TechExpo25 session. Next week should give us a better idea of the current state affairs, with **AT&T** set to host the third Telecom Industry Summit on Protecting Critical Communications Infrastructure in L.A. It follows previous gatherings in Dallas and a **Charter**-hosted summit in St. Louis in April. **NCTA**’s latest vandalism report recorded at least 5,770 reported incidents of intentional theft and/or vandalism targeting communications infrastructure between June and December of 2024. Next week, the association will issue numbers for the first six months of 2025, with VP & Lead Legislative Counsel *Alex Minard* teasing that the number of incidents is likely to be much larger. We’re also on the lookout for a commissioned study that walks through the economic impact, not just the cost of repair cost for companies, but also the impact to schools, businesses and residents who lose communications. “I think that will also be an eye-popping number,” Minard said.

FIRST LOOK: NBA ON PEACOCK

At **SCTE TechExpo25**, we got our first look at what **NBA** streams are going to look like on **Peacock**. *John Jelley*, **NBCUniversal** SVP, Product and User Experience, Global Streaming, walked through several features Peacock customers will be able to use when the league's 80th season kicks off on Oct. 21. That includes instant access to live footage of games right from the home screen, without needing to click through, if you're streaming from the TV app (the mobile version will serve recent clips from live games.) Users can also switch on Performance View during broadcasts, which adds an overlay to streams that breaks down the game in real-time, including how players on the court are performing and their odds of scoring during a play. Jelley said that the feature is designed to help "casual fans understand what's happening and really active fans to dive deeper." Peacock is also gamifying the NBA experience with a new "bingo-style" scorecard feature that earns viewers points based on the outcome of games vs their predictions. It's part of the streamer's efforts to lean more heavily into fandom and foster community on the app (there are leaderboards to see how you're doing vs other viewers). Finally, rolling out midseason is Courtside Live, which will connect fans to "the culture around NBA games." A demo of it shown on a big screen served up videos featuring celebrity reactions during games as well as players' outfits ahead of tipoff.

CARRIAGE WARS UPDATE

YouTube TV is in the spotlight as it deals with a couple of carriage negotiations with TelevisaUnivision and NBCUniversal. The vMVPD's distribution agreements with the two companies expire at midnight tonight. Of course, there's the chance of short-term extensions being made to temporarily put a Band-Aid on things, but time will tell if TelevisaUnivision and NBCU's respective networks go dark on YouTube TV. As for where things stand, CFX hears talks between NBCU and YouTube TV remain ongoing. Reports indicate the center of the disagreement is YouTube TV wanting to ingest Peacock content onto its own platform. We're waiting for updates on the vMVPD's dealings with TelevisaUnivision at our deadline.

FCC PREPS FOR SHUTDOWN

The **FCC** released its [government shutdown plan](#) if there is a lapse in federal funding. The agency estimates that a shutdown will be complete in approximately four hours, noting that it has approximately 1,288 employees on board before implementation of the plan. The plan estimates that it has 123 employees whose compensation is financed by a resource other than annual appropriations and estimates that it will have approximately 244 total employees that will continue to work. That includes the FCC Chairman,

two Commissioners and Inspector General. During such a shutdown, generally all FCC activities will cease other than those immediately necessary for the protection of life or property or those funded through a source other than lapsed appropriations.

VERSANT EXPANDS WNBA RIGHTS

Versant is showing some more independence from **Comcast NBCUniversal**, even with a few months to go until the spinoff becomes official. Versant announced an 11-year media rights deal with the **WNBA** that'll now put at least 50 games per year on **USA Network**, including regular-season contests and parts of the Playoffs and Finals in select years. It'll take effect at the start of the 2026 season, the same time NBCU's deal—[announced](#) in July 2024—kicks in. Since that was before the days of Versant, USA was set to split 50 regular-season and a handful of playoff games with **NBC** and **Peacock**. Now, as it gears up for new ownership, USA will retain the WNBA games it was already slated to carry while adding additional ones under the newly made agreement, bringing it to the "at least 50 WNBA games annually" total. USA's coverage will be headlined by Wednesday night doubleheaders, sandwiched by pre- and post-game studio shows. Production details, on-air analysts and commentary teams will be announced in the coming months.

DISNEY DEAL RECEIVES FUBO SHAREHOLDERS' APPROVAL

Fubo moved one step closer toward its next chapter. Shareholders voted to approve the deal with **Disney** to merge Fubo with **Hulu + Live TV**, subject to regulatory approvals and other closing conditions. As [previously announced](#), Disney will take a 70% ownership stake in Fubo, while Fubo's current management team will run the united Fubo and Hulu + Live TV product under *David Gandler*. Both Fubo and Hulu + Live TV will still be offered as separate services "and will facilitate an enhanced choice of programming packages addressing a variety of consumer preferences at attractive price points." The deal came about in early January at the conclusion of Fubo's **Venu Sports** lawsuit.

TUBI GETS THANKSGIVING GAME

Fox Sports must've liked what it saw when **Tubi** had its Super Bowl [opportunity](#). The two revealed that the Packers-Lions **NFL** game on Thanksgiving will be livestreamed in 4K for free on Tubi, running alongside the **Fox** broadcast that'll begin Nov. 27 at 1pm. Tubi will join **Fox One** and the Fox Sports app as digital viewing options for the divisional matchup. In February, Tubi had a record average minute audience of 13.6 million during the Super Bowl, peaking at 15.5 million.