Cablefax Daily...

WHAT THE INDUSTRY READS FIRST

Speaking Up: NTIA Takes Strong Stand on Digital Discrimination Rules

With one month left to go before the **FCC** has to issue language and guidance for rules on digital discrimination, **NTIA** is asking the agency to take a stronger stance than broadband providers would like on issues like disparate impact.

In the 20-page ex parte, NTIA said well-formulated rules from the FCC to combat inequities are key to making sure that long after BEAD buildouts are completed, practices that disparately impact vulnerable communities will be identified, stopped and fixed.

When the FCC is looking at defining digital discrimination of access, NTIA is of the mind that the Commission should include the concepts of disparate impact and disparate treatment. That would mean that a broadband provider's practice would be deemed discriminatory if it discriminates between or among groups on its face or if it disparately impacts marginalized groups. For NTIA, the main focus should be looking at what reality is for folks of marginalized groups or communities and that includes ensuring that fast, reliable internet is equally available to them at affordable prices as it is in all other communities. It believes that regulatory bodies should be identifying and finding remedies for unequal access to broadband service, no matter what the cause is.

"While disparities in service could result from intentional discriminatory treatment based on the statute's protected characteristics—which should certainly be prohibited—they

may more commonly result from business decisions and institutional behaviors that were set in motion without any discriminatory intent," NTIA said. "Indeed, ISPs and industry groups have been careful to point out that documented evidence of disparate treatment in this area is nearly non-existent. Nevertheless, marginalized groups' access to and adoption of broadband Internet service has historically lagged behind—sometimes well behind—that of other groups."

NTIA also said it stands ready to help the FCC in identifying and finding the best way to use data sources to shed light on possible instances of discrimination. It did acknowledge arguments that variations in service are largely unavoidable because of factors that lie beyond a provider's control, including environmental considerations. But to NTIA, those debates just highlight the importance of examining how disparities can occur, even unintentionally, from a provider's practices.

Its point is that what the FCC must not do is allow a provider to blame geography, bad weather or anything else for an inability to provide adequate service to communities that need it when the company's own policies are also playing a role in the story.

"Variability in service quality might be due entirely to a storm's fortuitous path or, alternatively, to the combination of that path and a provider's practices and policies with respect to network investments and upgrades," the agency said. "If such practices and policies are facially neutral (for example, based on revenue opportunities in different areas) but lead to



outages or limitations felt disproportionately by marginalized communities, only a disparate impact framework will allow the Commission to address and remedy them."

As for the question of whether or not the FCC should examine pricing as a possible source of digital discrimination, NTIA is voting yes. It cited the enrollment of more than 20 million households in the Affordable Connectivity Program as a concrete example of the role pricing can play in exacerbating the digital divide, and Congress included low-income individuals in its list of demographic groups to be protected under the digital discrimination statute.

Public Knowledge applauded NTIA's approach to the question of digital discrimination with SVP *Harold Feld* calling the ex parte a strong stand by the Biden Administration for digital equality for everyone.

"The Biden Administration has now thrown its full support behind making sure that all Americans have the same opportunity to participate in our digital future," he said. "We expect that the FCC will adopt rules in November that reflect both this bipartisan Congressional command and the Biden Administration's commitment to end digital redlining and ensure equal access to broadband for all."

DIAMOND, COYOTES SPLIT

Another Diamond Sports Group and Bally Sports domino has fallen. On Wednesday, Diamond and the NHL's Coyotes agreed to end their telecast rights deal, meaning Bally Sports Arizona is now without the rights of any professional team. Diamond submitted a motion and proposed order to the Southern Texas Bankruptcy Court to reject the Coyotes telecast agreement. Bally Sports Arizona lost the rights to the Diamondbacks and Suns in mid-July. For the Coyotes, though, they've already pivoted local broadcast plans. The franchise struck a multi-year agreement with **Scripps** Sports to televise all non-nationally exclusive Coyotes games over the air. Financial terms weren't disclosed. The Coyotes will take on production responsibilities, and the OTA network KNXV.2 will broadcast 81 of the 82 games. Scripps owns the Phoenix ABC affiliate KNXV-TV, which will provide a marketing platform for Coyotes telecasts. Coyotes President/CEO Xavier Gutierrez said a DTC streaming option is on the horizon and details will be revealed once plans are finalized.

APPLE, AMAZON CHASING CFP

The conversations about the **College Football Playoff** broadcast rights renewal are heating up. *Front Office Sports* reported

Apple and Amazon have held <u>preliminary talks</u> with the CFP to acquire the rights in 2026. The report comes two days after FOS cited **NBC** as <u>one of the networks</u> and platforms interested in obtaining rights, with **ESPN** and **Fox** in the ring as well. ESPN has the CFP's rights through 2025, which is set to be the last year before the playoff expands to 12 teams. Both Apple and Amazon were in the mix to grab the **Pac-12**'s rights with the former nearly reaching the finish line before a mass exodus of schools from the conference occurred.

BERNSTEIN EXAMINES MEDIA'S NEW ERA

Investment management group Bernstein initiated coverage on seven media and telecom stocks Thursday, saying in a note there has never been "a more interesting time" to watch the two sectors. The firm holds a positive outlook for Disney and its potential to transition to DTC at scale once it fully obtains **Hulu**. "Hulu is a near-term controversy due to the uncertainty about how much Disney will end up paying for CMCSA's 1/3 stake in Hulu, but we believe the range of outcomes is narrow," Bernstein said in a research note. "Disney has more to gain with full control of the asset, and favorable resolution of the deal will likely lift a modest overhang on the stock." For Warner Bros. Discovery, Bernstein eyes an opportunity for the company to invest in growth once its debt leverage falls below 3.5X. However, that optimism wasn't shared on its outlook for Paramount, citing a linear decline, sub-scale DTC and a poor balance sheet. "We are bearish versus consensus on [Paramount's] affiliate fee and advertising revenues but bullish on their Licensing revenue," the note said. Netflix is seen as the top dog in the SVOD world, and Fox has its loyal viewer base to help mitigate linear declines. On the connectivity side with Comcast and Charter, there's anticipated competition from FWA and fiber expansion. "We forecast Charter to have more broadband sub growth relative to Comcast driven by rural builds that are costly and have longer payback periods. As such, rural subs will have immaterial impact on the bottom line near-term," Bernstein wrote.

RATINGS

AMC+ has a new most-viewed premiere. After three weeks, "The Walking Dead: Daryl Dixon" usurped fellow TWD spinoff "The Walking Dead: Dead City." The show is on pace to be the most-viewed season of any program in AMC+ history. On linear, the season's fourth episode on Sunday checked in with 1.1 million viewers on **AMC** according to **Nielsen** Live+3 ratings. The episode also delivered 392,000 A25-54.

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DOING GOOD

Lifetime's "Stop Breast Cancer for Life" campaign is back for another year, and this iteration features a PSA with First Lady Jill Biden. This year's PSAs will support the Breast Cancer Research Foundation, which will give out the "Lifetime Award" at its Symposium and Awards Luncheon on October 20. The award recognizes the work of a leading breast cancer researcher. Other featured figures in PSAs include actress Keshia Knight Pulliam and author Rachel Lindsay.

PROGRAMMING

The NHL's version of NFL RedZone is coming this season. ESPN2 will debut "Frozen Frenzy" on Oct. 24 at 8pm when a triple header headlines the night. Coverage will begin at 7pm on **ESPN+**. The show will be a whip-around of games with John Buccigross serving as the host. - Two new shows are coming to Food Network as it gets ready to kick off its holiday programming. "The Elf on the Shelf: Sweet Showdown" will premiere Nov. 19 at 8pm, and Selena Gomez will star in "Selena + Chef: Home for the Holidays," which debuts Nov. 30 at 8pm. Food Network's holiday slate begins Nov. 2 at 9pm with the season premiere of "Christmas Cookie Challenge." Other shows making their season debuts include "Holiday Wars" (Nov. 5 at 9pm), "Holiday Baking Championship" (Nov. 6 at 8pm) and "Beat Bobby Flay: Holiday Throwdown" (Nov. 7 at 9pm). - HBO's "Real Time with Bill Maher" continues Friday at 10pm, and this week's episode features a one-on-one interview with actor Keegan-Michael Key. The episode will be available to stream on Max as well. - ACC Network's travel series "3-Day Weekend" will have two new episodes this month. "3-Day Weekend: Chapel Hill" will visit the University of North Carolina on Friday at 9pm, before the show hits North Carolina State in "3-Day Weekend: Raleigh" on Oct. 13 at 10pm. - Acorn TV's "Harry Wild" will premiere with two episodes Monday. The remaining episodes will be released weekly on Mondays. - Season 2 of "Wipeout" will begin Nov. 7 at 9pm on TBS.

CABLEFAX DASHBOARD

Social Media Hits







Research

(Source: Discovery Education and Comcast)

- > 82% of families and 80% of educators surveyed feel strongly that high-speed internet at home is extremely important to fulfilling learning outcomes.
- Only 39% of parents were aware of the Affordable Connectivity Program, and of those that were aware, only 13% had signed up.
- A mere 22% of educators surveyed strongly agree that administrators in their school districts are equipped with the necessary information to communicate options for high-speed internet access at home.

Up Ahead

OCT 16: Cable TV Pioneers 57th Annual Banquet; Denver

OCT 16-19: SCTE Cable-Tec Expo; Denver

OCT. 19: FCC Open Meeting

NOV. 9: Media Institute Communications Forum Luncheon Series

DEC 6: Cablefax Most Powerful Women Luncheon; NYC

Quotable

"To effectively lead globally, the United States needs bold domestic investments and innovation ecosystems that bring manufacturing in critical technologies and industries back home. Moreover, without manufacturing strength in the United States and the innovation that flows from it, we risk again experiencing the devastating impact of supply chain shortages that we did during the height of the COVID-19 pandemic. Over one year removed from the enactment of the CHIPS and Science Act, the Commerce Department's bold, strategic, and targeted investments are bolstering our economic and national security, making our semiconductor supply chain more resilient, promoting American manufacturing and innovation, and helping more workers and businesses compete and win in the 21st century global economy." - Commerce Secretary Gina Raimondo's testimony at a Senate Commerce hearing on the CHIPS and Science Act