

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## Looking Back: How Should the FCC Approach Spectrum Auctions Today?

It has been 30 years since Congress first granted the FCC its spectrum auction authority. But rather than celebrating that milestone, spectrum stakeholders are stuck in a holding pattern as they continue pushing regulators to give the FCC back its power to run the highly successful auctions.

During a panel hosted by the **Technology Policy Institute** on Monday, industry stakeholders expressed their shock over Congress's inaction while also contemplating the future of spectrum auctions should the agency regain its auction authority. Attempts to look at the bright side of this pause in the status quo when it comes to auctions were focused on having the time to reexamine what spectrum auctions should look like in 2024 when greenfield spectrum is rare and more users than ever are looking to gain access to bands.

**NCTA** VP/Associate General Counsel *Becky Tangren* noted that when spectrum auctions first began, there wasn't as much competition for the resource. So while the goal these days is to give as many entities as possible a chance to participate, back then the Commission really wanted to just cover as many road miles as possible with connectivity through the mechanism.

"Now we're seeing spectrum used on a much smaller scale and is being used on manufacturing campuses, on educational campuses, in agriculture, and the people that use that spectrum don't always have the billions of dollars it has cost recently to buy spectrum at auction," Tangren said. "So if our

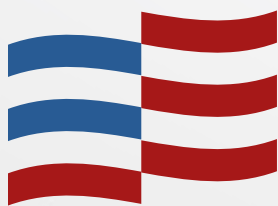
## Just The FAX

- ✓ The FCC lost its spectrum auction authority in March 2023 after Congress failed to extend it.
- ✓ Legislators have introduced bills aimed at restoring the spectrum auction authority, but none have made it through Congress. One example is the Spectrum Auction Reauthorization Act of 2023, which proposed extending the authority to conduct new auctions through Sept. 30, 2026.

goal is to keep innovating and keep putting spectrum into the hands of users, we have to keep that in mind in terms of how we're auctioning spectrum, whether that might be with smaller license sizes, whether it may be paired with non-auctionable methods of accessing spectrum. Are we willing to share a licensing regime or an unlicensed coexistence regime?"

**CTIA** SVP, Spectrum *Umair Javed* isn't necessarily opposed to the FCC more frequently embracing smaller spectrum license sizes so long as those decisions align with policy goals and everybody is looking at both sides of the equation. The benefit is allowing space for smaller groups to get in on the auction train, but those that are trying to build a nationwide service and cover large areas of the country, for example, may find the process more tedious. That's why Javed is always a major proponent of balanced spectrum policy.

"I think what we see today is that the biggest need is on spectrum that can continue to support full-power, wide-area



## AMERICAN BROADBAND CONGRESS

BEAD & BEYOND IN 2024

JUNE 13, 2024 - WASHINGTON, D.C



INTERESTED IN SPEAKING?

TELL US MORE HERE



FIND OUT MORE

PRESENTED BY **Cablefax**

uses,” he said. “That’s where we don’t have a pipeline. That’s where I think we’re trailing a lot of the rest of the world in that availability and where we need to make up some lost ground.”

*Giulia McHenry*, Chief of the FCC’s Office of Economics and Analytics, is a huge believer that there are auction mechanisms that can work for each modern-day spectrum problem that the U.S. is running into, and just because it doesn’t exist now doesn’t mean that the Commission can’t figure it out. She talked about how much the Commission has learned from challenges like the broadcast incentive auction and its most recent auction of 2.5 GHz spectrum.

“Some of the more nuanced sharing and dynamic spectrum sharing, we will identify the auction mechanisms and the right design as it becomes more clear what exactly is it that we’re trying to design,” McHenry said. “They all intertwine and evolve in tandem.”

Javed agreed with McHenry that innovation in the auction space has certainly come with time, but as the industry waits with bated breath to see when Congress will act on the Commission’s lapsed authority, he also wanted to remind everyone that auctions aren’t the only tool in the agency’s toolbox when it comes to spectrum.

“The reality is 30 years later, today, we actually don’t auction most of our spectrum,” he said. “80% of this available spectrum is still not auctioned, it’s still not actually put into this construct. It’s put out another way.”

## FCC PROPOSES ACP PENALTY FOR TONE COMMUNICATIONS

The FCC proposed a \$14,021,293 penalty against Texas-based **Tone Communications** for apparently willfully and repeatedly violating rules relating to the Affordable Connectivity Program as well as the federal wire fraud statute. The violations took place between March 2022 and the present. According to a Notice of Apparent Liability for Forfeiture and Order Initiating Removal Proceeding, Tone sought and received ACP funding for subscribers who were improperly enrolled with fake or false information. Those purported subscribers had no connection or were used repeatedly to enroll multiple subscribers. Tone certified its reimbursement requests to the FCC and Universal Service Administrative Company on multiple occasions from July 2022 to June 2023, stating the company complied with FCC rules. That’s where the federal wire fraud statute comes into play, with Tone having submitted those reimbursement requests through interstate wires. The FCC also found Tone made misrepresentations in its applications and election notice to participate in the ACP and its predecessor Emergency Broadband Benefit Program.

## AT&T EXPANDING INTERNAL INVESTMENT ARM

**AT&T** is spreading the outreach of **AT&T Ventures**, its internal venture investment arm, as it aims to spur greater innovation in connectivity. AT&T Ventures is primarily looking for opportunities to invest in technologies like network and edge computing, industrial Internet of Things, connected home and consumer solutions, next-gen transportation, cybersecurity and generative AI. In recent months, it has struck deals with companies like data intelligence firm **Databricks**, venture capital firm **Titletown-Tech** and space-based connectivity company **AST SpaceMobile**. “We’re looking at companies across the globe that are creating products and services that can be used in our core markets. While we’re not disclosing funding amounts or the size of our overall fund, our early-stage investments will generally range from Seed funding up to Series B stage companies, and we look forward to meeting a wide range of startups and entrepreneurs,” AT&T Ventures Head **Vikram Taneja** wrote in a blog [post](#).

## OKLAHOMA OKS \$374M IN BROADBAND PROJECTS

The Oklahoma Broadband Governing Board voted to approve 142 broadband infrastructure projects totaling \$374 million, bringing high-speed internet service to over 55,000 homes and businesses in the state. The funds will stem from the American Rescue Plan Act and Local Fiscal Recovery Funds in addition to over \$90 million in matching funds from 31 ISPs that submitted approved proposals for service expansion. All projects must be completed before the end of 2026. **AT&T** and **Cox Communications** were among the providers with approved projects with 10 and 16, respectively, though the final list of funded projects is subject to some modification.

## MAX COMING TO LATIN AMERICA

**Max** is growing on the international scene. On Feb. 27, Latin America will become the first international region to gain access to Max as part of the platform’s global rollout. At launch, Max will offer three plans for new subscribers, each with a monthly or annual payment option. Those will be the Basic with Ads plan, the Standard Plan, and a Platinum Plan that allows users to stream content on four devices simultaneously and watch in 4K.

## CSSE LOOKING TO FUEL SPORTS JV

**Chicken Soup for the Soul Entertainment** and **Fuel TV** are forming a JV that’ll see the creation of Fuel TV-branded SVOD

and FAST channels. The two companies will combine their respective content catalogs for the new offerings, which will be released in the coming months. CSSE's SVOD channels will become **Fuel TV Surf** while **LiftTicket** will switch to **Fuel TV Snow**. The two new channels will be titled **Fuel TV Skate** and **Fuel TV Bike**. Fuel TV will manage and operate all channels. CSSE will provide a portfolio of action sports titles through its 1091 Pictures while Crackle Connex will handle everything ad inventory related. The move signals one of the steps CSSE is taking after [forming a strategic review committee](#) in August to determine how the company should move forward. CSSE plans to expand its JV efforts as the year continues, citing that the new business deals will drive additional revenues for existing properties the company owns and operates.

## VERIZON DISCONTINUES 5G HOME INTERNET CLAIMS

**Verizon** is permanently discontinuing certain claims it made about its 5G Home Internet service after a **National Advertising Division** Fast-Track SWIFT challenge. The challenged claims were made by **Charter** regarding a holiday-themed commercial by **Verizon**. Charter argued Verizon promoted its 5G Home Plus plan with a whole home WiFi feature while making disparaging claims about WiFi services from competitors—like Charter. Verizon informed the NAD it had voluntarily discontinued the challenged claims.

## ACT FAST FOR ATTENTION

It's hard to grab and keep the attention of viewers, but FAST channels seem to solve the puzzle. **Vizio** and the attention metrics provider **Adelaide** teamed up to conduct research on what TV environments viewers pay the most attention to while watching. To get metrics, Adelaide uses opt-in eye-tracking data from TVision before having that information processed with Adelaide's model alongside attributed upper- and lower-funnel outcomes. The data revealed FAST apps outperform Adelaide's overall CTV attention benchmarks by 20-25%, also beating linear TV by 35-40%. Both CTV and linear TV had stronger-than-average attention from viewers when stacked up against traditional digital channels, though. The report also showed that the benchmarks for FAST channels are at the same level as popular AVOD and vMVPD apps by volume.

## PALLONE BRINGS FORTH BILL TO FIGHT ROBOCALL WAR

Rep. **Frank Pallone** (D-NJ) introduced legislation aimed at shrinking the number of robocalls consumers receive. The Do Not Disturb Act would require network service providers to offer robocall detection and blocking services at no additional cost to customers. It also aims to address scammers' use of AI to mimic the voices of family members when targeting older Americans. The bill would require disclosure of AI to emulate human interaction over text or phone and would double penalties for any robocall violations

of the Telemarketing Sales Rule and the Telephone Consumer Protection Act when using AI to impersonate someone.

## FIBER FRENZY

**Breezeline** wrapped up a pair of fiber expansion projects in New Hampshire and West Virginia. The company finished the construction phase of its build in Somersworth, Madbury, Dover, Durham and Concord, New Hampshire. The \$40 million project brings Breezeline's network to more than 45,000 homes and businesses across those five communities. Elsewhere down South, Breezeline finished the construction of its \$42 million project in Morgantown, West Virginia. The company's fiber internet, TV and phone services are now available to nearly 40,000 homes and businesses across Morgantown, Star City, Westover, Granville, Cheat Lake and Brookhaven.

## RATINGS

The series premiere of "Griselda" on **Netflix** recorded 1.7 million U.S. households watched during the L+3D window, according to **Samba TV**. Hispanic households over-indexed by 46% in that same period.

## DOING GOOD

**T-Mobile** is pledging \$50,000 to nonprofit organizations in Hawaii and Washington. Two organizations in Hawaii (Maui Food Bank and Maui Strong Foundation) and three in Washington (Ferndale Food Bank, Generating Hope and Habitat for Humanity Seattle – King & Kittitas Counties) received \$10,000 each after T-Mobile employees selected the nonprofits through the company's Difference Maker Award.

## PROGRAMMING

The cable premiere of "Far Haven" will come April 14 at 9pm on **INSP**. The film was released in theaters Sept. 3.

## FCC STAFF CHANGES

The **FCC** had a few changes in leadership for Chairwoman **Jessica Rosenworcel** and in the Enforcement Bureau. Rosenworcel has a new Deputy Chief of Staff after the departure of **Deena Shelter**, who's heading to Commissioner **Anna Gomez's** office. **Sanford Williams** will step into Rosenworcel's team after having worked in various positions at the FCC since 1999, most recently as a Special Advisor to Rosenworcel and Deputy Managing Director in the Office of Managing Director. – The Enforcement Bureau added a pair of senior officials. **Alice Suh Jou** joins from the **DOJ's** National Security Division and will be responsible for privacy, data security and cybersecurity matters as Assistant Bureau Chief. **Jolina Cuaresma**, who was previously Head of Law & Tech Policy at **Common Sense Media**, steps in as Senior Policy Counsel. Both will be active participants in the Privacy and Data Protection Task Force as well.