

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Across Aisles: Majority Tells FCC to Cool Rules on AI in Political Ads

The FCC's request for comment on rules that would require broadcasters and cable operators to ask political advertisers about the use of AI in their advertisements drew the eyes of many, and a number of stakeholders submitted reply comments this week reiterating concerns over such a broad set of rules going into effect.

Nearly 50 broadcasting associations representing U.S. states and territories filed joint reply comments arguing the disparity in disclosure requirements between broadcasting and nearly every other media will cause political advertisers to abandon broadcast advertising in favor of other platforms. The burdens placed on broadcasters are simply too much, they claim, with broadcasters having to either insert a disclaimer over the spot's content, obliterating political speech, or forego other ad revenue to free up the airtime necessary to add the disclosures before the spot, effectively donating airtime to campaigns and PACs.

Operationally, there are also few situations where stations would actually be able to accommodate ad spots longer than the 30- or 60-second standards when a disclosure that's four or more seconds long has to be added before the spots.

"It would cause portions of both program content and other ads (including any legal disclaimers at the front of those ads) to be preempted in violation of a station's program and advertising contracts, with a cascading impact during political season where each ad break may contain multiple political

ads," the group said. "While those advertisers would be justifiably upset, the public will be livid as their favorite programs are relentlessly 'clipped' by overlapping ads."

DirecTV agreed that it would burden MVPDs, which distribute thousands of political ads during election seasons, giving them little time to make the inquiries that would be required under the FCC's proposed rules.

"The burden on distributors will be further increased if they receive third party complaints about AI-generated content in political ads and feel compelled to make follow-up inquiries," DirecTV said.

DirecTV and others also argued that even if the FCC's proposal wasn't so burdensome, the rules would only cause intense amounts of consumer confusion because of the limitations of the agency's authority. The FCC would have no control over political ads that are distributed via online platforms and social media, so consumers could be led to believe that the content showing on those feeds does not contain AI-generated content while that on traditional media do and could be misleading.

"Audiences used to seeing disclosures on TV or cable may mistakenly assume that AI-generated content on unregulated digital platforms is equally authentic or valid simply because no disclosure is provided," Block Communications said in its own reply comments. "Viewers also will be confused by the ads on cable channels because political advertising sold by local cable systems would be subject to the proposed new rules while political advertising sold by national or regional cable networks would not."

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Block appreciated that the FCC is watching the AI space and wants to shine a light on the use of the technology in the political advertising space, but the regulatory asymmetry would cause more harm than good. Instead, it would like to see the FCC continue to monitor the development of AI and its uses in political ad campaigns while also paying attention to Congress's response to the challenges that could come with the widespread adoption of AI tools.

"Congress has not enacted any legislation that supports the Commission's efforts to regulate in this area, and it is not because Congress isn't paying attention to AI," Block said. "It would be presumptuous for the Commission to act without legislative authorization on an issue that clearly has Congress's attention."

WASHINGTON EXITS NAMIC

As we approach Diversity Week, it's worth noting that *Shuanise Washington* is transitioning out of her role as President and CEO of **NAMIC**. The association confirmed she is no longer managing daily operations, but said it's well prepared for its [38th annual conference](#), which kicks off Tuesday. "We are grateful for her contributions to the organization and wish her the best in her future endeavors," Strategy and Programs Chief *Anne-Marie Burton* told **CFX**. "During this time, NAMIC remains fully focused on its mission and strategic priorities, with our highly experienced board and dedicated staff ensuring continuity. We are well prepared and excited for next week's annual conference, which will proceed as planned." Further details on the leadership transition will be shared once finalized. Burton, who has been with NAMIC for four years and previously served as VP, Programs for the **Congressional Black Caucus**, is currently managing NAMIC's operations. Washington was tapped as CEO of NAMIC in 2018, after having led the Congressional Black Caucus Foundation for five years. She replaced *Egdon Simons*, who headed the diversity organization from 2014-until his retirement in January 2018.

MILLER OUT AT CW

CW Network announced President *Dennis Miller* is leaving his post on Oct. 31 after a two-year run. He'll remain in an advisory role through the end of the year. *Brad Schwartz*, currently President, Entertainment at the network, is reportedly expected to replace Miller. The move comes as a surprise as Miller received a contract extension in August 2023 that was good through 2027. Miller's time saw the network undergo a sports-led makeover, adding properties like **LIV Golf**, **ACC** football and basketball, **NASCAR** and "Inside the NFL" to the CW's portfolio. Miller was also on the board of director's for CW's parent company **Nexstar** from 2014-22.

INTERVENORS IN TITLE II CASE GET FIVE MINUTES IN COURT

The Sixth Circuit on Wednesday granted a request to give intervenors' five minutes of oral argument time in the challenge of the **FCC's** Title II net neutrality order. Given the move, industry petitioners—which include **NCTA**, **USTelecom** and **ACA Connects**—will get an additional five minutes for arguments, so 25 minutes total, as will the government respondents. Oral arguments are scheduled for Oct. 31 in Cincinnati. **Free Press**, **New America's Open Technology Institute**, **Public Knowledge**, **Benton Institute for Broadband & Society** and **National Association of Regulatory Utility Commissioners** filed the unopposed motion to participate in oral arguments this week. They had actually sought seven minutes to make their case.

FRONTIER, VERIZON FCC OFFICIAL

Frontier and **Verizon** have filed their official request with the **FCC** for the agency to approve Verizon's \$20 billion acquisition of Frontier. In making their case, they said Frontier faces significant financial challenges, noting that while it's on track to meet its goal of passing 10 million locations with fiber by 2026, it has incurred a significant amount of debt as a result. As of June 30, the company had debt of approximately \$12 billion, of which approximately \$11 billion was secured. In 2027, \$1.35 billion of debt comes due and debt maturities then increase to \$3.64 billion in 2028 and average \$2.2 billion per year thereafter through 2031. What's more, Frontier argues it's at a disadvantage as cable continues to offer mobile service. "Cable companies are Frontier's main competitors; these entities are able to bundle their service offerings in easy packages at competitive price points and provide customers with home broadband and mobile wireless service, which Frontier does not offer. Frontier's lack of bundling mobile wireless service places it at a competitive disadvantage," the filing said, also declaring that many of Frontier's competitors are not subject to the same level of regulation and have lower cost structures, which allows them to offer lower prices than Frontier for extended periods of time. The regulatory paperwork comes as some of Frontier's major shareholders have [complained](#) that the offer put forth by Verizon puts too small a value on the company.

FTC CONFIRMS 'CLICK-TO-CANCEL' RULE FOR SELLERS

The **FTC** voted 3-2 in favor of finalizing a "click-to-cancel" rule that will force sellers to make it as easy for consumers to cancel their plan as it was to sign up. The rule will apply to almost all negative option programs in any media and will prohibit sellers from misrep-

resenting any material facts while using negative option marketing. Sellers will also have to provide important information before obtaining consumers' billing information and charging them and get consumers' informed consent to the negative option features before charging them. Most of the final rule's provisions will go into effect 180 days after it's published in the Federal Register. In 2024, the FTC received nearly 70 consumer complaints regarding negative option and recurring subscription practices per day on average, an increase from 42 per day in 2021.

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ANOTHER TNT SPORTS MOVE

TNT Sports marked another deal, signing with the professional women's three-on-three basketball league **Unrivaled** to a multi-year partnership to have games aired live on **TNT** and **truTV**, along with all games being streamed on **Max**. Over 45 regular-season matchups will air in primetime across three nights—TNT being the lead network on Mondays and Fridays and truTV on Saturdays. Highlights and additional content will be distributed across all TNT Sports platforms. Also part of the deal is TNT Sports agreeing to invest an undisclosed amount in Unrivaled. The league will begin Jan. 17.

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SPECTRUM COMMUNITY SOLUTIONS GETS "SPECTRUM READY"

Charter's multifamily property arm Spectrum Community Solutions made the full-market launch of Spectrum Ready on Wednesday. The service is made for multifamily properties and bulk single-family communities and streamlines the move-in process for residents by enabling instant activation of a customer's internet. That means residents in certain properties won't need to get their own modem and router nor will they need to schedule an installation appointment. Once a property owner selects Spectrum Ready, technicians will install Spectrum's WiFi 6E MDU router in each unit. Available products and services through Spectrum Ready include Spectrum internet speeds of up to 2 Gbps, advanced WiFi with 6E technology and select Spectrum TV plans.

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CARRIAGE

Philo's live and on-demand library is now available on **LG** Smart TVs. Running at \$28 per month, Philo offers over 70 channels like **AMC**, **A&E**, **MTV**, **VH1**, **BET** and **Discovery**, with an additional 75,000+ on-demand titles and **AMC+** at no cost.

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RATINGS

The strong start to the college football season continued for **ESPN's** "College GameDay." The show from Eugene, Oregon, averaged 2.3 million viewers with a final-hour peak of 3.5 million. That average was up 8% compared to Week 7's show last year, and it keeps GameDay on pace for its best season ever with an overall average of 2.2 million viewers (up 9% YOY). Kansas State's close win over Colorado led games on ESPN this weekend with 3.3 million viewers.

What We're Listening to

"Take Command: A Leadership Podcast"

After more than 40 years with the Consumer Technology Association, CEO Gary Shapiro doesn't show signs of slowing down. This month, he published a new book "[Pivot or Die: How Leaders Thrive When Everything Changes](#)," and he's making the rounds promoting it, including in a recent appearance on "Take Command," a Dale Carnegie podcast on leadership.



It's an apt title for a book, Shapiro's third, given the evolution of CTA and its annual Consumer Electronics Show over the years. "We want to continue to redefine what consumer technology is," Shapiro said on the podcast, noting CTA's involvement now with mobility in cars, robotics, quantum computing and more. "We even cut a deal with the United Nations a few years ago that continues to expand about promoting fundamental human securities—the right to healthcare, food, clean air, clean water and community. They actually even recognized a year ago at the opening of the General Assembly that technology is also a fundamental human security—access to technology—because it is vital for connecting our lives and making the world better."

Shapiro also highlighted CTA's ongoing efforts to prioritize diversity in an ever-changing tech landscape and amid shifting public policies. "Diversity has been one of the criteria for our board members for over 20 years. We really want to engage women and underrepresented groups. We actually do things that help with groups like that, including investments at the startup level, because it's just the right thing to do," he said. "We do it with the disability community as well because we think technology is the answer there."

With CES 2025 just months away, Shapiro gave listeners a glimpse into what the world's largest electronics show may look like, noting that artificial intelligence will be a key focus at the event. Other solutions and technology to be showcased involve telemedicine, agriculture and accessibility.

"Generative AI has fundamentally changed the world in a big way. Everyone has something to do with that and [to] talk about—where they're going, who they need to partner with, and what they're doing," he said.

Shapiro recounted the challenges of shifting the event to a virtual format during the COVID-19 pandemic and navigating the challenges the following year as well. "We had major companies at the CEO level, Fortune 500 companies, announcing they wouldn't be in our event. They were just running from it and that was difficult," he said. "But I also had the benefit of advice from a number of CEOs, like the head of Abbott, Robert Ford, or the head of Qualcomm, who said, 'Gary, stick with it because we've got to get back to normal. We'll survive it. Let's go forward.'"

He said it ultimately was the right decision, though a tough one to make. Despite CES 2021 being held virtually and CES 2022 ending a day early due to COVID-19, momentum has continued to build. With more than 117,000 attendees in 2023 and 138,739 in 2024, CES 2025 looks to continue that upward trend.

– Noah Odige