#### VOLUME 36 | NO.033

# Cablefax Daily

#### WHAT THE INDUSTRY READS FIRST

#### **Broadcast Booth:** NAB Chief Says Respect the Press, Relax Media Regs

The crowd at Wednesday's **Media Institute** luncheon in D.C. was made up of its usual attendees— lobbyists, lawyers, federal employees and a few members of the press. They've seen many an administration transition in their time, but nothing quite like Trump 2.0. It's hard to keep up with the pace of change—case in point, an executive order late Tuesday that would give the president direct control of independent agencies such as the **FCC** and **FTC**, organizations where many in the room cut their teeth.

Given The Media Institute's 45-year history as a non-partisan organization focusing on the First Amendment and recent threats by Trump to revoke broadcast licenses over content disagreements, there was elevated interest in the day's speaker, **NAB** President and CEO *Curtis LeGeyt*.

"This is not an easy time to be a broadcaster. It's not an easy time to report on the deluge of information that is shaping our world. It's not an easy time to cut through the polarized rhetoric to find the truth. And yet, there has never been a more critical time to arm Americans with the facts and let them make their own decisions," LeGeyt said at the start of his speech. "To fulfill this mission, our newsrooms must be able to report without fear or favor. This isn't just a constitutionally protective right. It is fundamental to serving our communities. Any effort to limit broadcasters' ability to report the facts threatens the public's right to know and chills free speech." The room erupted into a steady round of applause, notable given the often reserved nature of the policy crowd. LeGeyt continued by saying Americans deserve the full and fair reporting that broadcasters provide "without the risk of government retribution in a media environment flooded with social media misinformation and cable news politicization."

From there, the NAB chief pivoted to what the government can do for broadcasters: relieve it of burdensome media ownership regulations. He quoted then-FCC Commissioner (now Chair) *Brendan Carr*, who declared last year that broadcasters were at a "break-glass moment" because of unprecedented headwinds and competition, including from largely unregulated Big Tech. Carr made the remark in objecting to an FCC decision to apply several conditions to **Adell Broadcasting**'s application to sell WADL to **Mission Broadcasting**, with the conditions leading to the \$75 million sale falling through.

"There is an FCC imposed cap on the national reach of any one television broadcaster. Right now, a single company is only allowed to serve a little more than a third of all American homes, 39% to be exact. But **Netflix**, **YouTube** and **Amazon** have no such limit. They can reach 100% of households. Only local broadcasters remain burdened by regulations that no longer reflect market realities," said LeGeyt, calling for removal of the ownership cap. "These local stations must have the ability to scale up and compete for audience and the advertising dollars that allow us to invest in providing vital emergency information and local news to communities."

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The 39% cap is at the center of a Notice of Apparent Liability issued against Nexstar last year by the FCC that would impose a \$1.2 million fine and require divestiture of NY station WPIX. The broadcaster is appealing the NAL, which found Nexstar and Mission willfully and repeatedly violated several Commission rules, including its 39% cap, through their WPIX transactions. Just last week, Altice USA reps met virtually with Carr's senior counsel to discuss issues with Nexstar (the two had a short blackout last month). "We encouraged the Commission to clarify the rules surrounding these negotiations, to curb Nexstar's pattern of extending its ownership reach beyond the limits allowed by FCC rules." Altice USA said. "We explained that while Altice and Nexstar had entered into a short-term retransmission consent agreement, Optimum had been forced to agree to terms that the Commission has suggested violate its rules, as well as to agree to preserve those terms in place even if the FCC explicitly bans them, as long as any time for potential appeals remains."

During his appearance Wednesday, LeGeyt also called for the FCC to modernize local TV and radio ownership rules, including regs that largely prevent TV broadcasters from owning two of the top four rated broadcast stations in a media market. He repeatedly stressed that broadcasters can provide local journalism, filling the holes left by dying newspapers. He rattled off stats that YouTube counts for one-tenth of all TV that Americans watch on any video service and that one-third of adults under 30 get their news from TikTok. "Make no mistake, we welcome competition on a level playing field that incents us to up our game. But YouTube and TikTok aren't on the ground reporting around the clock when wildfires race through the neighborhoods or hurricanes destroy entire towns," he said. "Big tech is interested in clips, not public service, and it is past time for our stations to have a fair chance to compete, to enable them to keep doing what they do best, being there when it matters the most."

Asked by CFX if broadcasters were willing to codify some commitments to localism in exchange for loosening media ownership rules to prevent large station groups from consolidating news resources across the country, LeGeyt said the association is open to any conversation and proposal either the FCC or a member of Congress might have to better ensure our ability to serve local communities. "History has shown that in those areas where broadcasters they have been able to gain scale-whether that's on the national level or in local markets where some waivers have been granted to allow ownership of more than one big four station-it has resulted in more local news," he said. "The marketplace is extremely competitive for nationalized content. It's extremely competitive for content that reinforces your politics, regardless of what side you're on. The model for local broadcasters only wins if we are focused on local communities."

### **EXECUTIVE ORDER IMPACTS OVER-SIGHT OF INDEPENDENT AGENCIES**

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President Trump is reining in federal agencies that were previously looked at as independent. In an executive order signed late Tuesday, he gave himself greater power over agencies like the FCC, directing them to submit draft regulations for White House review and consult with the White House on their priorities and strategic plans. Those of us who have been doing this for a while will remember when Republicans objected to what they saw as the FCC caving to demands by Obama on net neutrality and upending the agency's independent status. Per the EO, the White House will set overall performance standards. The Office of Management and Budget has also been directed to adjust appointments at the independent agencies to ensure tax dollars are spent efficiently. "These agencies issue rules and regulations that cost billions of dollars and implicate some of the most controversial policy matters, and they do so without the review of the democratically elected President. They also spend American tax dollars and set priorities without consulting the President, while setting their own performance standards," a fact sheet on the executive order said. "Now they will no longer impose rules on the American people without oversight or accountability." New Street Research said the executive order doesn't make it clear if every agency decision must be cleared by the White House or if those are simply final decisions that would impose regulations. But however all sides decide to interpret it, one thing is for sure-it will add time to every important Commission action. "In the pre-Executive Order framework, any party aggrieved by an FCC decision has a right to appeal to the courts. They still do. But they also now effectively can appeal to the White House. And one never knows what party has some connection to someone at the White House who might tie up the issue there and perhaps reverse the FCC thinking," the firm said in a note. "Again, we think [FCC Chair Brendan Carr] is unlikely to do anything that is contrary to the wishes of the White House, but the range of issues is so broad that there is a greater uncertainty on some smaller, less well-known issues."

#### FUBO ROLLS OUT FIRST OF MULTICULTURAL CONTENT BUNDLES

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The skinny bundles aren't just being tailor-made for sports fans. **Fubo** revealed the first of its multicultural content bundles in the U.S., with the debut bundle being designed for the South Asian community. Dubbed "Zee Family," the bundle features 18 linear entertainment channels from **Asia TV USA**—an independent distributor of **Zee Entertainment**—in multiple languages, including **Zee TV**, **Zee Cinema**, **Zee Punjabi** and **Zee Classic**. Customers can get it as a standalone or add-on option to their

Cablefax Daily (ISSN 1069-6644) is published daily by Access Intelligence, LLC | www.cablefax.com | 301.354.2101 | Editorial Director: Amy Maclean, 301.354.1760, amaclean@accessintel.com | SVP Media Group: Dave Colford, 631.786.9796, dcolford@accessintel.com | Managing Editor: Sara Winegardner, 301.354.1701, swinegardner@accessintel.com | Editor: Noah Ziegler, 301.354.1704, nziegler@accessintel.com | Sales Director Cable & Broadband Group: Amy Abbey, 410.979.0171, aabbey@accessintel.com | Production Manager: Joann Fato, jfato@accessintel.com | Kerry Smith, Divisional President, Marketing & Media Group, ksmith@accessintel.com | Group Subs/Subscription Questions, Client Services: 301.354.2101, clientservices@accessintel.com | Annual subscription price: \$1,999.00/year | Access Intelligence, LLC, 9211 Corporate Blvd., 4th Floor, Rockville, MD 20850

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subscription, but they're only able to purchase an annual sub for now as the vMVPD plans to launch a monthly option soon. Fubo, which plans to launch more live and VOD bundles serving different cultures and languages soon, also teamed up with Asia TV USA to launch the DTC app ZEE5 on the vMVPD.

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#### FDSN LIVE ON PRIME VIDEO

The FanDuel Sports Network RSNs are now available on Prime Video as an add-on subscription for those living within a team's designated market. The news was first announced in November when Diamond Sports Group-now Main Street Sports-agreed to make the 16 networks available on the streamer as part of a multi-year deal. Fans can purchase the add-on for \$19.99/ month to access live games and studio programming.

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#### **SPECTRUM BUSINESS, XFINITY** MOBILE ROLL OUT NEW DEALS

Spectrum Business introduced new options and benefits for customers Wednesday. New small business customers have the choice of getting Spectrum Business internet with 500 Mbps starting speeds for \$40/month for 12 months when bundled with any two other business products, or they could get a three-year price guarantee if they upgrade to 750 Mbps or 1 Gbps speeds as part of that same bundle. Current Ultra Internet subscribers will have their download speeds increased by 25% from 600 Mbps to 750 Mbps at no charge. Additionally, the Customer Commitment initiative Charter revealed in September is being extended to small business customers, focusing on aspects like reliable connectivity, customer service, transparency and customer feedback. - With the iPhone 16e launching Feb. 28, Comcast is letting Xfinity Mobile and Comcast Business Mobile customers preorder the device starting Friday along with deal options. New Xfinity Mobile customers who sign up for the Unlimited Plus plan can get the iPhone 16e for free with an eligible trade-in. New and existing customers with the Unlimited or by-the-gig plans can receive up to \$300 off with an eligible trade-in. That \$300 discount is also available to Comcast Business Mobile customers, though new users who sign up for the Unlimited Premium plan can get the device for free after a trade-in.

### MAD APPEALS FCC DECISION ON FOX STATION RENEWAL

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The Media and Democracy Project is appealing the FCC's decision to dismiss its petition to deny the broadcast license of Fox Corp's WTXF in Philadelphia over 2020 election coverage. Former FCC Chair Jessica Rosenworcel directed the Media Bureau to deny the petition in her final days in office along with others related to claims of news distortion at CBS News over a "60 Minutes" interview with Vice President Kamala Harris, alleged violations of the equal time rule at NBC's "SNL" and favoritism of Harris during a presidential debate at ABC. Current FCC Chair Brendan Carr revived all but the petition related to the Fox station upon the

## The WHO and the

CFX's spotlight on recent new hires & promotions



Perman SVP, SPORTS **CW NETWORK** 3 THINGS TO KNOW

• The CW Network has undergone a sports-led makeover these past few years, and it's handing Michael the keys to oversee CW Sports' efforts as it looks to continue to grow. The newly created position will have him manage all strategy, programming and media rights on behalf of CW Sports, whose portfolio currently boasts ACC football and basketball, WWE NXT, NASCAR Xfinity Series and more. Michael will report to CW Network President Brad Schwartz and be based in CW's NYC office.

- Michael joins from the media agency Aggregate Sports where he was SVP, Global Media Rights, having negotiated distribution agreements for both established and emerging properties. Michael spent 16 years at NBC Sports and rose to VP, Programming prior to his time with Aggregate Sports. He would hold that title for 11 years, holding acquisitions, program planning and scheduling for NBC and the NBC Sports Network under his purview. Michael helped guide the company through the Comcast-NBCU merger as well, where at the time he was Director, Scheduling for the Comcast-owned cable sports channel and managed relationships with UFC, boxing and college sports.
- Other stops along Michael's career include Fox Sports as a scheduling manager and the NBA as Director, International Programming. He helped create and operate the day-to-day operations of NBA TV International in addition to the scheduling of league programming around the world. Michael graduated from Ithaca College with a Bachelor's in Sports Management.

start of his term. "The Bureau erred in concluding that Section 309(k) of the Communications Act limits Commission review of renewal applications to conduct at the station and that the alleged misconduct did not take place at the station," the application said. "The Bureau further erred in failing to designate a hearing on the substantial and material questions of fact MAD raised, whether Fox's misconduct was 'so egregious as to shock the conscience and evoke almost universal disapprobation,' the Commission's standard for acting on character issues relevant here." Because the petition was dismissed at the Bureau level and not by a vote by the commissioners, MAD must appeal to the full Commission before moving to the courtroom.

### DOD NEED FOR SPECTRUM **QUESTIONED AT HEARING**

The rub between the need for spectrum for national security and also the desire for additional resources for commercial users was on display once again at a Senate Commerce hearing Wednesday.

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While the hearing was in part a discussion about FCC auctions, a large portion of the discussion focused on how much spectrum federal users like the Department of Defense are actually using efficiently and if there are resources to spare for innovators in the private sector. "Just to be told we can't share any, we're using all of it at all times... there are important systems in these bands. There are systems that absolutely are essential to our national security. But to say that we can't share any of it and we're using all of it, that doesn't pass muster," Matt Pearl, Director of the Strategic Technologies Program at the Center for Strategic & International Studies said in response to questioning. Bryan Clark, Senior Fellow and Director of the Center for Defense Concepts and Technology at the Hudson Institute, agreed, advocating for an assessment of individual systems, what frequencies they utilize and if there are ways to operate them differently to allow them to be more agile within spectrum bands. He noted systems that are designed to help warfighters avoid enemy detection or enemy jamming as a place where things could be tightened up. "If you had spectrum sharing schemes and dynamic spectrum sharing, you could still do anti-jam operations while being able to free that spectrum up for other users when you're not employing it," he said.

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#### UPDATE FROM CHARTER-LIBERTY

After **Charter** and **Liberty Broadband** announced their merger agreement in November, they have each faced various stockholder lawsuits that allege, among other things, that the companies omitted material information from the joint proxy statement/prospectus in violation of federal securities laws. Charter and Liberty Broadband said they believe the claims are without merit and supplemental disclosures aren't necessary, but in order to avoid any delays or adversely affect the transaction, they supplemented their joint proxy statement/ prospectus at our deadline Wednesday. The updates, which include clarifications around financial details, can be found <u>here</u>.

#### NFL GOING BACK TO BRAZIL

The **NFL**'s first go-around in Brazil must've been a success considering the league is already heading back. After having the Eagles and Packers <u>play in São Paulo</u> at the beginning of the 2024 season, the NFL tapped the Chargers as the designated team to play at the same venue on the Friday night of Week 1 (Sept. 5) this upcoming regular season. The Chargers' opponent and kick-off time will be announced when the NFL's full 2025 schedule is unveiled this Spring. It remains to be determined who will handle broadcasting duties for the game. Last year's Eagles-Packers was a **Peacock** exclusive that garnered a total audience delivery of 14.2 million viewers and a peak of 15.3 million.

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#### **FLOSPORTS SIGNS WITH D-II ECC**

**FloSports** and Division II's East Coast Conference finalized a sevenfigure exclusive media rights deal that begins this fall. FloSports will provide the ECC and its nine member schools a digital streaming platform that'll host live games and on-demand replays. The ECC is the 13th conference to sign with **FloCollege**, which is eight months into its plan to <u>invest north of \$50 million</u> to support rights fees, production, content and marketing. All revenue generated from the partnership will be re-invested into ECC member schools.

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#### SINCLAIR, NEXSTAR INK RENEWAL

**Sinclair** struck a broadcast affiliate distribution agreement with **Nexstar** to renew and expand the clearances for Sinclair's free, over-the-air multicast television networks. The deal includes **Comet**, **CHARGE!**, **TBD** and **The Nest**, and the renewals and additions of stations represent more than 15 million total U.S. households.

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#### **DIRECTV MYSPORTS GAINS NBC**

**DirecTV** expanded its **MySports** lineup once again, adding **NBC** affiliates in 140 markets. The news comes ahead of this Sunday's Aston Villa vs. Chelsea Premier League match at 12:30pm ET. DirecTV debuted the skinny sports bundle in January for a promotional price of \$50 for the first three months (it then raises to \$70). It already had the NBC 0&0 stations, but has been working on signing deals with broadcast affiliate owners. The new NBC affiliates include several **Gray Media** stations along with **Entravision**'s Palm Springs station.

#### FIBER FRENZY

**Lumos** is adding an eighth state to its footprint, unveiling plans to build nearly 7,500 miles of fiber optic internet in Florida. The expansion will bring Lumos to 30+ communities in the Sunshine State and pass around 500,000 homes and small businesses across Osceola, Escambia, Citrus, Lee, Pinellas and Charlotte Counties. It's the third new market that Lumos has announced in 2025, and construction is slated to begin soon.

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#### PROGRAMMING

**C-SPAN** has been helping folks learn more about the new faces in Congress this week. The network is running 10-minute interviews with newly elected members through Saturday, discussing their early lives, careers, families and reasons why they ran for office. Interviews start at 9:30pm each night, with tonight's lineup featuring Reps. *Eugene Vindman* (D-VA), *Bob Onder* (R-MO), *Wesley Bell* (D-MO), *Rob Bresnahan* (R-PA) and *Emily Randall* (D-WA).

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#### PEOPLE

**Schurz Communications** is removing the interim tag from *Austin Cook*'s title and appointing him as CFO. Cook, who's been interim CFO since September, first joined the Schurz ecosystem in 2019 at its cloud service provider **OTAVA**, holding multiple finance roles on the way to becoming OTAVA's CFO last April.

## Think about that for a minute...

## **Fragmentation and Chaos**

#### Commentary by Steve Effros

It's hard to miss the chaos that's overtaking virtually every department and agency in Washington right now, but we'll get to that later. Yes, it's going to have a direct impact on you. First, however, I want to focus on the chaos being visited on each individual television viewer these days. Unlike what's going on at the national level, with extraordinary consolidation and random exercise of power creating the angst, at the local, individual TV viewer's level it's the fragmentation of the marketplace that's creating the problem.

Put simply, there's no darn way to figure out what's on, where it is, how to get it or even whether you've already paid for it or not! I don't think I'm alone in getting incredibly frustrated by all this, in fact I know I'm not. I get lots of feedback from each column I write imploring the various video program distributors to get their acts together and form some sort of agreement to provide a uniform "TV Guide" type of listing that is accurate, up to date, and best of all, totally inclusive!

Yes, I know, there are listings, particularly online, that purport to tell you these things. But anyone who has actually tried to use them knows they don't work terribly well. Here's the rub: the various listings and recommendation services, particularly the "smart" ones, like smart TVs or video delivery systems like Google TV or Roku all seem to have "blind spots" and clearly make recommendations tilted toward particular suppliers. I assume it's because they either want to maintain a competitive advantage or they haven't been able to reach a deal with a particular programmer. But the result is viewers are left to rummage around either trying to figure out what they want to watch or find the thing they wanted to watch! It can drive you nuts.

Let me give you an example of what I mean by fragmentation; PBS documentaries. There are a lot of good ones. We tend to look at a lot of them in my house. We support our local PBS station. Because of that we automatically (well, after doing some arcane sign-up acrobatics) get access to "PBS Passport," and that's all available on the PBS streaming app. Great. But most PBS documentaries aren't there! They've been stripped out of the PBS/Passport library and are now offered on a separate pay channel! Available on the PBS app? Nope. The PBS Documentary channel is on Amazon Prime! Easy to find? Nope. It's somewhat hidden in small letters (that's a whole other column!) at the top of the primary selection screen, as is the little "search" icon, which most services also seem to think we don't really want to find. It drives me nuts.

The fragmentation of delivery services, ownership and availability of programming (which the internet can't keep up with) is becoming so confusing that it behooves all of the various players to cooperate and create an all-inclusive free catalog of what, where, when and how much with all the multiple options listed. Without it the viewing audience is eventually going to just give up and revert to curated library bundles.

Speaking of chaos, the FCC's latest maneuver, investigating Comcast for potential "promotion of invidious forms of discrimination in violation of FCC regulations and civil rights laws," one would have to ask which FCC regulations? This is all part of the new administration's purging of "anything DEI." But I might note that the FCC's rules restrict ownership precisely to encourage diversity. The "equal time" rules are intended to support equity, and the Commission has to follow the Administrative Procedure Act specifically to assure inclusion! The FCC is the model of "DEI" by Congressional mandate! Both

> fragmentation and chaos are unproductive. It's time to remedy both.



steve@effros.com

(Steve Effros was President of CATA for 23 years and is now an advisor and consultant to the cable industry. His views do not necessarily reflect the views of Cablefax.)

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