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January 20, 2020

Pittsburgh Post-Gazette
AT&T brought 5G to Pittsburgh, but you might not have noticed ... yet

Philadelphia Inquirer
Comcast's David Cohen, Sen. Pat Toomey, Vice President Mike Pence help steer 'America 250' birthday

LightReading

TV viewers in the Pittsburgh region have been recently warned about losing the ability to watch their local television stations:
• **DirecTV viewers lose WTAE** after negotiations for a new deal fail
• WPXI Channel 11 announces **PCNC changes**
• Attention **Dish customers**: You could lose access to WPXI-TV

They're the result of expiring retransmission contracts between the stations and the cable and satellite providers that pay a negotiated fee to rebroadcast them. Neither side

[**Charter Gets Noisy About Owning Spectrum for 4G, 5G**]

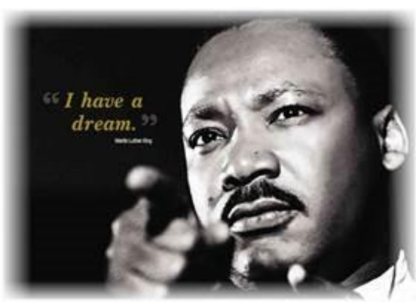
WJET-TV, Erie
[**Video: PUC designation will allow Velocity.net communications to expand Erie County broadband**]

New York Times
[**Please Stop Big Tech, Small Rivals Tell Lawmakers**]

Pittsburgh Post-Gazette
[**State races drawing attention from national political groups**]

Pennlive
[**'It's really an opportunity for anybody to get involved': Hershey Democrat aims to make Pa. congressional primary competitive**]

Allentown Morning Call
[**Pennsylvania Democrats prod Republicans over Obamacare's fate this election year**]



benefits if viewers are left in the dark, but shedding light on the ins and outs of the behind-the-scenes dealmaking behind the pacts is tough. Aside from **corporate statements**, no one involved will comment publicly about the deals. "I've never seen a retransmission consent contract," said Ted Hearn, vice president of communications for the American Communications Association, a Green Tree-based trade group that represents the interests of about 700 smaller cable companies. The group doesn't include the behemoths Comcast, Charter, Cox and AT&T, the parent of DirecTV.

From Hearn's perspective, broadcast stations and the conglomerates that own them are exploiting federal regulations and market dominance to get what he termed egregious sums of money paid by small cable companies that are ACA members. Dennis Wharton, vice president of communication for the National Association of Broadcasters, a trade group that represents the interest of 7,500 radio and television stations, sees things differently. "Broadcasting is far less consolidated than the companies we're negotiating against," Wharton said. AT&T's market capitalization (the total value of its stock) is $277.8 billion. That's more than the combined value of every broadcast company combined, according to Wharton. "Who's got the leverage?" he mused.

"Rabbit ears" are a relic now. Those old-fashioned, bent-up pieces of metal — which are likely gathering dust in a grandparent's attic or basement — are the antennas that people hooked up to their television sets to get broadcast signals, free of charge. They hearken back to a simpler time when one had to get off the couch or up from an easy chair to turn a dial from channel 2 to 4 or 11. Now, it's remote controlled and shown on a high-definition, 60-inch flat screen mounted above the mantel with an endless, ever-changing array of providers, channels and streaming services that allow you to watch the programs you want, when you have time to watch them.

The convenience comes with a catch, however, as each service charges subscription fees beyond the price of electricity to power up the set. One thing hasn't changed: People still want to watch their local television stations. In the Pittsburgh area, that means KDKA, WPXI, WTAE and WPGH, the local affiliates of CBS, NBC, ABC and Fox, respectively.

The vast majority of viewers still watch broadcast television, even if they're doing so using a cable or satellite provider, Wharton said. Those stations are offered as part of cable and satellite programming packages, which rebroadcast them by paying a fee to the companies that own the stations. The fee is negotiated in a contract and many of these pacts expired Dec. 31. "Ninety-nine percent of these deals get done without any disruption whatsoever," Wharton said.

When a deal isn't reached and the contracts expire, customers face a threat of losing the ability to watch the stations. It's been the case in the Pittsburgh region recently as both Hearst Communications, which owns WTAE, and Cox Communications, which owns WPXI, have had to renegotiate their contracts with providers. It resulted in brief disruption of service for WPXI viewers who were Verizon Fios customers and WTAE viewers who were DirecTV customers. New agreements were reached in both cases, but another contract between Cox and Dish Network is in negotiations. “There’s an incentive on both sides to get these deals done,” Wharton said. “It’s only in very rare instances there’s a disruption of service.”

The deals themselves can be complicated and don’t always revolve around money, according to Angela Campbell, a professor at Georgetown Law School who teaches communications law. While cash is a factor, other things like advertising or promoting a broadcast programming on cable channels, broadcasting other digital channels, or other considerations can be at play, Campbell said. The trade group leaders from both sides agreed, although the exact terms of the pact remain between the specific provider and the broadcaster and aren’t made public.

The laws governing how these deals work date back to the 1990s and haven’t kept pace with the changing ways people watch TV. The Cable Television Consumer Protection and Competition Act of 1992 required cable companies to carry local television stations and prohibited cable providers from charging broadcast companies to carry their stations. But stations could elect to be exempt from “must carry” status and instead negotiate a retransmission agreement with a provider where they would be paid if the provider carried them, according to Wharton.

In 1999, the first Satellite Television Extension and Localism Act was enacted and it was reauthorized in 2004, 2010 and 2014. It was allowed to expire in 2019, but portions of the law were included in appropriations legislation that was signed into law before the end of the year, and this time they were made permanent. The legislation sponsored by U.S. Rep. Mike Doyle, D-Forest Hills, who leads the Subcommittee on Communications and Technology of the House Energy and Commerce Committee. In June, **Doyle led a hearing on the legislation** where he acknowledged the “complex marketplace” that is America’s television industry. The law is designed to prevent blackouts to customers, according to Doyle.

The new law permanently requires good faith negotiations for retransmission agreements and requires pay TV companies to adhere to truth-in-billing fee disclosure, both of which were supported by the **broadcasters’ association**, which called them pro-consumer provisions in a statement. Cox, the company that owns WPXI, and Dish, the satellite provider, **remain in negotiations** for a new retransmission agreement. – ***Pittsburgh Tribune-Review***

The **streaming wars** are upon us. But for investors who have bet big on the outcome, this earnings season will provide only a sneak peek at best.

The recently ended December quarter featured the high-profile entrance of Walt Disney Co. and Apple Inc. into the fray. It also featured major new content releases from incumbents such as Netflix and Amazon.com that are looking to protect their positions. This spring will see the launch of HBO Max from AT&T's WarnerMedia division as well as Peacock – a **new streaming service** previewed by Comcast -owned NBCUniversal on Thursday.

With several significant chess pieces still being positioned, investors will be hard-pressed to get a sense of the game this early on. Take Disney, which has made an undeniable splash with its Disney+ service that launched in November. The exclusive Star Wars series called "The Mandalorian," with its already **iconic Baby Yoda character**, helped the service to rack up 10 million subscribers on the day of its debut. Disney hasn't given an update since then, but market research firm Sensor Tower reported earlier this week that the Disney+ app has now been downloaded nearly 41 million times. Credit Suisse analysts estimate the service closed the quarter with about 20 million subscribers.

A great start—if true. But even confirmation of a strong launch wouldn't answer the bigger question of staying power. Most of Disney's content is its well-known family fare. Star Wars fans who jumped on to watch "The Mandalorian" might have bolted as subscribers after the last episode of that season aired on Dec. 27. Disney hasn't yet said whether it will provide quarterly subscriber forecasts the way Netflix does. That could leave questions about sustainability unanswered following the company's fiscal first-quarter report on Feb. 4.

Apple also launched its TV+ streaming service in November. It is relatively cheap at $4.99 a month and is free for a year for anyone who bought an Apple device starting in the fall. But it has a limited array of original content. That will likely limit its impact on services like Netflix. Apple reports results for its fiscal first quarter on Jan. 28. Notably, the company didn't even bother giving an early subscriber number for TV+ when it boasted of the growth of the App Store and other services last week.

Speaking of Netflix, the streaming pioneer's quarterly report on Tuesday also will leave some questions unanswered. The company already projected the addition of 7.6 million paid subscribers globally for the fourth quarter, and Wall Street expects about 9 million more for the first quarter. A shortfall would likely dent a stock price that historically moves closely on subscriber numbers. But even a beat would leave unclear the impact of competition—particularly from the HBO Max and Peacock services. Both are slated to launch in the second quarter and will feature popular programming like "Friends," which was **a major draw** for Netflix users.

Those services also will provide fresh competition on both ends of the pricing scale. Peacock will offer an ad-supported service for $4.99 a month and an ad-free version at a monthly rate of $9.99. The latter is still 23% cheaper than Netflix's standard plan. HBO Max is gunning for a **more premium offering** priced at $14.99 a month, banking on the pull of its namesake brand. Disney+ charges $6.99 a month. Even if streaming subscribers do bounce around to try new services, longer-term questions are unlikely to be answered even by the end of this year. Those questions include which service will be the most sticky and exactly how many services subscribers are willing to pay for at any given time. For investors, the real streaming drama has yet to unfold. – ***Wall Street Journal***

The U.S. electoral calendar will likely lead to an escalation in Washington's criticism of big tech companies this year. But politics could delay any major U.S. regulatory decision-making until after the elections are over, say legal, policy and tech experts.

Tensions between Washington and Silicon Valley mushroomed in 2019, with investigations, Congressional hearings and a mounting drumbeat of recriminations. The Federal Trade Commission and the Justice Department launched separate antitrust investigations into Facebook Inc., Google, Amazon.com Inc. and Apple Inc., probing the extent of their control over internet search, social media and online commerce. Several Democrats running for president have targeted Big Tech for breakups or other severe changes—a rallying cry that could well increase as the November vote draws nearer.

Lawmakers from both parties last year also began working on bills aimed at strengthening individuals' ability to control their data collected by tech giants. At the same time, the current partisan divide, exacerbated by the presidential election, makes it hard to imagine meaningful rules on the tech industry coming out of Washington this year—especially because the two parties don't share all the same grievances or agree on what kind of regulatory role the government should play. "There's a lot of anger channeled at the tech platforms, but for different and contradictory reasons," says Nathaniel Persily, a Stanford University law professor and co-director of the California school's Cyber Policy Center.

At Wedbush Securities Inc., analyst Dan Ives thinks the companies are likely to adopt modest, self-imposed changes to show goodwill and to bolster their argument that there is no need for a costly courtroom battle or stricter antitrust laws. "The tech stalwarts are going to try to play nice in the sandbox, but they also have their boxing gloves on," Mr. Ives says.

One way Facebook and Alphabet Inc.'s Google could score points with federal regulators this year is to demonstrate that they have learned from the mistakes they made during the 2016 election with regard to the spread of disinformation on their platforms, says Adam Segal, director of the digital and cyberspace policy program at the Council on Foreign Relations. “They need to convince people it is a problem that can be addressed without changing their business models,” Mr. Segal says. “If they can garner some goodwill, it could deflate some of those attacks on their business practices.”

Facebook, Google and other social-networking companies have already taken some steps, hiring more staff and deploying machine-learning technology to better identify and prevent false or misleading content from appearing. But researchers say that such efforts need to be amplified and that the companies should share more data with experts working to develop new detection methods. Apple and Amazon, meanwhile, are being probed by antitrust investigators over whether they sell products and services in **ways that are unfair** to consumers and smaller businesses. For example, regulators want to know if the **companies are listing** their own apps or goods in search results above those from third parties, even though their items may not be as relevant or rated as highly as others—behavior the companies have denied.

Regulators are more worried about how the social-media platforms handle user data, because that is a newer issue with implications not yet fully understood, according to April Doss, a former intelligence lawyer at the National Security Agency and now a partner at Saul Ewing Arnstein & Lehr LLP. “The concerns for small tech have been out there for years,” she says. “What seems to have really shifted with antitrust is the added privacy component.” – ***Wall Street Journal***

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