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Comcast
partners with
Twitter for
first-ever
social
campaign to
promote X1**

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**MediaPost
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**TV By The
Numbers
Cable Top 25
for Week**

Most of us know, at least in the abstract, that Google and Facebook are tracking our every move online. Even Netflix collects detailed information on our binge-viewing habits, the better to make decisions about which films to drop from its catalog or what new TV series to invest in.

But what if I told you there are companies that can go much deeper than firms like Google and Facebook in their data-gathering prowess? Companies that not only know that you watch Netflix for two hours a day but also how long you spent reading this article before going back to Twitter and, at the same time, that you soon intend to go on a vacation because of all the time you spend browsing airfare sites?

Tech companies might enjoy access to a handful of these insights based on the data they gather when you visit their properties. But telecom and cable companies are in a position to learn much more about you, policy analysts say. That's because Internet providers can see that you're listening to Spotify while watching Netflix and Googling for reality TV shows at the same time - whereas each of those sites might only capture a slice of your overall Internet habits. And that gives Internet providers a major potential advantage.

"An ISP has access to your full pipe and can see everything you do" online if you aren't taking extra steps to shield your activities, said Chris Hoofnagle, a law professor at the University of California Berkeley. Other than corporate privacy policies, he said, nothing under current law prevents broadband companies from sharing information with marketers about what types of Web sites you visit.



With behavioral data becoming central to the Internet economy, roughly 60 privacy and consumer groups are now calling on federal regulators to fast-track rules aimed at preventing Internet providers from using that data unfairly. In a letter to the Federal Communications Commission on Wednesday, the organizations called for clearer

rules governing when and how an Internet provider may gather and share personal information.

Broadband companies have shown an increasing interest in consumer data. Verizon last year bought AOL in a \$4 billion deal that allowed the telecom firm to integrate AOL's substantial advertising technology into its own business, improving how it targets ads on Internet videos. AT&T runs a program that offers a monthly discount on Internet service in

**Ending
January 17**

**Beaver
County
Times
State Sen.
Elder Vogel
Jr.'s bill to
reduce
Legislature
passes key
committee**

exchange for letting the company track your online behavior. And Comcast made a series of acquisitions last year to boost its own targeted-advertising efforts.

"Verizon's acquisition of AOL speaks to their ambition to make advertising a bigger part of their business, and ultimately selling advertising is the way they're going to monetize all of that customer data," said Craig Moffett, an industry analyst at MoffettNathanson. Expect cellular carriers such as Verizon and T-Mobile to move faster toward a data-driven business model, Moffett said, while providers of fixed broadband may move more slowly.

As pressure rises to gather more data, consumer groups say the outcome could be a whole new rivalry between Internet providers and tech companies as broadband firms try to replicate the business model behind Facebook and Google, or use their access to data to promote proprietary streaming apps to compete with Netflix or Hulu.

"If they're monitoring your viewing habits and what kinds of things you like to watch, they can tailor particular services or offers to you," said Harold Feld, senior vice president of Public Knowledge. "You might think, 'Okay, that's great,' except for two things - they're not necessarily just going to keep that information to themselves. They'll sell it to build profiles for advertising. But also, it is an enormous anti-competitive problem." By leaping into the business of personal data, telecom and cable companies stand to compete with Silicon Valley's own tried-and-true path to success. Armed with their expansive view over the entire Web, Internet providers may even be in a position to out-Facebook Facebook, or out-Google Google.

Broadband companies have begun seeking other ways to make money, realizing that simply offering Internet service is no longer enough in a media-saturated age. The resulting land grab for ad-targeting technology reflects the way Internet providers now look at data and analytics as vital to their continued growth, particularly in mobile video. "No one has fully cracked the code yet in terms of ad tech in online video," said a telecom industry executive, who spoke on condition of anonymity in order to discuss matters of strategy. "It's the expertise in mobile, combined with the expertise in ad tech, and scaling that up."

The market for online advertising - worth \$50 billion in 2014 - has roughly quadrupled in size since 2005, according to an annual study by PricewaterhouseCoopers and the Interactive Advertising Bureau. In 2014, mobile advertising made up a quarter of that figure. It's no surprise, then, to hear that Internet providers are interested in a cut of that pie. One trade group for the industry, US Telecom, did not respond to multiple requests for comment. The National Cable and Telecommunications Association declined to comment.

Wednesday's letter from consumer groups may jump-start efforts by the government to clarify its privacy rules for Internet providers. That process has been in the works since the FCC approved net neutrality regulations last year, applying telecom-style obligations to broadband companies. Included in those regulations are a number of provisions related to privacy - but because they were written for legacy phone companies, the FCC is expected to adapt them to Internet providers. The agency could propose its new rules by late March.

Less clear is how strict the adapted privacy rules will be. The outcome could be powerfully shaped by the tech companies whose interests stand to be threatened by Internet providers. One consumer group, Public Knowledge, has sought to forge an alliance with the tech industry on the issue, according to a person familiar with the matter who spoke on condition of anonymity because the discussions were private. But so far, few tech companies have proven receptive to the outreach, fearing that stiffer privacy regulation of broadband companies could lead to additional regulation of Internet businesses themselves, the person said.

Other consumer advocates appeared to endorse that idea, calling on the FCC in a separate letter Wednesday to address "a broad range" of privacy issues. "The FCC

should take a comprehensive approach to communications privacy, recognizing the full range of threats to consumers, from Verizon and Comcast to Facebook and Google," said Marc Rotenberg, president of the Electronic Privacy Information Center.

The FCC has pledged not to regulate Web companies as it implements its landmark net neutrality rules. Agency Chairman Tom Wheeler reiterated that message at the Consumer Electronics Show this month. A tech industry trade group, the Internet Association, declined to comment for this story, but said in November that it welcomed the FCC's vow. Yet Wheeler has also warned that consumers have a "baseline right" to know what their Internet providers collect about them, and deserve a "voice in whether or not that's going to be used, one way or another." The agency declined to comment on Wednesday's letter. – *Washington Post*

"Minions," the animated summer film starring three yellow creatures that don't speak a discernible language, is the most profitable film in Universal Pictures' history. Steve Burke, chief executive officer of Comcast Corp.'s NBCUniversal division, told employees in a memo Wednesday that the picture was among three that each grossed more than \$1 billion worldwide in 2015. That was also a first, he said. The memo underscores the success of Universal's relationship with Chris Meledandri, whose Illumination Entertainment produced "Minions," the third film in his "Despicable Me" series. He uses animators in France and is known for delivering films at a lower cost than competitors.

"Minions," which hit theaters July 10, took in \$1.16 billion in worldwide ticket sales on a production budget of \$74 million, according to researcher Box Office Mojo. Universal led the box office for the first time since at least 2000, buoyed by three megahits: "Jurassic World," "Furious 7" and "Minions." Universal declined to comment on the memo. Burke has previously said that 2013's "Despicable Me 2" was the company's most profitable ever. – *Bloomberg*

Convicted former Pennsylvania Supreme Court Justice Joan Orié Melvin, in a federal court filing, says the state violated her constitutional rights when it charged her with theft of services for using her court staff to do political work. How's that? Mrs. Melvin says that because judicial staffers are salaried employees — neither do they punch a clock or even have to show up to get paid — how they spend their time can't be considered a misuse of public resources. Brilliant! By that "standard," court employees can violate the public trust with impunity. – *Pittsburgh Tribune-Review*



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