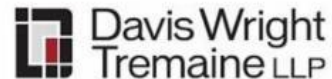


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July 15, 2019

**Politico**  
['Embarrassing': Congress stumbles in push for consumer privacy bill](#)

**Philadelphia Inquirer**  
[Why this business at Northeast Philly Airport has to pay \\$500-600 a month for slow internet](#)

**New York Times**  
[Fighting Big Tech Makes for Some Uncomfortable Bedfellows](#)

**Bloomberg**  
[YouTube's Trampled Foes Plot Antitrust Revenge](#)

A Philadelphia online sports-betting firm, [Sporttrade](#), and companies from the Ukraine, Canada and India are among a small group of firms participating in Comcast Corp.'s [13-week startup incubator program](#) at the 60-story Comcast tower. It's the program's second year. "There is a heavy emphasis on female-founded companies and there is an emphasis on sports," Sam Schwartz, the Comcast's chief business development officer, said on Friday.

The 11 [companies](#) develop software and Comcast has moved away from hardware startups -- such as gaming consoles or smart phones -- because of difficulties launching those products, Schwartz said. Sporttrade's blog says its app is a "mobile marketplace where people trade sports predictions." The blog adds that "by eliminating the role of the bookie from our framework, the cost savings are passed along to you, the market participants."

Sports-betting could be a growth industry for Philadelphia. The Kambi Group, a European company with a platform for sportsbooks at SugarHouse, Parx, and Rivers Casinos in Pennsylvania, and DraftKings and PlaySugarhouse.com in New Jersey, has opened its U.S. headquarters in Philadelphia. Among the other startups selected for the Comcast incubator is The Gist, based on Toronto, that provides sports content specifically for women. It was developed by three women, Roslyn McLarty, Jacie deHoop and Ellen Hyslop. "Our vision

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GOP chair,  
candidates call a  
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**Allentown  
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chairmanship of  
Pennsylvania's  
Republican Party  
ends in power-  
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**Pittsburgh  
Tribune-Review**  
[Editorial: Wolf's  
voting veto a head-  
scratcher](#)

is to be the go-to source for sports for women," the company says in an online job posting.

Ukraine-based Respeecher transforms voices using artificial intelligence so that one person can talk in the voice of another. Los Angeles-based Messy.fm is a platform for publishing podcasts for free. The other startups comprise three companies from Brooklyn, Gameon, Nickl, Takeshape, and a second from Los Angeles, Struct Club, as well as one each from Boulder, Colo., Pivan Interactive, and Bangalore, India, Edisn.ai.

Developing a Center City pool of tech employees to supply the new Comcast Technology Center with high-skilled and entrepreneurial geeks is part of Comcast's goal with the incubator program, which is run by outside firm Techstars. Comcast also targets startups that could do business with the company's technology operation or NBCUniversal. Comcast is the largest residential internet provider in the United States and is developing the Xfinity Mobile wireless data business.

The incubator program is housed on the fourth floor of the new Comcast Technology Center for the first time. Construction delays last year forced Comcast to hold the program in leased renovated space across from its headquarters on Arch Street. The startup founders will be mentored by Comcast executives, including those from European pay-TV operator Sky and the Dreamworks studio in Hollywood. They may sign deals with Comcast divisions or seek venture funding. Orai, a Philadelphia company selected last year for the Comcast incubator program, has grown to 13 employees from 3, a company official said. Orai has developed a speech-coaching app based on Toastmasters International public-speaking skills. – *Philadelphia Inquirer*

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Elections come and go, but the season for political advertising sometimes seems to never end. Facebook users in California, for example, may have noticed ads in recent months showing a woman with duct tape over her mouth and text that warns: "Legislators are leaving sexual assault survivors from public universities out to dry."

The ads urge readers to sign a petition seeking to add public universities to legislation that would give students at private universities more time to sue their schools over sexual assaults. Neither the ads nor the website where they lead offer any clue about who is paying for them. Unlike most election season ads about candidates or ballot measures, they don't have to.

Now, California legislators are considering a proposal by Assemblyman Kevin Mullin that would require groups buying such "issue advocacy ads" about legislation to identify themselves and major funders in the same sort of disclaimers required in election campaign commercials. "This is about well-funded, sophisticated special interests," said Mullin, a San Mateo Democrat. Proponents say the measure would be the first in the U.S. to address what they see as a burgeoning issue in the world of influence peddling as interest groups seize on the anonymity afforded by the internet and social media advertising. "I've never seen so many issue ads," said Trent Lange, president and executive director of California Clean Money Campaign, which is sponsoring Mullin's bill.

Critics argue the proposed law would discourage grassroots activism, particularly around hot-button issues. Current law requires groups lobbying the California Legislature to disclose expenses such as advertising in routine quarterly filings with the secretary of state. But an ad campaign may be over at that point, and groups do not necessarily have to specify which ads they funded, noted Kati Phillips, spokeswoman for the campaign finance reform group Common Cause California, which supports Mullin's bill.

Chasing down who exactly is behind an advertising campaign to influence legislation at California's Capitol can be a journey through corporation filings, political spending disclosures and anonymous social media pages - all sometimes leading to a dead end. Mullin's legislation would apply to groups spending more than \$10,000 a year on advertisements about pending legislation or regulation. A disclaimer attached to the bottom of such ads would have to include not just the group behind the ad but its top three donors, if any have given more than \$10,000. Some political messages - such as emails to a group's members, small buttons or skywriting - would be exempt.

The California Teachers Association and some other labor unions - big spenders in California politics - have opposed the bill, saying it would stifle advocacy. David Keating, president of the Institute for Free Speech in Washington, D.C., argued that requiring a group to put the names of its top three funders on advertisements could discourage people from supporting campaigns involved in divisive issues. That would mean fewer ads and awareness campaigns about legislation, he said. "You're going to get less speech, less information about what's going on in Sacramento," Keating argued.

There are other examples of anonymous ad campaigns this session. Turn on talk radio or check Facebook in many parts of California, and you may see an ad about pending legislation that would cap the interest lending companies charge on installment loans with rates spiraling into the triple digits. The commercials are part of a campaign called Don't Lock Me Out California, which argues the proposed law would leave customers with fewer options when they need quick cash in an emergency.

Click on the group's ads on Facebook, where it has spent more than \$26,000 to reach Californians, and there is no contact information. The ads do not indicate who is paying for the messages urging Californians to tell their lawmakers to vote against the bill. However, Federal Communications Commission records show the Online Lenders Alliance, a national trade group that lobbies for the industry, bought time on Sacramento-area radio stations to air the Don't Lock Me Out California ads. The group is not necessarily required to register with the Secretary of State's Office. Spokesman Andrew Ricci said the alliance has not made any financial contribution to the campaign, which he described as the work of a coalition that includes Online Lenders Alliance members as well as organizations that are not members of the group. He declined to identify other members of the coalition.

Fort Worth, Texas-based Elevate Credit Services reported spending more than \$100,000 in the first quarter of the year to influence the state government on top of its fees to lobbyists. It also reported lobbying on the lending bill. Asked if it was funding the Don't Lock Me

Out California campaign, spokeswoman Marian Daniells said only that Elevate Credit Services does not comment on "government relations-related expenses." – *Associated Press*

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Facebook Inc. is moving closer to settling a privacy probe by its main U.S. regulator, but the large fine it has prepared to pay is unlikely to get the social-media giant out of the political hot seat in Washington. The Federal Trade Commission has voted to **fine the company roughly \$5 billion** for violations of its previous promises to protect users' privacy, The Wall Street Journal reported Friday, citing people familiar with the matter. The FTC vote on the deal was split 3-2 along party lines at the Republican-controlled agency, the people said, a signal that Democratic commissioners didn't feel the settlement was sufficiently tough.

Facebook's other political and regulatory issues are in earlier stages. Next week, it is sending executives to two Capitol Hill oversight hearings: one examining whether action is needed to **rein in the market power** of big technology companies, and another **focused on Libra**, the **cryptocurrency Facebook is planning** to launch with other corporate partners.

Last week, President Trump criticized social-media companies **at a White House event** and suggested regulatory proposals may be coming. Abroad, **Ireland's privacy regulator** alone is pursuing 10 investigations related to Facebook's gathering and processing of personal data. U.S. lawmakers of both parties have already signaled they would view a \$5 billion payment sent to the U.S. Treasury as too weak, and early reaction to the FTC deal suggests it won't stem momentum behind policies aimed at Facebook and other large tech companies. "I don't want to pooh-pooh a \$5 billion settlement, but this is a company that generates multiples of that per quarter," said Sen. Mark Warner (D., Va.) in an interview, referring to Facebook's revenue, which was **\$15.08 billion in the first quarter** of the year.

Mr. Warner said structural changes are needed to improve how Facebook and other large tech companies operate with respect to personal data, the spread of misinformation and other issues. "FTC fines may or may not change behavior, and they sure as heck don't change incentives," he said. Republicans such as Sens. Josh Hawley (R., Mo.) and Marsha Blackburn (R., Tenn.) have in recent weeks raised concerns about Facebook's privacy practices and urged the FTC to take action to protect users' data.

Lawmakers have also called on Congress to consider new privacy limits as well, though no legislative proposals appear likely to pass soon. The settlement is expected to impose other requirements on Facebook but the details of those terms aren't yet known. The agreement hasn't been formally announced and may not be for weeks. Both Facebook and the FTC declined to comment.

Maureen Ohlhausen, a former FTC commissioner who was its acting head until April of last year, said criticism of the deal reflected more political battle lines around Facebook than any facts of the case. Democrats who voted against the settlement "get to shake the spear and say they'd be even tougher without having to deal with the fact that there's not certainty the FTC would win in litigation," she said.



Facebook sought to move beyond the scrutiny with a series of announcements earlier this year. Chief Executive Mark Zuckerberg said Facebook would focus on providing tools for private communication and support privacy legislation world-wide along the lines of Europe's general data-protection regulations. Privately, senior Facebook employees have argued that the allegations that sparked the FTC probe have left Facebook unfairly holding the bag for industrywide concerns about privacy, misinformation and behavioral advertising.

In conversations with both employees and outsiders, Facebook executives have blamed media coverage of a scandal arising from data harvested by a personality prediction app—fueled by fear of foreign election interference—for obscuring the company's broader efforts to safeguard user data. The FTC probe began after disclosures last year that the owner of a quiz app scraped personal data on tens of millions of Facebook users and their friends, and shared it with political consulting firm Cambridge Analytica. The app had violated Facebook's policies, but the event highlighted lax controls over Facebook apps.

Cambridge Analytica used personal data to help political campaigns influence voters. It worked for several Republican campaigns in 2016, including President Trump's. It has since shut down amid questions about its tactics and handling of data—and about whether its services were effective. After the Cambridge Analytica fiasco, Facebook also disclosed other missteps, including a hack last year that exposed millions of accounts.

The company already has a privacy team that is supposed to vet all significant new products before their public rollout, and under a 2011 FTC consent decree it agreed to ongoing privacy audits by PricewaterhouseCoopers LLP. Those audits found no sign of trouble at Facebook—and PwC's 2017 conclusion that Facebook's internal privacy controls were operating with sufficient effectiveness was widely dismissed by the company's critics.

The roughly \$5 billion FTC fine is expected to cite violations of the earlier 2011 agreement. "Five billion is literally the cost of doing business," said Marc Rotenberg, head of the Electronic Privacy Information Center, which has long pushed for greater regulatory scrutiny of Facebook's privacy practices. "If they get some serious new privacy obligations, that would be interesting. If they got governance reform, that would be interesting. What would not be interesting is additional third-party reporting, because that was already established in the 2011 consent decree."

Ms. Ohlhausen, the former FTC commissioner, didn't discount the possible significance of tightening the specifics of the 2011 deal. Now a lawyer for Baker Botts, which represents Facebook in intellectual-property litigation, she said the FTC has been demanding stricter oversight terms for consent decrees in recent years. Concluding the FTC investigation won't end ongoing scrutiny of Facebook's past privacy missteps in both the U.S. and European Union. But it prevents the awkward prospect of Mr. Zuckerberg calling for greater global oversight of privacy while simultaneously fighting the primary American privacy regulator. — **Wall Street Journal**



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