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The Massachusetts Senate on Thursday unanimously passed a bill that would require internet service providers to provide more transparency related to net neutrality and consumer privacy. But lawmakers rejected on a voice vote an amendment by Sen. Jamie Eldridge, D-Action, that would have actually imposed state-level net neutrality. "Without net neutrality laws, nothing will prevent giant internet service providers from blocking or slowing down content of competitors," Eldridge said. "We shouldn't wait until the telecom industry becomes an oligarchy to take action."

Net neutrality is the concept that an internet service provider must treat all internet content the same and cannot block or slow down particular content or websites. The Federal Communication Commission adopted net neutrality rules in 2015 but overturned them in 2017, under the new chairman, Ajit Pai, who was appointed by President Donald Trump.

Some Massachusetts lawmakers wanted to introduce a state-level version of the law. However, lawmakers backed off that proposal due to concerns that a state-level policy would not withstand a legal challenge. "Unfortunately, we have a situation where the ability of individual states to pass regulations on the internet are very limited by federal law," said Sen. Eric Lesser, D-Longmeadow, who sat on the Special Senate Committee on Net Neutrality and Consumer Protection.

U.S. Sen. Ed Markey, D-Massachusetts, has introduced a bill in Congress to restore net neutrality nationally. The bill that passed the Senate, **S.2610**, would create a registry of internet service providers that would make public their practices with regard to "broadband internet access service quality and network management." The registry would grade internet service providers on net neutrality and consumer privacy, and the companies would have to tell customers those grades before entering into an agreement for service. The bill would establish a "preference" in state agency contracts for using internet service providers that practice net neutrality.

Sen. Cynthia Stone Creem, D-Newton, chairwoman of the Senate Special Committee on Net Neutrality and Consumer Protection, said today, many people do not know what kind of privacy rights they have with regard to information about how they use the internet. "Greater transparency in a digestible format is what's needed," she said. Creem said the bill is an "easier solution" than regulating business practices, since it avoids getting into federal preemption issues.

Carol Rose, executive director of the ACLU of Massachusetts, called the bill "an important first step towards rebuilding the critical regulations the Trump administration and its appointees at the FCC have killed over the past year." Tim Wilkerson, vice president and general counsel of the New England Cable and Telecommunications Association, said its members already adhere to net neutrality, and the bill "will do little to protect consumers while hurting innovation and economic growth." The industry believes all regulation should be done federally. The bill will now go to the House. – ***masslive.com***

After the Federal Communications Commission's likely death blow to Sinclair Broadcasting Group's $3.9 billion proposed merger with Tribune Media, there is at least one group of clear winners: rival conservative TV news outlets.

Newsmax and its CEO, Chris Ruddy, lobbied particularly hard against the deal, both in the news media and with the government, and One America News Network also actively opposed it. But if the Sinclair deal does go down, the biggest beneficiary will be Fox News and Rupert Murdoch, analysts and experts say.

For months, Sinclair has been **laying the groundwork** to launch a block of conservative TV programming, likely on WGN America, a Tribune cable network. The merger's failure — made almost certain by FCC Chairman Ajit Pai's announcement Monday that he would send the deal to review by an administrative law judge — would imperil those plans. Ruddy, a friend of President Donald Trump, said he discussed his opposition to the merger with the president. "I did chat with him about my concerns about the deal," Ruddy said.

Ruddy said he was especially concerned about the FCC allowing Sinclair to get around federal regulations limiting the number of broadcast stations any one company can own. Sinclair's 193 broadcast stations currently reach 39 percent of the country, but thanks to the FCC's decision to relax the cap on station ownership, the Tribune acquisitions could boost that to over 70 percent. "My fear was that once you open the door for Sinclair to break the ownership cap, ABC, NBC and CBS were going to start buying those local stations, especially in the swing states," Ruddy said. "It would be a killer to the Republicans to have New York networks operating those stations." "Actually, I think, the president, this is a blessing in disguise for him. This is a good, positive development," Ruddy said.

Although Sinclair regularly injects conservative commentary into its local news programming, ABC, NBC and CBS have never been known to impose content on local newscasts. Still, conservatives — and the president — view those networks skeptically. There has been no public indication that the White House put its thumb on the scale. And while Murdoch — who owns Fox News, the national Fox broadcasting network and 28 local Fox broadcast stations — is known to talk to Trump frequently, it was not clear whether they have ever discussed the Sinclair deal. Still, both Sinclair's enlarged broadcast footprint and would-be cable news effort would represent threats to Murdoch and Fox.

Though his activity level on the Sinclair deal is unclear, Murdoch is a veteran DC operator. "The guy is savvy and very, very effective in waging his interests in Washington, whether it's Congress, the White House or the FCC," said a former Fox executive. The Trump administration has raised eyebrows with its treatment of several recent proposed media mergers. Last week, the Department of Justice appealed a federal judge's decision to approve the proposed $85.4 billion merger of AT&T and Time Warner, which owns CNN, a frequent target of Trump's ire. Meanwhile, Murdoch's $71 billion deal to sell 21st Century Fox assets to Disney sailed through the DOJ process, winning approval in June.

Pai's decision to likely kill the Sinclair deal was striking because he had spearheaded changes to regulations limiting station ownership that seemed designed to help Sinclair grow. Several observers contacted by POLITICO expressed surprise at the turnabout, though many believed Sinclair had caused problems for itself by moving slowly and seeming to ignore various warning signs from the FCC. Ruddy said that even though he made his views known on Sinclair, he didn't think Trump was deeply engaged on the issue. Sinclair is famous for its positive coverage of the president and for the typically supportive "must run" segments it requires local stations to air during newscasts. "He likes Sinclair," Ruddy said. "I don't think he gets into the weeds on the regulatory stuff. I think he's been pretty focused on North Korea and tax cuts and health care and Congress and immigration. I don't think it was a priority issue for him."

The White House and FCC did not respond to requests for comment. Fox News and 21st Century Fox also declined to comment. According to Rich Greenfield, a media and tech analyst for BTIG, the "New Fox" company that will emerge after Murdoch's sell-off to Disney is "a pretty meaningful beneficiary of this deal blowing up." "Anything that weakens Sinclair would seem to be positive for Rupert Murdoch," Greenfield said.

Murdoch and Fox are set to benefit in three clear ways: First, Fox News will be less likely to face competition from a conservative cable news outlet that was particularly well positioned to challenge them. Sinclair executive chairman David Smith had been holding meetings with former and current Fox News staffers — including Trump favorites Jeanine Pirro and Eric Bolling, as well as Greta Van Susteren and top "Hannity" producer Porter Berry — to lay the groundwork for building a Fox News challenger.

Starting a cable news network from scratch is a daunting task — especially one that could compete with a behemoth like Fox News. But Lewis Friedland, who directs the Center for Communication and Democracy at the University of Wisconsin-Madison, said the acquisition of Tribune would have given Sinclair an unprecedented array of assets.
Sinclair could have installed a cable news block on the WGN America cable network — already in 80 million homes — and then used its nationwide network of local stations to cross-promote it, with national anchors dropping in during local newscasts and appearing in "must run" segments. "If they could link [local stations] together in a conservative super network that would then have elements of cable and elements of social, that potentially would have been a more powerful entity than Fox News," Friedland said. "You've got quite a potential octopus."

Though it's unlikely that a Sinclair cable news lineup could quickly overtake Fox News, just stealing a small slice of its audience — enough to bump Fox down from its perennial top spot in the cable news ratings — would create a problem for the network. For years, Fox News' identity has been built around its status as No. 1. If the merger does fail, Sinclair could still try to launch a Fox News competitor on the one cable network it already owns, the Tennis Channel, but that would be significantly more challenging. The Tennis Channel is currently in just 55 million homes, and without the additional Tribune stations, Sinclair could not cross-promote as effectively on local newscasts.

The second benefit for Murdoch is that he does not have to compete with a local television juggernaut. Sinclair owns or operates 59 stations affiliated with Fox — meaning that they carry Fox entertainment programming. That's more than any other company and about twice as many as Fox itself. Sinclair pays Fox an affiliate fee for those rights, and owning more stations would have given Sinclair greater leverage in negotiations. And third, the Sinclair deal's failure would allow Murdoch to pursue his stated desire to buy additional broadcast networks to strengthen his "New Fox" company.

As part of the Sinclair deal, Fox was set to buy seven Tribune-owned Fox affiliate stations, which Sinclair needed to spin off to satisfy federal ownership limits. If the Sinclair deal fails, though, Murdoch would still be able to make a play for those stations, in addition to the seven other Fox affiliates that Tribune currently owns, including stations in Indianapolis, Kansas City, and Milwaukee — all valuable NFL markets where Fox broadcasts games.

Lawrence Patrick, managing partner of Patrick Communications, a media firm based in Maryland that brokers station sales, said there is a wide expectation that Murdoch would pursue Tribune stations affiliated with Fox if they go back on the market. "Fox can go to Tribune and say, 'We'll take all the Fox stations,'" Patrick said.

Justin Nielson, a senior research analyst who tracks the broadcast sector for the data and research firm Kagan, agreed. "They'll target ones that are NFL markets or major sports markets, those are the ones that they want," Nielson said. Although most observers view the Sinclair deal as all but dead, the company is trying to salvage it. On Wednesday, it presented a proposal designed to allay some of Pai's expressed concerns. The FCC voted to send the deal into the lengthy administrative law judge review process anyway. "If I were Murdoch," said Friedland, the University of Wisconsin professor, "I would be happy." – ***Politico***

China's Communist Party is making leadership changes in the top ranks of the state-owned telecommunications giants ahead of the country's widely anticipated rollout of next-generation wireless networks. The party's powerful Central Organization Department named Li Guohua as the new general manager at China United Network Communications Group Co., known as China Unicom. In addition, China Telecom Chief Operating Officer Liu Aili resigned and will assume Mr. Li's former job as head of the national postal service.

China Unicom and China Telecom are two of the country's three state-owned telecom operators, and will be among the institutions responsible for buying and rolling out fifth-generation, or 5G, wireless networks in the country in the coming years. The personnel moves could indicate a push by Beijing to speed up the rollout of 5G technology in China, said Edison Lee, a telecom analyst at the investment bank Jefferies Group LLC. Prior generations of cellular technology were led by U.S. companies like Qualcomm Inc. and European firms like Ericsson AB and Nokia Corp.

Now China is aiming to be a leader in 5G technology, which is expected to build on current 4G networks with faster internet speeds for consumers, while powering cutting-edge technologies like autonomous driving and virtual reality. “The current trade war may have prompted China to change its mind to accelerate 5G rollout at a lower cost,” Mr. Lee wrote in a research report. China’s Huawei Technologies Co. has **budgeted $800 million this year on research and development for 5G**. The company, the world’s largest telecom-equipment maker, is developing the 5G gear that operators like China Unicom and China Telecom will purchase and roll out for consumers.

ZTE Corp. , China’s second-biggest telecom equipment maker, is also a leader in 5G technology, but the Shenzhen-based firm was hit with a **monthslong ban on U.S. equipment purchases** after the U.S. found the company violated the terms of a settlement related to its earlier evasion of sanctions on Iran and North Korea. Mr. Lee said the ban may be figuring into the leadership shuffle among China’s telecommunications firms. “The U.S. export ban on ZTE, and the U.S. government’s clear intention to set back China’s tech ambitions, has prompted China to rethink its 5G strategy,” he said. The secretive Central Organization Department made the appointments, which were announced by the companies this week, reflecting the Communist Party’s direct control of country’s telecom giants. – ***Wall Street Journal***

BCAP
Broadband
Cable Association
of Pennsylvania
127 State Street Harrisburg, PA 17101
717-214-2000 (f) 717-214-2020
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