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**Bloomberg**  
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West Virginia's largest cable companies have filed a lawsuit against Gov. Jim Justice and Attorney General Patrick Morrisey, alleging that a new state law could ultimately cause internet service outages at customers' homes and businesses.

The state Cable Telecommunications Association is challenging new rules designed to make it easier for startup internet firms to secure access to utility poles. The cable companies don't want competitors meddling with their equipment housed atop the poles. About 400,000 West Virginians have telephone and internet service through cable providers. "There could be significant damage to equipment and to customer relationships and outages and things of that sort when you have circumstances where there are no limitations at all on competitors moving other competitors' equipment around," said Mark Polen, spokesman for the cable group.

The companies say the new law allows the smaller internet companies to hire private contractors and rearrange existing equipment atop utility poles without permission. Federal rules already dictate how telecommunication companies share and access equipment on utility poles, according to the lawsuit. The new state law conflicts with longstanding federal law, the cable group alleges. The lawsuit characterizes the state law as "invalid" and "unconstitutional."

Frontier Communications, the state's largest internet provider, **filed a lawsuit with the same allegations last week**. Earlier this year, Frontier and the cable companies lobbied against the pole access changes — part of a broadband expansion measure (House Bill 3093) — but state lawmakers passed the legislation during this year's session, and **Justice signed it into law**.

The Federal Communications Commission has been reviewing pole-access rules for months. "During the legislative session, we encouraged that the pole attachment provisions not be included in the bill, primarily because the FCC was undergoing an extensive review of these rules," Polen said. "We thought it was premature for the state to deal with the topic."

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Most of the state's utility poles are owned by Frontier, First Energy and American Electric

Power. Federal rules now give existing providers 60 days to rearrange equipment atop poles before competitors can start installing their own equipment. Under the state's new procedures, Suddenlink and other large cable companies predict that startup firms — and their inexperienced subcontractors — will damage existing equipment, forcing the larger internet providers to spend "millions of dollars" on repairs.

The cable companies aren't challenging other measures in the comprehensive broadband law. For instance, the new law allows up to 20 families or businesses to form nonprofit co-ops that provide broadband service in areas shunned by internet

providers. The law authorizes up to three cities or counties to band together and build broadband networks.

The bill's supporters predict increased competition will lead to faster internet speeds and lower prices for consumers. The broadband legislation also authorizes the state to back loans to smaller internet providers that want to bring broadband service to rural areas. The firms would be eligible for loan guarantees of up to \$10 million. The West Virginia Economic Development Authority would administer the program. The loan guarantees would be available only for projects designed to bring high-speed internet to areas with no existing broadband service.

The cable industry's lawsuit names Justice and Morrissey as defendants because the governor "executes" state laws, while the attorney general represents the state in legal matters, according to the complaint. Spokesmen for Justice and Morrissey could not be reached for comment Monday. — *Charleston (WV) Gazette-Mail*

After the final credits of "Miami Vice" ran just before midnight, WEMW — channel 56 in Greensburg — went off the air for good Thursday.

It's one of seven Western Pennsylvania television stations that will shut down over the next year after being bought out in 2016 in an auction organized by the Federal Communications Commission. Five of the stations, including WEMW, are owned by Virginia-based OTA Broadcasting, which received a combined \$74 million in the auction.

The OTA-owned stations carried the Cozi, Movies! and RetroTV networks, all of which broadcast classic shows and films.

Only over-the-air broadcast viewers will be impacted. Cable and satellite customers will not be affected by the shakeup. The FCC auction has been in the works since getting congressional approval in 2012. The FCC **offered broadcasters** a combined \$10.05 billion to give up their stations, then **auctioned the bandwidth** off to bidders, mostly wireless broadband providers such as AT&T and T-Mobile.

These providers paid a combined \$19.8 billion. TV stations will be paid the amounts they already agreed on, with most of the surplus going into the U.S. Treasury Department. "We had to buy enough stations to make room in the band," FCC spokesman Charles Meisch said. Radio waves carry everything from radio to television to the broadband internet used by cellphones, but there's only so many frequencies available. Very low frequencies can carry signals a long way but can only handle a tiny amount of data. The highest frequencies can carry a lot of data but not very far. There's a sweet spot, a range called ultra-high frequencies, that can carry a lot of data a long way. It is mostly used by television stations. The FCC has long wanted to free up some frequencies in that range so broadband internet providers could offer stronger signals in more places, Meisch said. Not all stations in the auction will disappear. WQED, Pittsburgh's PBS affiliate, accepted \$9.9 million to move to a new, lower-frequency channel.

WQED **celebrated the results** of the auction, which came at an ideal time to help the financially struggling station. "It's a big step for us, because the \$9.9 million will allow us to clean up our balance sheet. It will allow us to pay off some very longstanding debt," station spokesman George Hazimanolis said. Even the stations that are going off the air might continue in some form. Most stations bought in the auction, including all in Western Pennsylvania, have a channel-sharing agreement which means they might carry on by sharing space with another network.

WEMW is an affiliate of Pittsburgh's WEPA. There are 11 stations in Western Pennsylvania and West Virginia under the WEPA umbrella, all owned by OTA Broadcasting and carrying the same programming. Five of them will be shut down, including WEPA. The rest will continue to run as normal, according to station manager Matthew Davis. "Day to day, I'll be doing what I'm doing right now," Davis said. Greensburg's WEMW is the first WEPA station to shut down. Dates for the other four have not been set, Davis said.

Viewers have been contacting the station with questions about what will happen to the network. "We've been getting 10 to 20 phone calls a day," Davis said. Depending on their location and the strength of their antenna, viewers might be able to pick up Cozi from an affiliated station, Davis said. Verizon FiOs subscribers will continue to get the channel, but it is not carried by Comcast. Stations purchased in the auction will likely receive their money within the next few weeks, Meisch said. Once they do, they must shut down within 180 days, although most will be allowed to request two 90-day extensions.

More than 2,000 stations nationwide were eligible to participate in the auction, and 175 received payouts. Most of those will shut down, while a few will move to other channels. Many stations, even those that didn't participate in the auction, will need to move to other channels to clear up bandwidth, Meisch said. "There's going to be some shifting of the channels. The simplest way of describing this auction is that the TV band is a little bit smaller," he said.

The moves — involving a total of 987 stations nationally and 14 in Western Pennsylvania — will happen gradually over the next three years. All Western Pennsylvania channel changes are set to happen in summer 2019. The FCC will pay all stations forced to move to cover the costs of switching channels, Meisch said. — **Pittsburgh Tribune-Review**

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A combination of Scripps Networks Interactive Inc. with either Discovery Communications Inc. or Viacom Inc. could help the media companies cut costs, gain negotiating leverage with distributors and expand internationally as the U.S. TV business faces new pressures.

But any such partnership won't solve the fundamental challenges facing them in a fast-changing industry where the best-positioned companies own fewer cable channels, not more, media analysts say. Discovery and Viacom, two cable network owners hurt by the rise of Netflix Inc. and YouTube, have held separate talks to combine with Scripps, owner of HGTV and the Food Network, according to a person with knowledge of the matter. Shares rose Wednesday on the news.

Scripps, with a market value of \$8.7 billion, surged as much as 20 percent in trading Wednesday, its biggest increase since October 2008. Shares of Discovery, the \$15 billion owner of Animal Planet and TLC, jumped as much as 7 percent, the most since November. Viacom Inc., the \$14.5 billion parent of Nickelodeon and MTV, rose 2.5 percent.

Discovery, which generates about half its revenue outside the U.S., could help Scripps expand its international footprint, especially in Europe, where Scripps has acquired an interest in Polish TV operator TVN. A combination could also help them gain some negotiating leverage with TV distributors since both have been excluded from new online TV services. "The pressures on the traditional cable network ecosystem are acute enough -- and valuations are low enough -- that we can see merits to this potential combination," Jason Bazinet, an analyst at Citigroup Inc., said in a note Wednesday.

But a deal between the companies may actually hurt, not help, Discovery and Scripps in their talks with distributors, according to Todd Juenger, an analyst at Sanford C. Bernstein. & Co. The television industry is moving toward less-expensive slimmed-down TV bundles to compete on price with Netflix, forcing programmers to cull their stable of cable networks, not add to them. "If you combine Discovery and Scripps you now have, literally, 20 networks," many of which distributors don't want, Juenger said in a note Wednesday. "That's already a problem for Discovery, but we think adding Scripps makes it worse."

What's more, none of three companies air live sports in the U.S., widely considered to be one of the last key draws for large television audiences that drive advertising. Traditional media companies that built billion-dollar businesses from cable are feeling pressure to grow via acquisition after losing viewers to online video services and social networks. Consumers are spending more time on the web, and advertisers are following. "There's more pressure on cable players around the world, satellite and mobile players, to merge or figure out how to offer all those together," Discovery Chief Executive Officer David Zaslav told reporters last week at Sun Valley, Idaho, conference hosted by Allen & Co. "Two to three years from now you'll buy that all from one person. We have great, exclusive content to provide, so they're going to need us." All three companies declined to comment.

Discovery took a look at Scripps back in late 2013, and analysts have long speculated that the company, whose networks include the Discovery Channel, might revisit the idea of a merger with the owner of the Travel Channel. Viacom adds a twist to those considerations, raising the possibility of a bidding war. The Wall Street Journal reported on the Discovery-Scripps talks earlier Tuesday. Reuters reported on Viacom's involvement.

New York-based Viacom, with sales of \$12.9 billion, is the largest of the three, but is coping with recurring losses at its Paramount Pictures film studio, high debt and viewership declines at some of its youth-oriented channels, including MTV. Chief Executive Officer Bob Bakish stepped in last year after months of management upheaval. All three companies have multiple share classes that empower insiders with super voting rights to seal or block potential deals.

Billionaire Shari Redstone and her father Sumner control about 80 percent of the voting stock at Viacom, while cable billionaire John Malone holds a 28 percent voting stake in Discovery, based in Silver Spring, Maryland, according to filings. Discovery's sales totaled \$6.5 billion in the past year. Discovery shares rose 7.9 percent in late trading. Family members associated with Scripps Networks, based in Knoxville, Tennessee, control 92 percent of the company's voting rights. Revenue there totaled \$3.4 billion last year.

Adding to the pressure on cable networks, pay-TV distributors like Charter Communications Inc. and AT&T Inc. have grown through acquisitions in recent years, leading investors to conclude smaller channel owners also need to combine as well to

keep pace. Cable and satellite-TV providers pay fees to network owners for the right to carry their channels, and the negotiations have gotten even more intense now that more pay-TV subscribers are cutting the cord. Smaller media companies have struggled to earn a position for their networks in new TV packages that offer a more select lineup of channels, known in the industry as skinny bundles. Hulu and YouTube left Discovery's networks out of their new services, and YouTube also didn't include programming from Scripps. Viacom isn't in either of those packages.

Even larger cable-network owners have been grappling with the changes in the industry. Time Warner Inc., home of TNT and HBO, agreed last year to an \$85.4 billion takeover by AT&T. Walt Disney Co., which owns ESPN, is developing an online service to reach sports fans who aren't using traditional cable. Though small, Scripps has valuable assets in HGTV, Travel Channel and Food Network. HGTV is the fourth-most watched U.S. network in prime time this year, with an average of 1.51 million viewers a night through July 16, according to Nielsen data. The Discovery Channel is ranked 11th, with 1.18 million viewers.

In December, Scripps Chief Executive Officer Ken Lowe told Bloomberg that his company was better off being small and can thrive "as long as we are good storytellers." "Everything is not going to be a Comcast-NBC brand or AT&T-Time Warner brand," Lowe said in an interview. "There's going to be some interesting vibrant brands that will still hang in there." – **Bloomberg**; [also see update from Bloomberg](#)

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U.S. Rep. Brendan Boyle, the Northeast Philly Democrat now in his second term, has been making quite a national media splash in recent weeks. There was a segment on MSNBC. A longer discussion on C-Span. And a stop at the Howard Stern show. Wait. Howard Stern? As in: "[Baba Booeey?](#)" Brendan Boyle. Baba Booeey. Hmm...

Boyle took the bait last week when Lawrence O'Donnell, host of MSNBC's *The Last Word*, [tweeted this question](#) about President Trump's [discussing a joint cyber security effort](#) with Russian President Vladimir Putin: "Who will introduce a bill in Congress to stop this?" Boyle [tweeted back](#) that he was on the case, [earning him a spot](#) on O'Donnell's show the next day. Boyle also spent some time on [C-Span's Washington Journal](#) Tuesday, discussing the failed attempt to repeal and replace Obamacare.

Before that, on Monday, was a stop at [the Howard Stern Wrap-Up Show](#) in New York. That conversation didn't focus so much on foreign affairs or health-care policy. Instead, Boyle – who worked a "Baba Booeey" into his opening remarks – said he has heard fellow politicians make Stern references, sparking a "moment of recognition" about their mutual fanhood. At first, we wondered if Boyle suffered some cultural whiplash, going from the raucous Stern show to the more staid confines of C-Span. "It's pretty hard to find two more diametrically opposed shows," Boyle told us.

Then we remembered that some C-Span call-in shows feature people screaming – you guessed it – Baba Booeey. And that got us thinking. Would Boyle ever be the first member of Congress to yell "Baba Booeey!" on the floor of the House? "I'm not sure I'm willing to go that far," Boyle said. Apparently, fanhood has its limits. – **Philadelphia Daily News**

