



January 12, 2018

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, D.C. 20554

Re: In the Matter of Post-Incentive Auction Transition (Docket No. 16-306); In the Matter of Authorizing Permissive Use of the “Next Generation” Broadcast Television Standard (Docket No. 16-142)

Dear Ms. Dortch:

This letter is to notify you that Paula Kerger, President and Chief Executive Officer, Talia Rosen, Assistant General Counsel and Senior Director of Standards & Practices, and Abby Jenkins, Senior Director of PBS KIDS Digital, of the Public Broadcasting Service (“PBS”) met on January 11, 2018 with Commissioner Brendan Carr and Policy Advisor Evan Swarztrauber.

PBS discussed the extraordinary educational potential of the interactive educational gaming overlay to its 24/7 children’s program stream that launched last month. This initiative integrates the curriculum-driven video content of PBS KIDS with interactive games carefully developed with expert educational advisors. Years of research demonstrate that children learn more from media when these types of content are thoughtfully combined. PBS has worked to closely align video and gaming content that reinforce each other to develop this new service.

PBS has been testing, researching, and deploying multi-platform educational children’s content for many years. PBS KIDS has developed a series of transmedia suites that allow children to actively engage with curriculum-driven content on a range of devices, and the educational efficacy of these resources has been rigorously studied by researchers at WestEd and the Education Development Center.¹ For instance, one study found that children who engaged with certain PBS KIDS multi-platform content improved their average scores from pre-test to post-test in foundational math skills (such as skip counting and pattern recognition) by up to 25 percent.² These impressive educational gains were due in part to the combined ability of children to watch video content and then interact hands-on with games that reinforce the same curricular goals.

¹ See PBS KIDS Content Studies, *available at* www.pbskids.org/lab/research/content-studies.

² Odd Squad: Learning Math with PBS KIDS Transmedia Content at School and Home, WestEd, 15–16 (Oct. 2015), *available at* www-tc.pbskids.org/lab/media/pdfs/research/Y5-WestEd-OddSquad_FullReport.pdf.



While PBS's multi-platform approach has been highly successful, its reach and impact could be greatly increased through the interactive potential of Next Generation broadcast television. PBS reaches 24 million kids per year, including 64 percent of all kids ages 2-8 and more children in low-income homes than any other children's television programmer.³ Time spent viewing PBS KIDS, since the 24/7 multicast channel launched last year, is up 55 percent in broadcast-only homes and nearly 75 percent among children in low-income homes.⁴ The ability to deliver truly immersive, interactive, and impactful content via broadcast to the many families and children that depend on PBS KIDS content could be transformative.

- **To that end, PBS urged the Commission to ensure that the Next Generation transition will be successful by exempting noncommercial educational ("NCE") licensees as a class from the local simulcasting requirement.**

The simulcast mandate is unnecessary for NCE stations because they will, by their very nature and non-profit mission, continue to broadcast whatever is in the best interests of their local community. Public television stations will ensure the continuity of viewer access throughout the transition *regardless* of whether the Commission imposes a regulatory mandate. However, the Commission should refrain from doing so because the 361 public television stations across the country will pursue their educational missions through customized approaches that are tailored to their unique communities' needs. Local stations will weigh the trade-offs of various options – such as multicasting, datacasting, mobile broadcasting, and ultra-high definition content – and the Commission should not substitute its own judgment for that of local stations that know their communities best. Stations will need to allocate the limited bandwidth available to them to deliver the most impactful and educational service, but there is no one-size-fits-all solution. The simulcast mandate unnecessarily constrains the ability of public television stations to best serve local community needs, and the mandate would in fact preclude many public stations from bringing the educational benefits of the new standard to their communities.

The Commission should exempt NCE licensees as a class from the local simulcasting requirement because they would have unique, and often prohibitive, challenges in finding a transition partner with which to simulcast. The facilities of public stations have developed over decades to be geographically separate from other broadcasters and not situated centrally in Designated Market Areas.⁵ This is due to a host of reasons, including the Commission's own cable carriage regulations, the role of 16 statewide networks in public broadcasting, and the core noncommercial mission of serving rural, remote, and isolated areas.⁶

³ Nielsen NPOWER, Sept. 2016 – Sept. 2017.

⁴ Nielsen NPOWER, June 2016 – June 2017.

⁵ See examples in attached station coverage maps.

⁶ See, e.g., 47 C.F.R. § 76.55(b).



PBS also discussed the importance of preserving its universal service mission to deliver educational children's content to all communities across the country throughout and following the post-incentive auction repacking process.

- **PBS urged the Commission to publish an estimated \$750 million shortfall amount for the TV Broadcaster Relocation Fund, which is widely expected to require approximately \$2.5 billion in aggregate funding.**

Independent expert engineering analyses confirm this estimated shortfall amount, which is well beyond the \$2.14 billion and \$1.86 billion interim figures previously released by the Commission. This critically needed supplemental reimbursement funding can only be secured quickly if the Commission clearly acknowledges the full extent of the potential shortfall. Public broadcasters alone are expected to require over \$363 million to complete their involuntary repack assignments, which means that these local non-profit organizations are currently facing an unfunded mandate that could top \$109 million. This is an urgent issue given the ambitious and carefully structured repacking timetable. Many stations that had nothing to do with the incentive auction are threatened with going dark due to this circumstance far outside their control.

- **Moreover, PBS urged the Commission to quickly announce the issuance of a follow-up allocation from the TV Broadcaster Relocation Fund beyond the initial \$1 billion disbursement, at least for NCE licensees.**

Public broadcasters are working as quickly and diligently as possible to meet their assigned repacking deadlines, but the 12 public television stations in phase one require over \$21 million to complete this mandatory work. The Commission currently expects them to float 38 percent of that cost (i.e., \$8 million), which is completely untenable for many state universities and state agencies. The Commission's gradual disbursement of the fund has created far too much uncertainty for many NCE licensees with respect to the budgeting, cash flow, and procurement process for these large-scale construction projects, which has forced some to cease work while waiting for the Commission to take the steps recommended by PBS above.

PBS looks forward to working closely with the Commission to ensure that continued noncommercial educational service to the entire American public is preserved and strengthened through the post-auction repack and the deployment of Next Generation broadcast technology.



Regards,

/s/ Talia Rosen

Talia Rosen

Assistant General Counsel and

Senior Director, Standards & Practices

PUBLIC BROADCASTING SERVICE

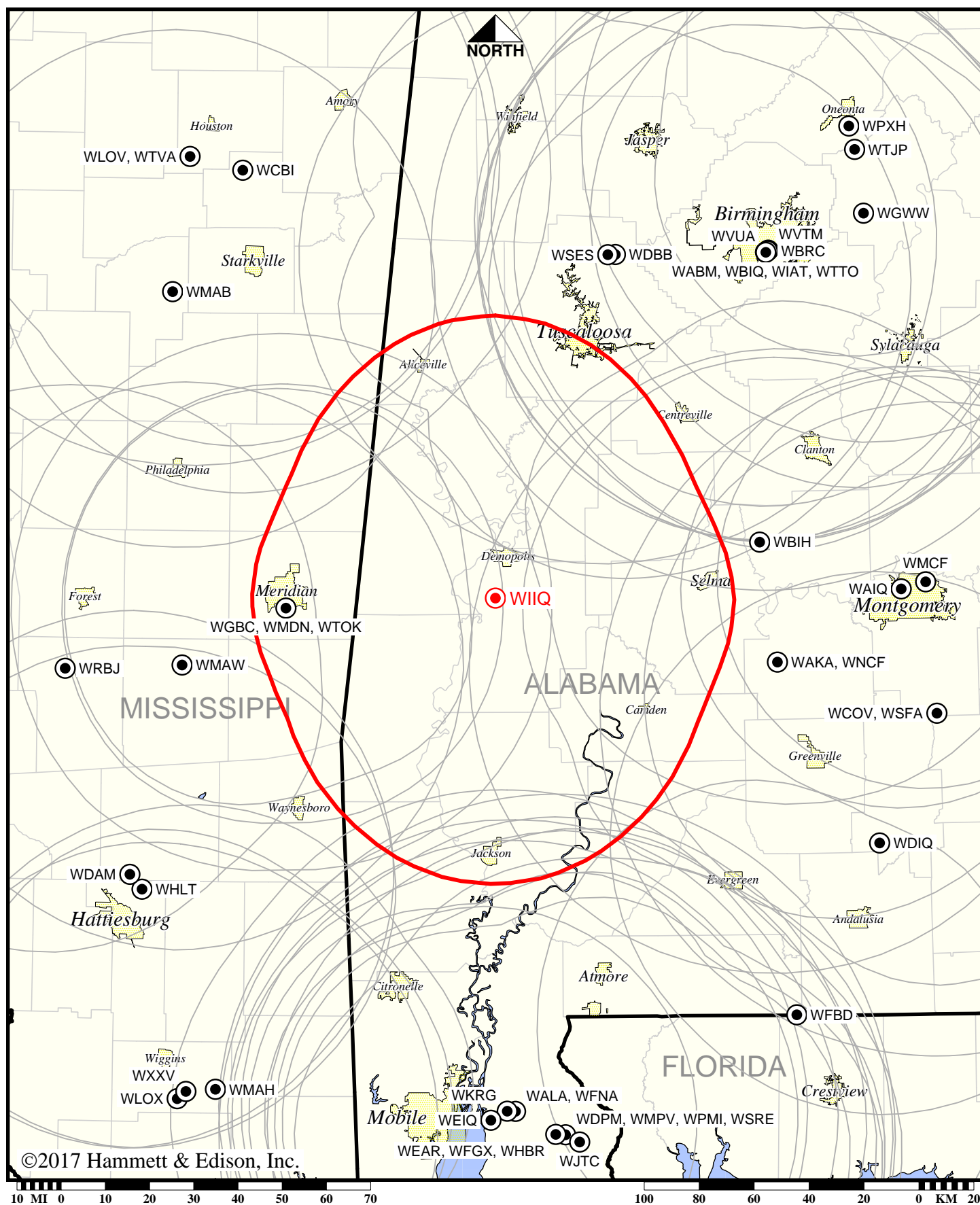
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