June 27, 2019

Ex Parte

Marlene Dortch  
Secretary  
Federal Communications Commission  
445 12th St., SW  
Washington, D.C. 20554


Dear Ms. Dortch,

On June 25, 2019, John Donovan, Chief Executive Officer, and Bruce Byrd, Chief Legal Officer, of AT&T Communications, spoke to Matthew Berry of Chairman Pai’s office about various retransmission consent challenges facing pay-TV providers. Messrs. Donovan and Byrd explained to Mr. Berry that, despite AT&T’s efforts to prevent them, AT&T’s satellite and IPTV systems currently have broadcaster blackouts in over 25 markets and AT&T may have more by the end of the summer.

The reason for the increasing frequency and length of these broadcaster blackouts is simple: the antiquated retransmission consent regime has shielded commercial broadcasters from effective competition for so long that these broadcasters demand deals that make no economic sense in light of the evolving realities of the pay-TV marketplace. Despite these well-documented trends, broadcasters continue to demand unsustainable increases to their retransmission consent fees. Indeed, several broadcasters insist on payments from pay-TV providers for stations that they do not yet own or have not yet launched. Many of these practices seem in tension with a broadcaster’s obligation to negotiate retransmission consent in good faith. While not discussing the merits, Messrs. Donovan and Byrd also noted that, just last week, AT&T filed a complaint at the Commission against nine broadcast station groups alleging violations of the Commission’s good faith rules.

Messrs. Donovan and Byrd urged the Chairman’s office to consider these factors as the Commission evaluates Nexstar’s proposed acquisition of Tribune and any other pending or future proposed station sale.

Sincerely,

Joan Marsh

cc: Matthew Berry