ncta
National Cable & Telecommunications Association
25 Massachusetts Avenue, NW – Suite 100
Washington, DC 20001
(202) 222-2300

www.ncta.com

Neal M. Goldberg
Vice President and General Counsel

(202) 222-2445
(202) 222-2446 Fax

December 3, 2015

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

Re: Downloadable Security Technology Advisory Committee, MB Docket No. 15-64

Dear Ms. Dortch:

On Tuesday, December 1, 2015, Alfred Liggins, Chairman of TV One and CEO and President of Radio One, accompanied by Michael K. Powell, President & CEO of the National Cable & Telecommunications Association ("NCTA"), and James Assey, Executive Vice President of NCTA, met with Commissioner Mignon Clyburn and her Chief of Staff, Chanelle Hardy. On Wednesday, December 2, 2015, Messrs. Liggins, Powell and Assey met with Commissioner Jessica Rosenworcel, her Legal Advisor, Johanna Thomas and her Special Advisor, Jennifer Thompson.

In both meetings, Mr. Liggins discussed the concerns that programmers have with a proposal that certain companies made in the Downloadable Security Technology Advisory Committee Report that resembles the "AllVid" proposal considered and not pursued by the Commission in 2010. In particular, Mr. Liggins discussed with the Commissioners and their staffers concerns he had expressed in his recent Op-Ed which emphasized that an FCC-imposed AllVid technology mandate "would do severe damage to the programming ecosystem, and, in particular, niche and minority-focused networks." A copy of Mr. Liggins' Op-Ed ("Protecting consumer choice, not special interests, in the video market") is attached. Messrs. Powell and Assey described additional concerns raised by the AllVid-like proposals as reflected in NCTA's Comments and Reply Comments in the above-referenced proceeding.[1]

[1] Comments of the National Cable & Telecommunications Association, MB Docket No. 15-64 (filed Oct. 8, 2015), particularly pp.21-37; Reply Comments of the National Cable & Telecommunications Association, MB Docket No. 15-64 (filed November 9, 2015), particularly pp. 25-35.

If you have any questions about this filing, please contact me.

Respectfully submitted,

/s/ Neal M. Goldberg

Neal M. Goldberg

Attachment

cc: Commissioner Mignon Clyburn
Chanelle Hardy
Commissioner Jessica Rosenworcel
Johanna Thomas
Jennifer Thompson

TBO THE TAMPA TRIBUNE

Commentary

Protecting consumer choice, not special interests, in video market

BY ALFRED LIGGINS
Special to The Tampa Tribune
Published: October 24, 2015

For decades, the political left and right have been deadlocked in an intractable debate about the proper role of government regulation in our economy. From the environment to health care to Wall Street, the debate about how and when government should regulate private industry is at the fulcrum of American civics.

But if there is one view that has united both sides of this divide, it is the idea that where competitive markets are functioning well, government regulators should keep their hands off.

This is what makes so odd the effort by some special interests to regulate the television industry despite the fact that nearly everyone agrees that the video market is competitive and, if anything, producing more content than consumers can keep up with.

New services such as Roku, Apple TV, Amazon Fire and Google Chromecast have hit the marketplace delivering all kinds of app-driven content to consumers. Programmers are now using apps to stream news, entertainment and sports directly to consumers, and new offerings like SlingTV are empowering cord-cutters. Satellite and cable companies are using new technologies like TV Everywhere to stream to consumers on an anywhere, anytime basis.

So if the market is working, why are companies like TiVo and a few Internet giants demanding the FCC pass new regulations — sometimes called “AllVid” regulations — for the television industry? Because these proposed rules would allow them to poach the programming rights negotiated by pay-TV companies and others.

The demand for new regulations is not about improving the market at all. It’s pure regulatory arbitrage — a sweetheart deal that would allow these companies to lift the programming rights and distribution deals negotiated by others, disregard and upend many of their central terms and repackage them so they can make a profit selling the underlying television content to consumers.

The tech giants argue — with a straight face — that this tech mandate is needed to create choice and competition in how consumers get and navigate their various packages of television programming. That argument is out of touch with reality.

The idea that we need government rules to bring competition to a thriving television marketplace is like saying we need a law to get more people to use a smartphone. And, like most sweetheart deals, it’s the public with the most to lose if the special interests win.

American viewers have an insatiable appetite for high-quality, entertaining and thought-provoking content. Producing such shows depends on the economic symbiosis between creators and distributors.

The proposed AllVid mandate would undermine that partnership, as distributors will be forced to reconsider what they pay for programs that can be siphoned off, repackaged and resold, drying up the revenue needed to underwrite quality shows. And the revenue impact is only part of the story. Television programmers depend on the integrity of licensing and distribution deals to produce their shows. These arrangements — including critical terms such as channel placement, advertising, scheduling and more — are the lifeblood of the video marketplace today. But a government mandate that enables AllVid special interests to pick and choose which of these terms to follow would do severe damage to the programming ecosystem, and in particular, niche and minority-focused networks.

Allowing AllVid special interests to raid the programming ecosystem could cause the "Golden Age of TV" that everyone celebrates today to collapse. Smaller, independent and diverse networks will likely be the first ones left behind.

We as a society face many challenges where the government can be a positive force for change. But the thriving video market is hardly one area that needs fixing.

Alfred C. Liggins III is chairman of TV One and chief executive officer and president of Radio One.