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March 21, 2016

**Ex Parte**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

**Re: Implementation of Section 103 of the STELA Reauthorization Act of 2014 et al., MB Docket No. 15-216 and Media Bureau Seeks Comment On A Petition for Rulemaking to Amend The Commission's Rule Governing Retransmission Consent, MB Docket No. 10-71**

Dear Ms. Dortch:

On March, 17, 2016, Bill Wallace and I had a call with staff from the Media Bureau and the Office of General Counsel to discuss Verizon's position in the above-referenced retransmission consent proceeding. The following Media Bureau staffers participated on the call: Michelle Carey, Nancy Murphy, Steve Broeckert, Diana Sokolow and Susan Singer. Also on the call from the Office of the General Counsel were: Susan Aaron and Jonathan Levy.

We discussed Verizon's priorities for Commission reform of the retransmission consent process.<sup>1</sup> To protect consumers from rising content prices, bloated bundles and programming blackouts, we urged the Commission to adopt a number of key remedies. First, to ensure that consumers continue to receive broadcast station programming even after a retransmission consent contract has expired, we encouraged the adoption of an interim carriage mechanism. Second, the Commission should deem unreasonable any requirement by a broadcaster to bundle their broadcast channels with other cable channels and should consider such demands to be *per se* evidence of bad faith. The refusal to offer broadcast channels on an economically reasonable stand-alone basis prevents MVPDs from tailoring video offerings to their customers' interests and forces MVPDs and their customers to pay for large packages of programming that they may not want. Third, we urged the Commission to find a violation of the good faith standard when a broadcaster extends programming blackouts to its online services that would otherwise be

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<sup>1</sup> See Comments of Verizon, MB Docket No. 15-216 (Dec. 1, 2015); Reply Comments of Verizon, MB Docket No. 15-216 (Jan. 14, 2016). Verizon supports the American Television Alliance's legal analysis regarding the Commission's authority to provide an interim carriage remedy and to prohibit online blocking. See Ex Parte Letter from Michael Nilsson, Counsel to the American Television Alliance, to Marlene H. Dortch, Secretary FCC, MB Docket No. 15-216 (Mar. 15, 2016).

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accessible by customers of an MVPD's broadband service. Fourth, we asked the Commission to eliminate the syndicated exclusivity and network non-duplication rules. These rules have the effect of limiting MVPDs to a single source for broadcast programming. They give the local station undue leverage in the negotiations and make it more likely that consumers are denied access to popular programming. Finally, we stated that blacking out a signal just before the airing of marquee programming, such as the Super Bowl or the Oscars, should constitute *per se* evidence of bad faith. This broadcaster practice is intended to harm the greatest number of consumers and the Commission should strongly discourage it.

Pursuant to the Commission's Rules, I am filing one copy of this letter in MB Docket Nos. 15-216 and 10-71.

Sincerely,

A handwritten signature in black ink, appearing to read "Marlene H. Dorch". The signature is fluid and cursive, with a horizontal line at the end.

cc: Michelle Carey  
Nancy Murphy  
Steve Broecker  
Diana Sokolow  
Susan Singer  
Susan Aaron  
Jonathan Levy