

FCC Filing: Entertainment Studios/NAAAOM Meetings

Between March 24, 2016 and March 31, 2016, I met with FCC officials on behalf of Entertainment Studios and National Association of African-American Owned Media. The officials I met with were:

1. Gigi Sohn, Advisor to Chairman Tom Wheeler
2. William Lake, Media Bureau Chief
3. Marc Paul, Legal Advisor to Commissioner Rosenworcel
4. David Grossman, Chief of Staff to Commissioner Clyburn
5. Matthew Berry, Chief of Staff to Commissioner Pai
6. Robin Colwell, Chief of Staff to Commissioner O’Rielly
7. Owen Kendler, Merger Team
8. Hillary DeNigro, Merger Team
9. Brendan Holland, Merger Team
10. Greg Pash, Merger Team

In the meetings, I urged the FCC to reject the proposed Charter/TWC merger given Charter’s history of racial discrimination. Moreover, I urged them, in the event of approving the merger, to issue strong conditions ensuring that 100% African-American Owned Media was given a substantial portion of Charter’s multi-billion dollar programming budget.

As for Charter's commitment to "diversity" and to 100% African American-owned media, I presented these undisputed facts about Charter Communications:

- Charter's annual programming budget: \$4 billion.
- Percentage of Charter's programming budget spent towards 100% African American-owned media: \$0.00
- Reverend Al Sharpton endorses the Charter/Time Warner MOU (enough said).
- Number of high-ranking African-American executives at Charter: 0/10
- Number of African-American board members at Charter: 0/16
- Number of female board members at Charter: 0/16
- Number of Hispanic-American board members at Charter: 0/16
- Charter does not employ a Chief Diversity Officer (which sends a very clear signal to the world that Charter does not care about diversity).
- Tom Rutledge's 2015 compensation: \$16.4 million. Note, this individual's pay is higher than the amount spent on 100% African American-owned media.

In addition to emphasizing that the merger was far from complete and engaging with our concerns, the following were key discussion items:

1. The Importance of “100% African-American Owned Media” as opposed to media with “significant African-American ownership”. The issue here is that networks with “significant African-American ownership” are used as fronts by cable companies such as Charter and Comcast to maintain white control while seemingly engaging with the African-American community. Cable companies use white investors such as Leo Hindery (associate of Comcast’s) or Highbridge Capital who in turn use high-profile African-Americans such as Earvin “Magic” Johnson and Sean “P. Diddy” Combs as fronts when indeed these African-Americans have little control or ownership. Thus, it defies the very point of encouraging “diverse voices” which the FCC is supposedly committed to doing. Charter is following the same playbook as Comcast. Thus, please read the FCC filing from 3/24/16 written by the National

Association of African-American Owned Media (NAAAOM) describing exactly how this process works. That should answer the core of your questions on why “100%” is so important.

Please read the FCC filing here:

<http://www.naaaom.com/wp-content/uploads/2014/12/Petition-Comcast.pdf>

2. Whether Charter Indeed Discriminated Against Entertainment Studios and the Racial Issues

Involved. Entertainment Studios has, for 7 years, attempted to be launched on Charter and they have been given a constant run-around and denied meetings with their CEO, Tom Rutledge despite having networks carried on AT&T, Verizon and elsewhere. Meanwhile Tom has met with owners of smaller, white-owned networks. I urge you to read NAAAOM’s complaint against Charter which describes these issues in detail and answers quite clearly how discriminatory the culture is at Charter as well as why allowing Charter to become the #2 Cable Company is a concerning thought to Entertainment Studios and moreover should be of concern to any African-American. Remember that they were told by Allan Singer, Charter’s Head of Programming that they would “NEVER launch Entertainment Studios networks on Charter”. Being denied even the opportunity to be launched on the #2 Cable Company is huge and the fact that they would make this statement is testament again to the racist culture at Charter.

Please read the complaint here:

<http://www.naaaom.com/wp-content/uploads/2016/01/Charter-FCC-Complaint.pdf>

In addition to the aforementioned discussion items, I also presented a powerpoint deck which has been previously filed under this docket.

Thank you again to the FCC for taking the time to listen to our case. I hope the FCC puts our concerns into real action to ensure that black voices are being heard, that 100% African-American owned media companies can have equal opportunities with white-owned companies and that African-Americans can feel comfortable going into the entertainment industry without feeling like there is a ceiling preventing them from being anything more than a performer for White America.

Don’t hesitate to contact me with any further questions. If you present these findings to Charter, I’m curious what their response would be as they thus far have not responded to any of the charges of racism other than to promise change IF the merger is approved.

Sincerely,

Adam Swart