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VIA ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
[425 12th Street SW](#)
[Washington, D.C. 20554](#)

RE: Notice of Ex Parte Communication
MB Docket 15-216

Dear Madam Secretary,

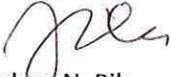
On May 23, Meredith Corporation, as represented by Joshua Pila (General Counsel, Local Media Group) and John Hane (of Pillsbury Winthrop Shaw Pittman) separately met with Commissioner Ajit Pai and Brendan Carr (legal advisor to Commissioner Pai), Marc Paul (legal advisor to Commissioner Rosenworcel), and the following individuals from the Media Bureau: William Lake, Nancy Murphy, Diana Sokolow, Omar Nayeem, Susan Singer, and (by phone) Martha Heller. In each meeting, Meredith explained (as outlined further in our comments and reply comments in this proceeding) that the Commission's good faith rules are intended to be reciprocal, procedural rules and that the Commission should not and cannot substantively regulate retransmission consent. Specifically, the FCC does not have the authority to regulate rates or force a broadcaster to consent, and should not give credence to MVPDs' "mashup" of various out-of-context sources to try to create that authority out of thin air.

Meredith also noted that on the MVPD side, 94 percent of subscribers are concentrated in the Top 10 MVPDs, and those MVPDs are vastly larger than even the largest independent broadcast groups. For example, Meredith's market capitalization is about \$2 billion (including its publishing division), and the New Charter transaction is valued at more than \$70 billion. Even if the Commission had authority to regulate rates or order carriage without the broadcaster's consent, there would be no reason to exercise it on behalf of MVPDs, most of which are far larger and have far greater resources (including large staffs of professional carriage negotiators and lawyers).

In any event, further substantive regulation of retransmission consent would not be pro-consumer and would not bring down consumer prices, since rising retransmission fees are simply a manifestation of rising programming costs. Those costs are rising for *every* distributor. If the Commission were to tilt the playing field to MVPDs, broadcasters would not be able to afford the investment in high quality national programming (such as sports and network programming) or the local news and information investments. Programming would simply gravitate to paid platforms that could afford it – platforms favored by FCC regulations. Broadcasters are the only parties in the video ecosystem that are providing high-quality content to consumers for free and including local news and information.

Mandatory carriage would especially be anti-competitive because it would give MVPDs incentive to refuse to reach a new deal (without consequences) in order to starve their local video competitor (i.e., the local broadcast station) of funds needed to compete against cable channel programming buys (e.g., regional sports networks buying sports rights), MVPD local ad sales (including MVPD joint sales agreements called "interconnects"), and/or digital efforts.

Should you have any questions about this correspondence, please contact the undersigned.



Joshua N. Pila
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Meredith Corporation

CC: Ajit Pai, Brendan Carr, Marc Paul, William Lake, Nancy Murphy, Diana Sokolow, Omar Nayeem, Susan Singer, Martha Heller