

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In re Matter of)
)
Authorization of Next Generation TV) **GN Docket No. 16-142**
for Permissive Use as a Television Standard)

To: The Commission

COMMENTS OF WATCHTV, INC.

1. WatchTV, Inc. (“WatchTV”) hereby submits these Comments in support of the Petition for Rulemaking in the above-captioned matter, filed by America’s Public Television Stations, the AWARN Alliance, the Consumer Technology Association, and the National Association of Broadcasters, seeking amendment of the Commission’s Rules to allow broadcasters to use the signaling portion of the physical layer of the new ATSC 3.0 (‘Next Generation TV’) technical standard.¹ The Commission should encourage an early transition and do whatever it can to avoid imposing obstacles that might increase burdens on licensees or delay implementation of Next Generation TV. WatchTV is ready to begin the transition now and urges the Commission to recognize that Next Generation TV may be the best way to help Class A and LPTV stations create the new business models they will need to function in the 21st Century.

2. Most importantly, the initial authorization of Next Generation TV, although it should be permissive for all stations at first rather than mandatory, must include both Class A and Low Power Television (“LPTV”) stations from the outset rather than leaving those station classes by the wayside until some later date. Class A and LPTV stations have the greatest need

¹ The Commission invited comments on the Petition in a Public Notice, DA 16-451, released April 28, 2016.

to implement new business models in the near term. If ATSC 1.0 simulcasting is required at all, it is a burden that should be imposed on only full power television stations.

3. WatchTV is the licensee of seven Class A and seven LPTV stations in the State of Oregon.² It does not know how many, if any, of its Class A stations may be sold in Reverse Auction 1001; but since the Commission has announced that two of those stations are not needed under any circumstances in the auction,³ it is a publicly known fact that WatchTV will retain at least two Class A stations after the auction. None of WatchTV's LPTV stations are eligible to be sold in the auction. WatchTV does not know how many of those stations will be displaced and unable to find new channels after the auction, but it assumes that at least some will survive. Thus regardless of whether or not WatchTV sells any of its Class A stations in the Reverse Auction,⁴ it will remain a broadcast television licensee after the auction has concluded and needs to have a business plan for operating the stations that will remain licensed to it.

4. The business prospects for Class A and LPTV stations at the present time leave much to be desired. Uncertainty over the outcome of the impending spectrum repack is only one aspect of the difficulties that these stations face. They have also lost access to high quality national programming services that previously provided economic support for their operations but then largely migrated to the multiple program streams that became available on full power stations after the transition from analog to digital transmission. Most Class A and LPTV stations

² An eighth LPTV station is licensed individually to Gregory J. Herman, WatchTV's controlling shareholder.

³ Appendix to Public Notice, *Incentive Auction Task Force and Wireless Telecommunications Bureau Release Opening Bid Prices for Reverse Auction*, 30 FCC Rcd. 11358 (WTB 2015).

⁴ WatchTV is precluded under the Commission's auction anti-collusion rules from discussing publicly how many (if any) of its Class A stations it proposes to sell in the auction and/or at what prices it will or will not sell any stations that it may offer to sell.

lack any mandatory carriage rights on multi-channel video programming distribution (“MPVD”) systems. If nothing else changes, the only benefit that Class A and LPTV stations might gain from the spectrum repack is that fewer stations will exist with which they must compete. Whether that is really a “benefit” is speculative; and in any event, it is at best a relatively small benefit compared to the logistical and financial burdens that LPTV stations will face in finding new channels and then moving to those channels without the governmental reimbursement of their costs to which Class A and full power stations will be entitled.

5. Next Generation TV offers a meaningful prospect for Class A and LPTV stations to reinvent themselves, to survive and to thrive in the future spectrum world, to continue to provide services to rural and niche audiences that are not served by full power stations, and to offer ongoing opportunities for station ownership by women and members of minority groups. The OFDM modulation scheme and single-frequency network capability of Next Generation TV will allow Class A and LPTV stations to transmit more robust signals, hopefully reducing to some extent the importance of access to MVPDs; to reach mobile receivers reliably; and to offer hybrid broadcast and non-broadcast services.

6. Class A and LPTV stations should be viewed as cutting-edge innovators and not left to pick up the remaining scraps after the full power industry has migrated to Next Generation TV. Class A and LPTV stations have less invested in the legacy television programming broadcast business and so will, in most cases, not be conflicted by a desire that some full power television broadcasters may have to stretch out the current broadcast model as long as possible. They have more flexibility and agility to try out new ideas. WatchTV is ready, willing, and able to stand at the forefront of the new technology and to exploit the capabilities that the technology offers. Indeed, WatchTV anticipates that it will shortly have access to ATSC 3.0 transmitters

and will ask the Commission to grant experimental authorizations to deploy those transmitters and to develop data about OFDM signal propagation in urban, rural, and mountainous areas of the state of Oregon.⁵

7. While the formal rulemaking proceeding that WatchTV hopes the Commission will initiate promptly will flesh out details of the transition to Next Generation TV, it is important that the Commission not place obstacles in the way of the transition. While a full transition is inevitable, as television broadcasting must ultimately abandon the outdated ATSC 1.0 standard if it is to remain a competitive medium, the initial transition must be permissive rather than mandatory, to allow stations that have sufficient technological and financial resources to go first, setting an example that will attract investment to help others join the migration. On the other hand, those who want to hold back should not be allowed to require everyone else to wait with them.

8. The fact that Next Generation TV is not backward compatible with ATSC 1.0 should not be seen as a reason to delay, to impose costly and logistically difficult conditions, or to require all stations to transition at the same time -- especially when it comes to Class A and LPTV stations. The incompatibility issue will not be anywhere near as serious this time as it was when television transitioned from analog transmission to the incompatible ATSC 1.0. This time, there will be no need for the public to replace receivers or for the government to subsidize converter devices, as it did with the first digital transition.⁶ Moving from one digital standard to another is much easier than moving from analog to digital, because the fundamental building

⁵ Propagation conditions in Oregon are significantly different from the Baltimore-Washington corridor where Sinclair Broadcast Group, Inc. experimented in March of 2016 with a single-frequency network based on Next Generation TV.

⁶ See <https://www.ntia.doc.gov/legacy/dtvcoupon/index.html>.

blocks of digital transmission -- “0” and “1” bits -- will remain the same. It will be easy for receiver manufacturers to build dual-standard digital receivers, and press reports suggest that they will do so as soon as they know that the Commission has approved the ATSC 3.0 standard.⁷ Meanwhile, legacy digital television receivers for the most part have HDMI and/or USB ports that will accept inputs from small and inexpensive set-top boxes or dongles that can convert an ATSC 3.0 input into an HDMI or ATSC 1.0 output.⁸ WatchTV anticipates that the cost of a simple dongle will be so low that it may be practical for local television broadcasters to offer dongles to viewers for free with promotions similar to those that have been successfully conducted to give away over-the-air home TV receiving antennas.⁹

9. WatchTV wishes to remind the Commission that the agency has already once decided not to subject LPTV stations to the full ATSC 1.0 technical standards that apply to full power TV stations, establishing a precedent that is all the more reason to allow LPTV stations to experiment with Next Generation TV without simulcasting. In *Amendment of Parts 73 and 74*, 19 FCC Rcd. 19331 (2004), the Commission stated that Class A stations must adhere to Section 73.682, but not LPTV stations:

“Under Part 74 of the rules, LPTV and TV translator stations are not required to comply with either Section 73.682(a) or (d). The list of broadcast regulations applicable to the low power television service does not include these rules [footnote referring to Rule Section 74.780 omitted]. Digital companion channels to Class A stations will be licensed on a secondary, LPTV basis and at

⁷ See, e.g., <http://www.tvtechnology.com/events/0025/hpa-2015-atsc-30-prototypes-expected-in-2016/274513>.

⁸ LG Electronics demonstrated a small combination antenna and set-top ATSC 3.0 receiver that distributes its output via traditional Wi-Fi technology at the 2016 NAB Television Show. See <http://www.broadcastingcable.com/news/local-tv/nab-2016-lot-firsts-atsc-30/155660>.

⁹ See, e.g., reports published at <http://www.antennasdirect.com/blog/tag/antenna-giveaway/>, and <http://www.keloland.com/news/article/news/hundreds-line-up-for-antenna-giveaway>.

this juncture operation of companion channels will not be subject to the requirements of Section 73.682(d) of the rules.”

10. Even if the Commission decides to be extremely cautious and to require simulcasting of ATSC 1.0 and ATSC 3.0 program streams on full power stations during a transitional period, Class A and LPTV stations should be exempted from that burden. These stations are ideal test beds for experimentation. Imposing additional costs on them will be an unnecessary impediment to their efforts. The Commission should remember that most Class A and LPTV stations do not have MVPD must-carry rights, and stations not carried by MVPDs are highly dependent on over-the-air viewership. Unlike full power stations that enjoy the alternative of MVPD carriage, they have every incentive not to cut themselves off from any of their over-the-air viewers; so the Commission can count on strong market forces to lead Class A and LPTV stations to take care on their own to find the most efficient and effective way to maintain continuous access to their audiences.¹⁰

11. The Commission has always prided itself on encouraging technological innovation and advancement. The transition to Next Generation TV offers an opportunity for an enormous leap forward. It will have no impact on the impending Reverse Incentive Auction, so there is no reason for the Commission to put the transition on “hold” pending conclusion of the auction and ensuing spectrum repack. Indeed, use of the ATSC 3.0 signal structure is more likely than not to assist in the repack by making it easier for displaced LPTV stations to find new

¹⁰ ATSC 1.0 simulcasting may be especially difficult for LPTV stations, because they may not be able to find an LPTV partner that will give them access to an ATSC 1.0 stream. While it is likely that enough full power stations will remain in each market to provide adequate hosting for ATSC 1.0 streams, there is no assurance that enough LPTV stations will survive, especially in urban markets. While an LPTV station could theoretically offer its programming on an ATSC 1.0 stream of a full power station, there is nothing to indicate that full power stations will be receptive to hosting LPTV programming, except perhaps in return for fees that would seriously impede LPTV efforts to implement Next Generation TV.

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channels, because OFDM signals will cause no more, and will likely cause less, interference to other stations than ATSC 1.0 does. Therefore, some displaced LPTV stations that cannot find a new channel using the 8VSB ATCS 1.0 standard may be more successful if they transition to the OFDM ATSC 3.0 standard.

12. Whatever the Commission does, it must not leave Class A and LPTV stations by the wayside, as it did during the transition from analog to ATSC 1.0. Class A and LPTV stations can lead rather than follow, if only given an opportunity to do so. They must be given the opportunity to move ahead without unnecessary logistical and financial burdens. WatchTV urges the Commission to open the door now and to let the Class A and LPTV industries show the country what they can do to improve the technical quality of their service, to increase program diversity, and even to add access to broadband content to their services in hard-to-reach rural areas where high deployment costs have so far been a serious impediment to the availability of high-speed broadband access.

13. The sooner the Commission initiates a formal rulemaking proceeding, the better. The electronics and broadcast industries have worked hard to come up with a viable standard for the 21st Century. The Commission now needs to pursue its proper role as a facilitator of this significant advancement.

Respectfully submitted,



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