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My Final Thoughts

During the same period as the birth of retransmission consent, LIN pursued a multi-channel presence through the development of virtual in-market duopolies, then known as Local Marketing Agreements or LMAs. LIN-TV had the nation's first television LMA, with WUHQ, now WOTV, the ABC affiliate in Battle Creek, MI in December 1991. The first duopoly in the top ten markets was KXTX in Dallas/Ft. Worth, which we began on May 31, 1994. Eventually we had LMAs in ten of the top 50 markets and Puerto Rico.

We realized our world was changing and to be a single channel provider in a video marketplace that we shared with not only over-the-air competitors but also cable, satellite and the internet and where nearly every American has literally hundreds of media options was as foolhardy as being analog in a digital world.

But the limited reach of LMAs, and their functional equivalents, and some actual duopolies eventually permitted by law, has not protected broadcast station viewing from great attrition. Today less than half of actual measured viewership is over the air television. I say actual because the task of measuring viewership in today's marketplace is nearly impossible.

You should remember that the enactment of Must Carry/Retransmission on October 5, 1992 occurred when the cable television business had little competition in nearly all 210 local television markets. Cable had not yet developed the broadband business. The Satellite Home Viewer Act of 1999 allowed satellite to enter the local television market but in 1993 satellite had almost not penetration in most television markets. This was also true for the local telephone company. The local phone company had yet to enter the cable television business.

Both the local telephone company and satellite represented competition to the cable television industry and customers for retransmission consent agreements with local television stations. In January 1982 Judge Harold Green broke AT&T into seven regional Bell operating companies. In December 2005, SBC which is the parent company for Bellsouth, Southwestern Bell, Pacific Telesis, Ameritech and Southern New England Telephone began trading as AT&T, and started their quest to reinvent itself from a declining copper wire and long distance business to a growing, vibrant, modern communication company. This is being accomplished through the developing technology of cellular telephone, broadband internet, and now satellite with the acquisition of DirecTV.

Today AT&T has 132 million wireless customers. \$146 Billion in revenue and 243,628 employees and one of the largest communication conglomerates in the world. What is allowing this to be accomplished is favorable Government regulation. Humpty Dumpty is being put back together And indeed may be getting an even stronger shell through the proposed acquisition of Time-Warner.

Comcast began in 1963 with the purchase of 1,200 cable subscribers in Tupelo Mississippi. In 2002, Comcast acquired AT&T broadband (formerly TCI) making it the largest cable company in the United States. In 2013 Comcast purchased NBC Universal, which has news, entertainment, motion pictures, theme parks and rights to the Olympics through 2032 also includes the NBC and Telemundo Networks, Universal Studios, Cable Channels CNBC, MSNBC, BRAVO and Weather Channel to name a few. Today Comcast has more Internet subscribers than Cable television subscribers. General Electric remains a large stock holder, and Comcast now has \$74.5 Billion in revenue and 126,000 employees. Comcast was allowed to build one of the world's largest multinational media conglomerates because of favorable government regulation.

Nearly two and a half decades ago it took an act of Congress to correct the inequality of local television's lack of retransmission rights. Without retransmission, political revenue and efficiency of duopoly operations, local television would be in the ash heap of failed American industries. But with the government-sanctioned consolidation of the multiple-system operator market, all but the largest broadcast companies could see those gains evaporate.

Will it take Congressional action to again correct the outdated, inequitable local television ownership rules that are the vestiges of an America that no longer exists? The FCC kept its thumb on the scale of free and fair competition with antiquated ownership rules. Will the FCC simply attempt to wait until time and present circumstances resolves the issue unfavorably on the side of antiquity?

Unfortunately the FCC has feet in two different boats. One foot forward in auctioning television spectrum to create service and value for all Americans, the other foot backward holding on to the antiquated and outdated television ownership rules.

FCC Chairman, Ajit Pai, recognized in reinstating the UHF discount, (ie) expand the national ownership cap that the FCC's broadcast ownership rules were relics of a bygone era. Broadcasters need the freedom to expand their service and value not only to their companies' shareholders but also to their most important shareholder: all Americans and to every community throughout the land. I hope Chairman Pai holds to his position and makes ownership reform a top priority.