

## **Press Statement**

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## MMTC: FCC SET TOP PROPOSAL UNDERMINES MEDIA DIVERSITY IN THE VIDEO MARKETPLACE

Washington, DC (January 28, 2016): The Multicultural Media, Telecom and Internet Council (MMTC) opposes the Federal Communications Commission's (FCC) notice of proposed rulemaking on set-top boxes because it undermines goals for advancing diverse content. Like other minority-focused public interest groups, programmers, and elected officials, MMTC believes such a mandate would create "second class carriage" for diverse content and programming by making these offerings less visible and available to consumers in an already competitive video marketplace.

In particular, MMTC is concerned that Chairman Wheeler's current proposal would force programmers and distributors to disaggregate their shows and services, then provide the content to companies to repackage without compensating the content creators or respecting the basic terms of licensing deals. MMTC believes the unintended consequences for minority programmers—who already lack equal access to capital and carriage on new media platforms—would impact their placement, profile, advertising revenue, and current and future investments in quality multicultural programming. We believe that the FCC proposal to expand consumer choices for viewing content should not be done in a way to create unintended consequences for all minority programmers.

Minority programmers, such as TVOne and Fuse Media, have pointed out forcefully and persuasively that they must spend millions of dollars to create substantive, multicultural narratives and stories to serve all Americans, including multicultural consumers, by reflecting the reality of our rich diversity as a nation. These programmers and new content creators must be able to recoup the costs of these enormous investments rather than be forced to let big technology companies—who themselves have dismal diversity records—exploit the fruits of these investments and labor costs. As success in this content-driven industry is determined by advertising, promotion, and ease of access, the promise of increased exposure on an infinite Internet is akin to offering a drop in the ocean.

Finally, MMTC is concerned that the Commission would move forward on a proposal that primarily rewards big technology corporations that have stunningly poor diversity records in the areas of employment, ownership, and supplier diversity. Worse, these companies have done a poor job of incorporating significant multicultural programming into their current offerings.

The FCC should carefully evaluate the adverse financial and public interest implications of its proposed rulemaking. Corporations with dismal diversity track records should not be given a government pass, and the FCC must not implement policies where diverse ownership and content creation are once again threatened.

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## **About MMTC:**

The Multicultural Media, Telecom and Internet Council (MMTC) is a non-partisan, national nonprofit organization dedicated to promoting and preserving equal opportunity and civil rights in the mass media, telecommunications and broadband industries, and closing the digital divide. MMTC is generally recognized as the nation's leading advocate for minority advancement in communications.