

Press Statement

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MMTC and Nine Other Civil Rights Organizations Urge FCC to Pause Set-Top Box Proceeding, Conduct Evidentiary Studies

Washington, DC (April 26, 2016): The Multicultural Media, Telecom and Internet Council (MMTC) has filed comments in the Federal Communications Commission's (FCC) Set-Top Box Proceeding, urging the Commission to reconsider its proposal due to the adverse unintended consequences for diverse and independent programmers. Nine other national civil rights organizations (the MMTC Coalition) joined MMTC as signers on the comments.¹

"The Commission is promoting a model that hands over the hard work of diverse programmers and content creators to companies that will profit from their work without compensating them," stated MMTC President and CEO Kim Keenan. "The Commission should not place its finger on the scale and pick winners and losers in this proceeding, with diverse content creators and distributors clearly on the losing end. We urge the Commission to pause this proceeding and conduct evidentiary studies on the impact of the set top box proposal on diversity, privacy, and cost to consumers."

The MMTC Coalition recommends that the Commission pause its set-top proceeding in order to conduct several crucial evidentiary studies. Specifically, the MMTC Coalition urges the Commission to:

- Conduct an empirical study exploring the proposal's impact on diverse content, diverse ownership, and the visibility of diverse faces on-screen
- Analyze the likely increased costs to consumers under the proposal
- Assess the proposal's impact on consumer privacy protections

The proposal the FCC puts forth in its Set-Top Notice of Proposed Rulemaking (NPRM) purports to consolidate content options for consumers in a single, universal device that can search across multiple platforms, in the name of lowering costs for consumers while increasing consumer choice. Certainly consumers should have choice in whether to purchase or lease their set top device. However, the approach the Commission has chosen to ensure consumer choice in their navigation devices causes collateral damage to the entire TV network ecosystem, with the greatest harm falling upon diverse content creators on multichannel video programming distributor platforms (MVPDs, such as cable and satellite). In essence, the NPRM requires MVPDs to hand over TV Network content to online video distributors (OVDs) and third-party device manufacturers who would then be able to do what they want with the content, without negotiation, and without compensation to the creators or programmers. The proposal, too, would put control of video programming diversity in the hands of some of the nation's least-diverse companies. Further, the proposal would create an unequal regulatory landscape for consumer privacy, leading to a marketplace where consumer privacy protection would vary based on the regulatory category under which a

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¹ The following nine organizations signed on to MMTC's Comments: Asian American Advancing Justice ASIAN (AAJC), Asian Pacific American Institute for Congressional Studies (APAICS), Latinos in Information Sciences and Technology Association (LISTA), National Association of Multicultural Digital Entrepreneurs (NAMDE), National Black Caucus of State Legislators (NBCSL), National Association of Black Elected Legislative Officials (NOBEL) Women, OCA – Asian Pacific American Advocates, Rainbow PUSH Coalition, National Puerto Rican Chamber of Commerce (NPRC).

service provider falls. Last but not least, there is absolutely no evidence that the regime posed by the NPRM would result in any cost savings to consumers; indeed, what little evidence there is suggests the proposal will result in increased consumer costs.

Today's market is already trending toward an apps-based environment with lots of consumer choice. For this reason, the MMTC Coalition questions the Commission's selective regulatory approach. The MMTC Coalition urges the Commission to issue a Further NPRM to even-handedly explore alternatives, such as the app-based proposal submitted by the Commission's own Downloadable Security Technology Advisory Committee (DSTAC); and it requests that the Commission at the very least conduct the above-referenced evidentiary studies before it moves forward.

The MMTC Coalition's comments are available online, <u>here</u>.

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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.