



PUBLIC NOTICE

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MEDIA BUREAU ACTION

MEDIA BUREAU ANNOUNCES DECISION ON PETITION FOR *DE NOVO* REVIEW FILED BY DIRECTV SPORTS NET PITTSBURGH, LLC PURSUANT TO *LIBERTY MEDIA ORDER* ARBITRATION CONDITIONS

File No. CSR-8480-P

On April 13, 2011, DIRECTV Sports Net Pittsburgh, LLC (“DSNP”) filed a Petition for *De Novo* Review of an arbitrator’s decision in favor of Armstrong Utilities, Inc. (“Armstrong”) in a dispute concerning the fair market value of the right to carry Fox Sports Net Pittsburgh (“FSNP”), a Regional Sports Network (“RSN”) owned by DSNP.¹ The arbitration proceeding was conducted pursuant to a condition established by the Commission in the *Liberty Media Order*.² Today, the Media Bureau adopted a decision denying DSNP’s Petition and concluding, consistent with the arbitrator’s decision, that the Armstrong final offer most closely approximates the fair market value of the programming carriage rights at issue.

Proceedings assessing the fair market value of programming carriage rights for RSNs necessarily involve the analysis of proprietary commercial and financial information, including the rates, terms, and conditions for carriage of RSNs.³ Moreover, in this particular case, the Parties have substantially redacted the public versions of their pleadings. Today, the Media Bureau has separately released an unredacted version of its decision to the Parties. The Media Bureau hereby affords the Parties the opportunity to jointly submit suggested redactions of proprietary commercial and financial information. The Parties

¹ See DIRECTV Sports Net Pittsburgh, LLC, Petition for *De Novo* Review, File No. CSR-8480-P (filed April 13, 2011) (“DSNP Petition” or “Petition”). DSNP and Armstrong are collectively the “Parties.”

² See *Applications for Consent to the Assignment and/or Transfer of Control of Licenses, News Corporation, and The DIRECTV Group, Inc., Transferors, to Liberty Media Corporation, Transferee*, Memorandum Opinion and Order, 23 FCC Rcd 3265, 3346 (2008), Appendix B, Condition IV, § A “Commercial Arbitration Remedy” (“*Liberty Media Order*”).

³ See 47 C.F.R. § 0.457(d)(iv) (listing “programming contracts between programmers and multichannel video programming distributors” as material not routinely available for public inspection under the Freedom of Information Act (“FOIA”)). Indeed, in adopting the *Liberty Media Order* arbitration conditions, the Commission specifically contemplated that these arbitrations would involve commercially sensitive material and that arbitrators would have to produce both a confidential and a redacted version of their decisions. See *Liberty Media Order*, 23 FCC Rcd at 3349, Appendix B, Condition IV, § F “Modifications to Rules for Arbitration Involving Regional Sports Networks,” ¶¶ 4, 7.

must jointly submit their suggested redactions to the Media Bureau no later than **August 17, 2011**. The Media Bureau cautions the Parties to propose redactions of only that material which they believe in good faith falls within an exemption to disclosure under Commission rules⁴ and to refrain from proposing redactions of information that has been previously disclosed to the public. The Media Bureau will release a public version of the decision after considering the redactions suggested by the Parties.

For further information, contact David Konczal, David.Konczal@fcc.gov; or Simon Banyai, Simon.Banyai@fcc.gov; of the Media Bureau, Policy Division, (202) 418-2120. Press inquiries should be directed to Janice Wise, (202) 418-8165.

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⁴ See 47 C.F.R. § 0.457. See also 5 U.S.C. 552(b).