## STATEMENT OF COMMISSIONER GEOFFREY STARKS

## Re: *Customer Rebates for Undelivered Video Programming During Blackouts*, MB Docket No. 24-20, Notice of Proposed Rulemaking.

It's an unfortunate fact – the last several years have brought dozens of programming blackouts to tens of millions of subscribers. Let's look at some numbers. According to S&P Global, there were 24 retrans blackouts in 2019 – more than there had been in any single year before – lasting 171 days and affecting more than 20 million subscribers.<sup>1</sup> And while the number of blackouts in the last year or two may be lower, in proportion with a lower number of new agreements negotiated, the duration of those blackouts hasn't been: the four resolved blackouts that S&P clocked in 2022 lasted for 152 days.<sup>2</sup>

It's simple – the programming that customers pay for should be available when they turn on the TV. Why is that increasingly not the case? We need to dig deeper, and so I appreciate the Chairwoman and Commissioner Gomez supporting my additions to the item, which now asks for answers to the difficult questions involved here. Why have blackouts increased? How has the availability of streaming services, particularly live linear streaming services that consumers can sign up for and begin receiving immediately, impacted the amount and duration of blackouts? Are programmers with channels that have certain categories of programming – like sports – more likely to have negotiations that result in blackouts? I look forward to the record on these issues. By learning the factors that are contributing to the recent rise in blackouts, we can determine what, if any, steps we can take to limit them from the start.

I was also pleased to learn in meetings with MVPDs that many providers offer some form of rebate or credit for blackouts already, so the item now seeks to learn more about current practices in the marketplace. This information will guide us as we determine how any potential rebates should be structured.

Thanks also to the Commission staff who worked on this important item. It has my support.

<sup>&</sup>lt;sup>1</sup> See Atif Zubair, *History of Retrans Deals and Signal Blackouts*, 1993-2014 YTD, Market Intelligence, S&P Capital IQ Pro (Feb. 25, 2014); Atif Zubair, *Retrans Roundup 2019*, Market Intelligence, S&P Capital IQ Pro (Jan. 21, 2020). For clarity, S&P Global refers to "one blackout" as a dispute between one broadcaster and one distributor; it does not refer to the number of stations at issue. Other sources may report on a per-station basis, *see* Mike Farrell, "Cable Retrans Blackouts Declined Sharply in 2021, But 2022 Could See An Uptick in Disputes," Multichannel News (Jan. 7, 2022), <u>https://www.nexttv.com/news/cable-retrans-blackouts-declined-sharply-in-2021-but-2022-could-see-an-uptick-in-disputes</u>.

<sup>&</sup>lt;sup>2</sup> Peter Leitzinger, *Retrans Roundup 2022*, Market Intelligence, S&P Capital IQ Pro (Feb. 7, 2023).