



The **WALT DISNEY** Company

Richard M. Bates
Senior Vice President
Government Relations

November 8, 2019

The Honorable Lindsey Graham
Chairman
Senate Committee on the Judiciary
290 Russell Senate Office Building
Washington, D.C. 20515

Dear Chairman Graham,

Thank you for your letter of November 1, 2019 regarding the approaching date for the expiration of the STELA Reauthorization Act of 2014.

ABC shares your interest in ensuring that our viewers continue to have the ability to view ABC network programming on their respective satellite services after the expiration of the section 119 compulsory license at the end of the year. While we agree with many of your colleagues in the Senate and House that the ultimate goal should be for viewers to be able to view the local ABC affiliate in their respective Designated Market Area, ABC is prepared to ensure a smooth transition through short-term agreements with the satellite providers consistent with the approach outlined by the questions in your letter. As expressed on multiple occasions by the Copyright Office, the time has come for the expiration of the section 119 compulsory license. We are confident that viewers can be served through freely-negotiated arrangements, as Congress anticipated, without the need for statutory licensing, recognizing of course, that AT&T and DISH must be willing participants in any arrangement. In furtherance of that goal, ABC's answer to each of the questions posed in your letter is "yes".

Thank you again for your leadership on this issue.

Sincerely,

Richard M. Bates
Senior Vice President, Government Relations



CBS CORPORATION
801 PENNSYLVANIA AVENUE, NW
SUITE 450
WASHINGTON, DC 20004-2615

November 7, 2019

The Honorable Lindsey Graham
Chairman, Committee on the Judiciary
United States Senate
224 Dirksen Senate Office Building
Washington, DC 20510

CBS Corporation ("CBS") hereby responds to your November 1, 2019 letter to confirm that CBS stands willing to assist in the transition upon the expiration of the STELA Reauthorization Act of 2014 ("STELAR") on December 31, 2019. CBS agrees that STELAR should finally expire as Congress originally intended.

CBS supports a transition and intends to work diligently with its broadcast affiliates to achieve the dual goals of ensuring the continued availability of network news and prime time programming during the transition and ultimately expanding the distribution of our broadcast television station affiliates and the news and other locally responsive public affairs programs they broadcast to viewers in their markets.

With regard to the specific questions raised in your November 1, 2019 letter:

- **Is CBS willing to provide a one-year license to satellite providers for CBS owned shows, provided you receive market-by-market usage data from each satellite provider, including the total usage by long distance truckers and recreational vehicle owners?**

CBS is willing to provide the satellite providers a one-year license, through December 31, 2020, to permit them to retransmit CBS-owned programming to subscribers currently served pursuant to the authorization granted under STELAR, including to long distance truckers and recreational vehicle owners.

Note that due to the program exclusivity guarantees CBS has provided to its affiliates in each of their markets, the affiliates will need to grant CBS a narrow waiver in order to permit this distribution during the transition period. Based on initial discussions with representatives of the CBS affiliates, we do not anticipate this will be an issue.

- **Subject to the usual terms and conditions that apply to carriage contracts, will the rate CBS charges for your shows be comparable to the 2018 rate set by the Copyright Royalty Board for the compulsory Section 119 license?**

Yes, the rates CBS will charge satellite providers during the transition period to permit them to retransmit CBS-owned programming will be comparable to the 2018 rate set by the Copyright Royalty Board.

- **Will CBS commit to supporting your affiliates as they negotiate with satellite providers during this one-year transition period on a carriage agreement for full local-into-local on both satellite providers that would begin no later than January 1, 2021?**

Yes, CBS will support our local broadcast affiliates as they negotiate with satellite providers during the one-year transition period with the goal of providing full local-into-local service nationwide. CBS has already granted each of its local affiliates the right to grant consent for the retransmission of the CBS network programs they broadcast to satellite provider customers located in their television market and is willing to provide further assistance as necessary.

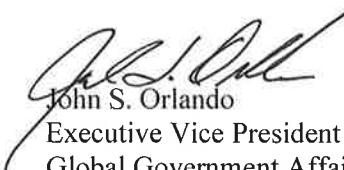
- **For areas without local affiliates, will CBS commit to negotiating with both satellite providers during this one-year transition period on a carriage agreement that would begin no later than January 1, 2021?**

The Zanesville, Ohio television market is currently the only market that does not have a local CBS broadcast affiliate. CBS will commit to negotiating with both satellite providers during the one-year transition period for a carriage agreement regarding CBS network programs.

- **Will CBS commit to regularly informing my Committee of your ongoing efforts to reach such carriage agreements?**

Yes, CBS will keep the Committee informed about its ongoing efforts to reach the carriage agreements described herein.

Sincerely,



John S. Orlando
Executive Vice President
Global Government Affairs
CBS Corporation

November 5, 2019

The Honorable Lindsey O. Graham
United States Senate
290 Russell Senate Office Building
Washington, DC 20510

Dear Chairman Graham:

Thank you for your November 1, 2019 letter reiterating your desire to see the STELA Reauthorization Act of 2014 expire on December 31 as intended by Congress. At FOX, we share that goal.

As the home to some of America's most-watched television programming, from the just-concluded MLB World Series to popular live news and entertainment, FOX is committed to ensuring our viewers continue to receive our highly-rated network programming following the sunset of the Section 119 compulsory license. This commitment covers a myriad of available distribution platforms, including direct broadcast satellite.

As Karyn Temple, Register of Copyrights and Director of the U.S. Copyright Office, recently stated, "(W)e view compulsory licenses as only needed in market failure, and in this instance we have concluded that there is no market failure that justifies those licenses." FOX agrees.

To that end, we are pleased to submit the following responses to your specific questions.

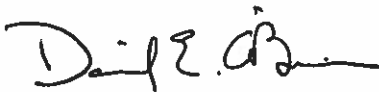
- Is FOX willing to provide a one-year license to satellite providers for FOX-owned shows, provided you receive market-by-market usage data from each satellite provider, including the total usage by long distance truckers and recreational vehicle owners? Yes. FOX is committed to ensuring our viewers have continued access to our network programming.
- Subject to the usual terms and conditions that apply to carriage contracts, will the rate FOX charges for your shows be comparable to the 2018 rate set by the Copyright Royalty Board for the compulsory Section 119 license? Yes. Rates will be comparable during the transition period.
- Will FOX commit to supporting your affiliates as they negotiate with satellite providers during this one-year transition period on a carriage agreement for

full local-into-local on both satellite providers that would begin no later than January 1, 2021? Yes. As several of your colleagues have noted with concern, viewers in 12 television markets across the country are currently not served by AT&T-DirecTV, which has opted to import a distant signal in lieu of providing local broadcast programming. We share these Members' goal of ensuring their constituents ultimately receive a local broadcast signal.

- For areas without local affiliates, will FOX commit to negotiating with both satellite providers during this one-year transition period on a carriage agreement that would begin no later than January 1, 2021? Yes.
- Will FOX commit to regularly informing my Committee of your ongoing efforts to reach such carriage agreements? Yes.

The satellite legislation set to expire on December 31 is a relic of a bygone era when satellite dishes consumed entire backyards and technological limitations prevented carriage of local broadcast signals in all 210 television markets. Fortunately, video delivery technology has advanced far beyond where most could have imagined in 1988, eliminating the need for this law's continuation. We look forward to working with all stakeholders to ensure viewers continue to receive FOX's highly-rated programming following STELA's expiration on December 31.

Regards,



Daniel O'Brien
Executive Vice President
and Head of Government Relations
Fox Corporation

November 11, 2019

The Honorable Lindsey O. Graham
Chairman of the Committee on the Judiciary
United States Senate
Washington, DC

Dear Chairman Graham:

On behalf of NBCUniversal, I am pleased to provide the following responses to your letter dated November 1, 2019.

1. Is NBCUniversal willing to provide a one-year license to satellite providers for NBCUniversal owned shows, provided you receive market-by-market usage data from each satellite provider, including the total usage by long distance truckers and recreational vehicle owners?

Response: We commit to find a solution that would provide NBC network programming to subscribers during an interim period, consistent with the parameters set forth in your question, to transition to a free market framework and ensure that consumers do not lose NBC network programming while DIRECTV takes the steps necessary to provide local-into-local coverage in all 210 markets.

2. Subject to the usual terms and conditions that apply to carriage contracts, will the rate NBCUniversal charges for your shows be comparable to the 2018 rate set by the Copyright Royalty Board for the compulsory Section 119 license?

Response: Consistent with our commitment to find a solution that would provide NBC network programming to subscribers during an interim transition period during which DIRECTV will launch local-into-local service in the 12 identified markets, we would agree to not seek compensation in a manner inconsistent with existing rates set by the Copyright Royalty Board for the compulsory Section 119 license.

3. Will NBCUniversal commit to supporting your affiliates as they negotiate with satellite providers during this one-year transition period on a carriage agreement for full local-into-local on both satellite providers that would begin no later than January 1, 2021?

Response: Yes. We look forward to having the local NBC affiliates carried by the satellite providers in all 210 markets, and we will work with the affiliates, as we do in the markets currently served by local-into-local carriage, to facilitate such carriage.

4. For areas without local affiliates, will NBCUniversal commit to negotiating with both satellite providers during this one-year transition period on a carriage agreement that would begin no later than January 1, 2021?

Response: Yes. We commit to working to find a solution to address the very small number of markets not currently served by a local NBC affiliate.

5. Will NBCUniversal commit to regularly informing my Committee of your ongoing efforts to reach such carriage agreements?

Response: Yes. We commit to keeping the Committee informed of our progress on these efforts.

Please contact me if you have any questions or need additional information concerning these responses.

Sincerely,

A handwritten signature in blue ink, appearing to read 'P. Tahtakran', with a stylized flourish at the end.

Phil Tahtakran
Head of Federal Government Relations