

STELAR's Impact on Viewers



► How Many Total Subscribers are Impacted by STELAR and Where are They Located?

- The U.S. Copyright Office recently reported that the number of distant signal recipients under the Satellite Television Extension and Localism Act Reauthorization (STELAR) has “plummeted,” and broadcasters estimate that less than 500,000 subscribers nationwide - or less than 0.5 percent of households - are receiving distant ABC, CBS, NBC or FOX signals under STELAR.
 - Only the satellite companies know exactly who is receiving broadcast stations under STELAR and where these viewers are located. When asked by members of Congress for this information, the satellite companies have refused to provide any meaningful data.
 - A significant number of these subscribers are located in the dozen “neglected markets” where AT&T/DirectTV abuses STELAR by intentionally choosing to import an out-of-market station instead of carrying a local broadcast channel.
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► Will Viewers Who are Currently Served With Out-Of-Market Stations Under STELAR'S Distant Signal License Lose Access to Broadcast Television if the Law Sunsets?

- There is no reason that viewers should lose access to broadcast television signals if the satellite companies commit to providing local channels to all of their viewers. In the 99.5 percent of markets where local broadcast channels are available for all of the major networks, STELAR's expiration would incentivize satellite companies to offer the superior, local broadcast channels that benefit viewers.
 - If a circumstance arises where the satellite company is unwilling or unable to negotiate for carriage of a local broadcast signal, negotiation for carriage of the distant signal they offer today will remain an option.
 - Mobile subscribers such as RVs and truckers would be better served by local broadcast stations where access to local broadcast news and weather during an emergency situation is particularly critical.
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► If the Technology Exists for the Satellite Industry to Provide “Local Into Local” in Every Market, Why do They Continue to Provide Distant Signals?

- STELAR's below-market copyright royalty provides a financial incentive to AT&T/DirectTV and DISH to import out-of-market stations at a below-market, government-set rate rather than carry local channels. This amounts to a \$50 million per year subsidy for the \$200 billion-plus AT&T/ DirectTV conglomerate. Unfortunately, this incentivizes carriage of out-of-market stations to viewers who would be better served by their local broadcaster.

(See Reverse)

(CONTINUED) STELAR's Impact on Viewers



▶ **Isn't it Safer Just to Reauthorize STELAR?**

- Extending this legislation by another five years - or even another five days - means local viewers who are being neglected by the satellite companies will continue to be harmed. There is no consumer-based policy rationale for reauthorizing STELAR's distant signal license, which undermines the benefits of the locally-focused broadcast system.
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▶ **I am Concerned About the Impact That Retransmission Consent Impasses are Having on my Constituents. Wouldn't Modifications to the Current Retransmission Consent Rules Benefit Viewers by Eliminating Blackouts?**

- There is no such thing as a "blackout" of broadcast TV programming. Broadcast programming is always available to viewers on multiple platforms and is free, over-the-air to any household using an antenna.
- The retransmission consent process allows private marketplace negotiations to efficiently and fairly dictate the value of broadcasters' signals for those seeking to retransmit them for profit. Current proposals to modify this system would encourage parties to posture for government regulators rather than work to reach contractual agreements, substantially complicating retransmission consent negotiations.
- To modify or throw out the retransmission consent process would disrupt this fully functional market and have the unintended consequence of hampering broadcasters' ability to serve their local communities with news, entertainment and lifeline weather coverage.