April 4, 2016

The Honorable Thomas Wheeler
Chairman
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Dear Chairman Wheeler,

As President of MANA, A National Latina Organization, I am dedicated to empowering Latina women and advancing public policy that establishes equality and social justice. On behalf of my organization, I urge the Commission not to implement the Notice for Proposed Rulemaking on set-top boxes. In addition to privacy and competition concerns, this proposal will inevitably impose harm on Latino and other minority-focused networks and interfere with their ability to continue maintaining and investing in quality programming for our community.

By pursuing this proposal, the FCC would be imposing a backwards-looking rule on a market that is already innovating and meeting consumer demand. Today, the media industry offers a growing variety of programming that is tailored to Spanish-speaking and bilingual audiences. The blossoming market for app-powered, web-connected video devices is also making it easier than ever before for consumers to watch TV and stream content on almost any screen. The FCC proposal will disrupt this successful business model by allowing unregulated tech companies to take programming from MVPDs, repackage this programming, and present it as their own through their third party boxes and apps without paying the creators for their content.

While the proposal will allow third party tech companies to access programmers’ content for free, it will not require these Silicon Valley giants to honor the terms of the contracts negotiated between programmers and TV providers. These agreements cover issues like channel placement, advertising, and several other important terms. Third parties will be able to ignore these agreements and surround the programming they take from MVPDs with additional advertising without sharing the revenue from that advertising with content creators. As a result, independent and diverse programmers will see their own advertising revenues and carriage fees diminished, drying up the funds necessary to invest in maintaining the quality of their content.

Without enforcing the same licensing agreement restrictions on third parties, tech companies will be able to display channels through their third
party boxes however they choose, possibly making independent and diverse channels more difficult to find in a search or guide. Rather than addressing this risk, the proposal specifically argues AGAINST any rules to prevent these device makers from being allowed to rearrange channel neighborhoods or add additional advertising.

The companies that stand to benefit from entry into this market currently have abysmal records on diversity in every category from employment and governance to philanthropy and procurement. Why should our community blindly trust that these very companies will suddenly bring more diversity to an industry that has had working relationships with diverse creators and entrepreneurs for decades? We have no reason to believe that these companies will take the needed steps to promote diverse content.

This decision has far-reaching implications, not only for the intricate system of agreements that benefit both the content developers and consumers, but for the data being collected on consumers. We cannot put consumers in a position of having their TV viewing habits tracked by big data companies without the protection of the federal privacy laws that apply to TV providers. It would be inappropriate for the FCC to weaken consumers’ privacy protections just to serve the interests of a select few companies who have not historically shown a commitment to our communities.

The FCC proposal is simply not appropriate for a video marketplace that is moving away from set-top boxes and toward an apps-based economy. Consumers already have the ability to access video content on a wide range of devices from game consoles to smartphones and tablets. The rate of innovation in this market will certainly outpace the speed at which the FCC can implement its standards laid out in the set-top box proposal, raising the very real risk of innovation being trapped in a regulatory regime that is outdated before it is even implemented.

I urge the Commission to make its video policies reflective of the realities of the marketplace and ensure programmers can continue providing consumers from all communities with their preferred choice of video content.

Sincerely,

Amy Hinojosa
National President and CEO
MANA, A National Latina Organization