



June 3, 2019

The Honorable Roger Wicker
Chairman
Senate Committee on Commerce,
Science and Transportation
512 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Maria Cantwell
Ranking Member
Senate Committee on Commerce,
Science and Transportation
425 Hart Senate Office Building
Washington, DC 20510

Dear Chairman Wicker and Ranking Member Cantwell:

As you consider the current state of the television and video marketplace, Writers Guild of America West (WGAW) asks the Committee to support the necessary protections that promote competition and limit consolidation in these markets. Specifically, WGAW strongly opposes modification or repeal of the Dual Network rule, which preserves competition in a critical media market by prohibiting a merger between any of the four major broadcast networks.¹ As the labor union representing more than 10,000 professional television and film writers, including writers of nearly all of the scripted primetime programming aired by the major broadcast networks, as well as a number of local news writers, WGAW urges the Senate Commerce Committee to support the preservation of this critical rule at the FCC.

The Dual Network rule remains relevant and necessary to promote competition and viewpoint diversity and to protect local news. The four major broadcast networks—ABC, CBS, NBC and Fox—continue to provide a unique offering to the public that is unmatched by new entrants in the broader media marketplace. Broadcast programming consistently captures the largest audiences and remains highly valuable for advertisers. It is the most accessible market for professionally-produced entertainment and news media because it is available for free over the air. The Dual Network rule is needed to protect competition in this unique market.

Online streaming video services do not offer a complete substitute for broadcast programming. While subscription streaming services have released popular scripted and unscripted series, they are weak or non-existent competitors in live sports and have no original or local news programming. The Internet has given consumers access to a variety of content on new platforms, yet this has not increased competition with broadcast television from new diverse and independent sources of robust news coverage.

¹ See Comments of the Writers Guild of America, West, Inc., in the Matter of 2018 Quadrennial Regulatory Review – Review of The Commission’s Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of The Telecommunications Act of 1996, MB Docket No. 18-349 (Apr. 29, 2019).

Repeal of the Dual Network rule would lead to increased concentration in the national television marketplace, decreased diversity of content and harm to local news. The broadcast market continues to experience consolidation at all levels and removing this ownership restriction would inevitably trigger new mergers; indeed, the Dual Network rule is likely the only reason that Disney does not currently own both ABC and Fox broadcast networks. Telecommunications deregulation and media consolidation over the last two decades has not only harmed consumers through loss of viewpoint diversity, it has harmed competition in the labor market for creative talent, leading to downward pressure on compensation despite rising demand for content and increased corporate profitability. Rescinding the Dual Network rule would negatively impact creators and audiences alike as large media and telecommunications companies gain an even greater share of control over programming, and news programming will suffer from less diversity of viewpoints and in-depth coverage.

The FCC should be increasing protections against harmful consolidation, not eliminating them. The Dual Network rule is easily administrable and prevents such consolidation. The protection afforded by this rule remain necessary despite changes in the video market. For these reasons, WGAW urges the Senate to call on the FCC to maintain the Dual Network rule and similar measures that promote competition and prevent media consolidation.

Sincerely,

Corrina Freedman
Political and Legislative Director