



**Testimony of Chris Hodgdon, Vice President Government Relations
Energy Utilities and Technology Committee**

**L.D. 832 An Act To Expand Options for Consumers of Cable Television in
Purchasing Individual Channels and Programs**

March 5, 2019

Chairman Lawrence, Chairman Berry and distinguished members of the Committee; thank you for the opportunity to offer comments in opposition to LD 832. My name is Chris Hodgdon I am Comcast's Vice President of Government Affairs in Maine.

Consumers now enjoy a greater variety of programming on more devices by a greater diversity of competitors than ever before. When it comes to variety and choice, this is truly the era of TV Everywhere. The increasing availability of broadband networks has led to an explosion of streaming options and many different programming models from targeted niche programming to offers seeking to replicate traditional products. In addition to streaming options, consumers can choose from satellite delivered television services by multiple companies everywhere. In virtually every New Hampshire community fully half the households choose a TV provider other than their local cable company. Millions more American households choose to receive video through broadcast distributed over the air via an antenna.

LD 832 seeks to regulate the way one provider delivers its products and services to the market. Singling out one type of provider in a highly competitive and quickly evolving marketplace will result in government picking winners and losers, limiting not expanding choice and stifling innovation. **Efforts like LD 832 to regulate provider's service offerings are preempted by federal law and therefore illegal.** Even if LD 832 were not preempted it would be unnecessary for the following reasons:

1. **Comcast is responding to a new age of television and distribution by developing industry leading technology offerings and choices which appeal to any consumer.** We intend to be nothing less than be the platform of choice for consumers. To respond to the dizzying amount of content available to consumers Comcast developed the first Voice Controlled Remote to allow consumers to search by title, actress, genre or even common dialogue across live TV, streaming options and On Demand. Additionally, we have introduced X1, a service which integrates a rich visual interface with an app based platform. We have added Pandora, Netflix, Amazon Prime Video, Youtube and NPRnow

along with dozens of other individual channels available for a separate monthly subscription. We have also evolved our video offerings to customer demand with themed channel packages which allow customers to customize their video service based on their preferences called ChoiceTV. Comcast is evolving to meet customers technological preferences as well by offering a full streaming option called InstantTV; this service provides a rich video experience in and outside the home on a range of devices. Lastly, we have developed software and security protocols which allow us to serve customers using certain smartTVs and devices like Roku, allowing them to receive our service without a cable box. All of these innovations are responding to consumer demand for choice and options.

- 2. Our ability to deliver video programming is subject to negotiation with content owners and subject to contractual agreement.** Comcast must negotiate the right to carry, on our network, video content our customers view. Beyond our investment in our employees these agreements constitute the biggest annual expense of the company. This expense is also the fastest growing expense borne by the company and therefore our consumers. In addition to negotiating cost to offer this content, these agreements include provisions related to everything from where channels will be located to in which packages they will be included. Channel owners frequently insist as part of this negotiation that all or many of their channels are included together when we offer our packages. When negotiating these agreements our priority is securing content our customers demand for a reasonable price.

- 3. Legislation like LD 832 risks harming specialty or niche programing for diverse and minority audiences.** Developing programing and attracting an audience is enormously expensive. Video offerings which include multiple channels that are widely distributed allow creators to take risks and focus on smaller audiences. This allows new and innovative programming to be developed and tested through distribution which already exists encouraging more creativity and risk taking. LD 832 would make this impossible.

Customers are accustomed to finding their preferred programing anywhere any time and all providers are evolving and responding to these changes. Even if LD 832 were not preempted by federal law it is unnecessary and uncalled for to impose such obligations on one type of provider among the many competitors in the industry.

Thank you for the opportunity to address the Committee regarding this legislation. We would ask you to vote against this legislation. I would be pleased to address any questions that the committee may have.

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