

# Courage to Learn: Media & Telecommunications

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The 1996 Telecommunications Act enabled the consolidation of both the media and telecommunications industries. Media and telecom barons have continued to take advantage of this lax policy framework. During the past two administrations, Comcast bought NBC, Disney bought Pixar, Marvel, Lucasfilm, and Fox, T-Mobile bought Sprint, AT&T bought Time Warner, and Charter bought Time Warner Cable, as behemoths sought to control the entire supply chain, from production of content to distribution to the home or smartphone. This consolidation was masked by the appearance of a slew of new streaming options such as Amazon, Spotify and Netflix, as well as the growth of communications goliaths Google and Facebook. Today, the media and telecom industries are run by a few vertically integrated giants with market power across multiple sectors and over artists and workers. The race is on to consolidate new spaces, such as [podcasting](#).

## Key Facts

- The median weekly compensation of writer-producers on television and online series [declined](#) 23 percent between 2014 and 2016 despite record profits in the industry and peak demand for programming.
- From 2009 to 2017, there were 109 mergers in the broadcasting industry, 273 in the telecommunications sector, and 48 in motion picture and sound recording.
- Americans pay [\\$50 billion per year](#) more for smartphone plans than for comparable service in Europe, translating to \$30 per month for every American household.
- The U.S. ranks 131<sup>st</sup> in the world in terms of [average monthly cost](#) of fixed line broadband, roughly twice as expensive as France and South Korea.
- Conditions for the Comcast-NBC merger [included requirements](#) that Comcast launch 10 independent television networks owned by people of color, including Sean Combs, Magic Johnson, and Robert Rodriguez. These channels still do not reach the majority of Comcast customers.

## Key Corporations

- Disney, Comcast, Charter, Netflix, AT&T, Viacom, News Corporation, Verizon, T-Mobile, Amazon, Google, Facebook, Spotify

## Recommended Policies

- Unwind key media mergers such as Disney-Fox, Comcast-NBC, and Live Nation-Ticketmaster.
- Investigate market power over labor in Hollywood through Congressional and FTC studies.
- Prevent consolidation in Podcasting. The FTC should use its Section 6(b) authority to study the podcasting industry to understand Spotify and other firms' acquisition activity.
- Reimplement the open internet rules ("net neutrality") and consider structural separation, such as prohibiting broadband and cable providers from owning content or unbundling of telecom systems ("open access").
- Prevent further consolidation by tightening FCC rules on media ownership and aggressively policing consent decrees on mergers such as T-Mobile and Sprint.

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