CENTER FOR DIGITAL DEMOCRACY

October 7, 2024

Hon. Jessica Rosenworcel, Chair Hon. Brendan Carr, Commissioner Hon. Geoffrey Starks, Commissioner Hon. Nathan Simington, Commissioner Hon. Anna M. Gomez, Commissioner Federal Communications Commission 45 L Street NE Washington, DC 20554 Via email

Dear Chair Rosenworcel and Commissioners:

We respectively urge the FCC to launch an investigation into the connected television (CTV) industry, including its data-gathering operations; control over content availability through operating systems and video app bundling; and how the current structure of ownership and related alliances within CTV undermines meaningful diversity. We base this call for action to protect and empower U.S. digital TV viewers on our new report, *How TV Watches Us: Commercial Surveillance in the Streaming Era*.

As you know, CTV—including through so-called "smart TV's"—is now the leading way Americans receive programming on their largest screen. CTV data from households flow into a series of state-of-the-art advertising technology systems operated by many of the leading digital media, TV manufacturer, and entertainment companies—including Comcast/NBCU, Disney, Fox, Samsung and others. Processed by leading data brokers, consumer "identity" specialists, ad agencies, retailers, supermarkets, data "clean rooms," and platforms, viewer CTV data is enhanced so it can deliver personalized targeting across online and offline environments to individuals and families. So-called "programmatic" data-driven personalized targeting, including through auctions and direct placement, dominates CTV, as it does elsewhere online. AI, as well as generative AI, play a growing and consequential role in the creation and delivery of marketing, including efforts to foster increased data collection. These practices, which illustrate how disclosure of AI practices alone is insufficient, must be addressed.

We also urge the FCC to examine the report's discussion of how consumer health data is currently being harvested and utilized by CTV, as well as the complex of data-driven programming services aimed at communities of color and young people. The numerous and growing interactive ad formats on CTV require scrutiny, such as those to expand the ways the medium delivers real-time product sales, undertaken by Amazon, Comcast/NBCU and Disney. The FCC should review as well the impact of the alliances formed by leading networks, studios, advertisers and CTV companies to develop or refine media-measurement applications—so-called

"currencies"—to identify the impact of programming and marketing on CTV as well as cross-platform.

Here is the <u>link</u> to the report.

You and your colleagues will find that many of the entities regulated by the commission, including broadcast TV stations, are involved in a number of practices addressed in our report.

We look forward to any questions you, your colleagues and commission staff may have about this request to investigate CTV.

Sincerely,

Jeffrey Chester Executive Director Center for Digital Democracy