## streaming / innovation / alliance

Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of Updates to the Commission's Rules Implementing the Commercial Advertisement Loudness Mitigation (CALM) Act

MB Docket No. 25–72

#### **COMMENTS OF THE STREAMING INNOVATION ALLIANCE**

The Streaming Innovation Alliance ("SIA") respectfully submits these comments in response to the Federal Communications Commission's ("FCC," "Commission," or "agency") *Notice of Proposed Rulemaking* ("NPRM," "Notice," or "CALM Act NPRM") in the above-captioned matter.<sup>1</sup> SIA is the united voice of the streaming community, working to tell streaming's positive story to state and federal policymakers. We seek to drive forward a new era of creativity, opportunity, value, and choice in home and mobile entertainment by advocating for smart policies that will support innovative streaming services and the viewers who love and depend on them. Our members represent the expanding breadth of streaming options available to consumers today, including major entertainment services aimed at general interest audiences as well as niche and independent options, with programming ranging from live sports to historical drama and everything in between.<sup>2</sup>

SIA commends the Commission for initiating this proceeding to evaluate the effectiveness of its CALM Act rules. However, as explained below, the Commission does not have authority to regulate volume matters on video streaming platforms.<sup>3</sup> Moreover, a uniform volume standard—like the standard

<sup>&</sup>lt;sup>1</sup> Federal Communications Commission, In the Matter of Updates to the Commission's Rules Implementing the Commercial Advertisement Loudness Mitigation ("CALM") Act, MB Docket No. 25-72, Notice of Proposed Rulemaking, 90 Fed. Reg. 46 (March 11, 2025).

<sup>&</sup>lt;sup>2</sup> SIA's Members include: AfroLandTV, America Nu Network, BET+, Demand Africa, discovery+, FedNet, For Us By Us Network, In The Black Network, Max, MPA, MotorTrend+, Netflix, Paramount+, Peacock, PlutoTV, Radiant Media, Skinsplex Native America Online, Telemundo, Televisa Univision, TVEI Network, VAULT, Vix, The Walt Disney Company. *See* <u>StreamingInnovationAlliance.com</u>.

<sup>&</sup>lt;sup>3</sup> As the NPRM clarifies that this proceeding is not intended to "propose any specific regulations on streaming providers," we respond to the Commission's general inquiries that: 1) ask whether the Commission has the authority to handle loud commercial

imposed on very different technologies through the current CALM Act rules—could be unsustainably costly for many streaming video providers, especially smaller and less commercial services platforms, and would be harmful to innovation and growth and ineffective for streaming services. Considering the unique technical aspects of streaming services, we highlight some of the initiatives our members employ to mitigate audio issues and foster a positive user experience.

### A. The Commission Lacks Congressional Authority to Regulate Volume Matters on Video Streaming Platforms.

Lawmakers have indicated that the FCC lacks jurisdiction over streaming platforms<sup>4</sup> and have

refrained from imposing rules on streaming providers as burdensome regulations could hinder innovation

and the significant benefits that streaming services provide to the nation.<sup>5</sup> Moreover, the CALM Act does

<sup>5</sup> See, e.g., Michael O'Rielly, The FCC's Non-Existent Role in Internet Streaming (B+C Guest Blog), BROADCAST AND CABLE (July 28, 2023), https://www.nexttv.com/blogs/the-fccs-nonexistent-role-in-internet-streaming-bc-guest-blog ("Internet streaming is a wonder for consumers, despite how troublesome it may be for the traditional industry participants. The government ... should avoid interfering in a working market and reject calls to examine its nonexistent authority to intervene."); See also Karen Kerrigan, Intrusive Regulation of the Internet Will Harm (Not Help) Small Businesses and Access to Broadband, SMALL BUSINESS AND ENTREPRENEURSHIP COUNCIL (Aug. 9, 2018), https://sbecouncil.org/2018/08/09/intrusive-regulation-ofthe-internet-will-harm-not-help-small-businesses-and-access-to-broadband/ ("Since the internet's inception, regulators on both sides of the aisle took a respectful, "light-touch" approach to internet policy as they were fearful that intrusive regulation would impede its growth, development and usage. They were right, and their approach worked - the internet and innovation exploded ..."); Kirk R. Arner, Congress Shouldn't Strangle Streamers With Outdated Cable Regulations, HUDSON INSTITUTE (July 10, 2023), https://www.hudson.org/technology/congress-shouldnt-strangle-streamers-outdated-cable-regulations-kirk-arner ("... [O]nline streaming services today do not face any FCC rules, much less the burdensome regulations of either the broadcast or cable industries. But consumers clearly love these unregulated online streaming services-perhaps precisely because of their lack of legacy rules and restrictions."); Kristian Stout, The Modern Video Marketplace Does Not Need Help From the FCC, TRUTHONTHEMARKET (Oct. 3, 2023), https://truthonthemarket.com/2023/10/03/the-modern-video-marketplace-does-notneed-help-from-the-fcc/ (Highlighting that streaming services "have flourished offering consumers unprecedented options for both on-demand and live programming," and that streamer providers, "far from needing help through video regulations," have "fundamentally reshaped viewer habits and the competitive landscape."); International Monetary Fund, From Stream to Flood (2021), https://www.imf.org/external/pubs/ft/fandd/2021/06/streaming-video-services-flood-emerging-markets-behsudi.htm (Major streaming providers "are growing new audiences and overlapping markets in ways never seen before. In doing so, they've opened burgeoning film and television industries in some of the most vibrant emerging markets to new possibilities, changing the economic calculation for producing films and redefining what can be a hit ... The growth of streaming services has only enhanced the entertainment industry as a driver of economic activity in large emerging markets ...").

complaints related to streaming services, and 2) seek to "gain a greater understanding of the issue of commercial loudness on streaming platforms." NPRM, ¶¶ 5-6.

<sup>&</sup>lt;sup>4</sup> See, e.g. Jimm Phillips, *Cardenas, Other House Dems Urge FCC Against Record Refresh on MVPDs*, COMMUNICATIONS DAILY (Nov. 7, 2023), <u>https://communicationsdaily.com/news/2023/11/07/Cardenas-Other-House-Dems-Urge-FCC-Against-Record-Refresh-on-MVPDs-2311060056</u> ("House Communications Subcommittee member Rep. Tony Cardenas of California is leading a letter with almost two dozen other chamber Democrats urging the FCC not to refresh the record in docket 14-261 on reclassifying linear streaming services as MVPDs. FCC Chairwoman Jessica Rosenworcel has maintained the agency doesn't have the authority to reclassify streaming services, and the FCC said her thinking hadn't changed after a June letter from Senate Commerce Committee Chair Maria Cantwell, D-Wash." In the letter, the lawmakers wrote that "[u]ltimately, it is the role of Congress to determine changes to the streaming marketplace.").

not explicitly list streaming providers within the scope of its provisions,<sup>6</sup> and any agency interpretations of the Act to extend its provisions to streaming services would fail under the U.S. Supreme Court's recent determination in *Loper Bright Enterprises v. Raimondo* that it is the exclusive domain of the courts—not agencies—to make binding interpretations of statutes.<sup>7</sup> Unsuccessful congressional efforts to amend the CALM Act to apply to ad-supported video streaming services underscore Congress's view that it does not want to see video streaming regulated.<sup>8</sup> Moreover, subjecting nascent streaming services to the CALM Act or other regulations could have a significant negative impact on the streaming marketplace by deterring investment and innovation, and the impact could be especially pronounced for smaller online providers including some SIA members.

#### B. The Commission's CALM Act Rules Are Unsuitable for Online Video Services.

The CALM Act rules, based on Advanced Television Systems Committee (ATSC)

recommendations designed for the transmission of digital broadcast signals, are not suitable for streaming

<sup>&</sup>lt;sup>6</sup> Commercial Advertisement Loudness Mitigation Act, Pub. L. No. 111-311, 124 Stat. 3294 (2010) (codified at 47 U.S.C. § 621) ("CALM Act" or "Act"), Sec. 2.

<sup>&</sup>lt;sup>7</sup> See, e.g., Loper Bright Enterprises v. Raimondo, 144 S. Ct. 2244, 2273 (2024); See also Federal Communications Commission, In the Matter of Updates to the Commission's Rules Implementing the Commercial Advertisement Loudness Mitigation (CALM) Act, MB Docket No. 25-72, Statement of Commissioner Geoffrey Starks (Feb. 27. 2205),

https://docs.fcc.gov/public/attachments/FCC-25-16A3.pdf (Acknowledging the Commission has generally "considered streaming providers to be outside the scope its authority," and that the NPRM "seeks comment on the agency's authority to extend commercial loudness requirements to these providers, under either the CALM Act or the CVAA." Also holding that "this would be a new reading of these laws. And ... the Commission will receive no deference for novel statutory interpretation following the Supreme Court's decision in *Loper Bright v. Raimondo*, so we must tread carefully.").

<sup>&</sup>lt;sup>8</sup> See, e.g., Sen. Sheldon Whitehouse, Sen. Whitehouse, Rep. Eshoo Reintroduce Bill to Stop Excessively Loud Commercials (March 31, 2023), <u>https://www.whitehouse.senate.gov/news/release/sen-whitehouse-rep-eshoo-reintroduce-bill-to-stop-excessively-loud-</u>

commercials/#:~:text=The%20CALM%20Modernization%20Act%20extends,not%20louder%20than%20regular%20programmi ng (The 'CALM Modernization Act,' which failed to pass Congress, proposed to apply the "CALM Act's prohibitions to all adsupported streaming services to ensure that the volume of commercials on streaming services is not louder than regular programming."). While the Commission suggests that loud volume makes content harder to understand, there is no evidence that this is the case, and moreover, (1) the CVAA doesn't address volume; (2) audio description applies only on television; and (3) while closed captioning applies partially to streaming content (if it was ever on television), closed captions do not involve volume and in any event do not apply to commercials. *See, e.g.*, Federal Communications Commission, *Twenty-First Century Communications and Video Accessibility Act: Consumer Guide* (Jan. 27, 2021), <u>https://www.fcc.gov/consumers/guides/21stcentury-communications-and-video-accessibility-act-cvaa</u> (emphasis added); *See also Twenty-First Century Communications and Video Accessibility Act of 2010. See* Pub. L. No. 111-260, 124 Stat. 2751 (2010) ("CVAA"). Congressional proposals to amend the CVAA to apply to online platforms have been unsuccessful. *See, e.g., Sen, Markey, Rep. Eshoo Reintroduce CVTA to Make Communication Technologies Accessible for Americans With Disabilities* (July 25, 2023), https://www.markey.senate.gov/news/press-releases/sen-markey-rep-eshoo-reintroduce-cvta-to-make-communication-

<sup>&</sup>lt;u>technologies-accessible-for-americans-with-disabilities</u>. See also H.R. 4858, Communications, Video, and Technology Accessibility Act, CONGRESS.GOV, <u>https://www.congress.gov/bill/118th-congress/house-bill/4858/all-</u> actions?s=6&r=1&q=%7B%22search%22%3A%2221st+century+communications+and+video+accessibility+act%22%7D.

services. Several factors in the vast media ecosystem influence the volume of commercials on streaming platforms. For example, unlike traditional broadcast television, where broadcasters can control and standardize the volume of advertisements, many commercials on online platforms are dynamically inserted<sup>9</sup> by third-party ad networks such as Google Ads, The Trade Desk, or other programmatic ad services.<sup>10</sup> Streaming platforms often do not have direct control over the loudness levels of these ads, as they can be delivered as pre-encoded audio files with already established volume levels.

Many third-party ad networks deliver ads in stereo 2.0 or 2.1 sound, which may not be optimized for playback on modern multi-channel sound systems, often causing a perceived increase in loudness. Home audio environments are highly diverse, with consumers viewing content on a variety of different systems with different audio capabilities ranging from 5.1 surround sound and Dolby Atmos to basic stereo laptop speakers or mobile devices. However, many commercials and advertisements are recorded in stereo 2.0 or 2.1 sound, a format that lacks the spatial distribution capabilities of surround sound systems.<sup>11</sup> When stereo audio is played on a multi-channel speaker system, the sound is often up-mixed or artificially distributed across speakers, which can increase perceived loudness, making commercials seem louder than they are.

Other technical considerations make a uniform volume standard inappropriate for IP-based streaming services. Many streaming platforms use adaptive bitrate streaming (ABR), which adjusts video quality dynamically based on a user's internet speed, device capabilities, and network congestion, and

<sup>&</sup>lt;sup>9</sup> Dynamic insertion refers to technologies that combine "video content and ads into a single stream," to help create "a seamless TV-like experience without latency or buffering between content and ads." These ads can be inserted in "live linear and video on demand programming." *See, e.g.,* Google Ad Manager Help, *Learn about Dynamic Ad Insertion (DAI)*, <u>https://support.google.com/admanager/answer/6147120?hl=en#:~:text=Dynamic%20Ad%20Insertion%20(DAI)%20is.and%20c ompanions%2C%20if%20needed</u>).

<sup>&</sup>lt;sup>10</sup> We note that our services represent only a fraction of ad-supported video streaming services available to consumers. Some popular services feature user-generated content ("UGC"), or a combination of UGC and human-vetted content, and imposing a volume standard on commercials for these services that requires the commercials to be "the same volume as the programming they accompany" could be particularly infeasible as content is posted virtually every second at varying volume levels. *See, e.g.,* Federal Communications Commission, *Sound Volume Requirements for Commercials, CALM Act,* <u>https://www.fcc.gov/enforcement/areas/sound-volume-commercials-calm-act#:~:text=Overview.,effect%20on%20December%2013%2C%202012.</u>

<sup>&</sup>lt;sup>11</sup> See, e.g., Dolby, What is Spatial Audio?, <u>https://www.dolby.com/experience/home-entertainment/articles/what-is-spatial-audio/#howdoesitwork</u>.

loudness normalization can vary depending on the bitrate level and compression codec used. Also, streaming platforms must deliver content across an array of devices including smart TVs, gaming consoles, laptops, tablets, and mobile phones. Each device processes audio differently, with some using automatic loudness leveling and others relying on user-adjusted equalizers. A 'one-size-fits-all' loudness standard would not accommodate these device differences, potentially causing distortion or reducing the quality of content playback and exacerbating the problem the Commission seeks to solve.

# C. SIA's Members Are Deploying Innovative Efforts to Address Audio Issues on Video Streaming Platforms.

As the streaming marketplace continues to innovate rapidly, stakeholders' efforts in the online content delivery space to address volume matters are progressing without the need for any regulation. As an example, SIA's members strive to meet consumers' audio preferences across a wide array of platforms and devices—and for different types of video programming—to support a positive user experience. Many of our members follow voluntary industry best practices to minimize the loudness of content, such as those established by the Consumer Technology Association (CTA)<sup>12</sup> and the American Engineering Society (AES).<sup>13</sup> Other SIA members work to normalize the volume of streaming content using several audio standards such as the International Telecommunications Union's (ITU)-R BS.1770-4 (Loudness and True-Peak Level Measurement),<sup>14</sup> the European Broadcasting Union's (EBU) R 128,<sup>15</sup> and Dolby's AC-4 Advanced Loudness Processing standard.<sup>16</sup> While these standards can help ensure that content is within an acceptable loudness range, they cannot always compensate for third-party ad audio levels or

<sup>&</sup>lt;sup>12</sup> See, e.g., Consumer Technology Association, Loudness Standard for Over-the-Top Television and Online Video Distribution for Mobile and Fixed Devices, ANSI/CTA-2075 (Jan. 2020), <u>https://shop.cta.tech/products/cta-2075</u>.

<sup>&</sup>lt;sup>13</sup> American Engineering Society, *AES71-2018 (r2023): Recommended Practice Loudness Guidelines for Over the Top Television and Online Video Distribution*, <u>https://www.aes.org/publications/standards/search.cfm?docID=107</u>.

<sup>&</sup>lt;sup>14</sup> See, e.g., Dolby. Io, Loudness, A Guide to Loudness in Media, <u>https://docs.dolby.io/media-apis/docs/loudness#:~:text=The%20ITU%2DR%20BS.,K%2Dweighted%20full%2Dscale</u>.

<sup>&</sup>lt;sup>15</sup> See, e.g., EBU, R 128, <u>https://tech.ebu.ch/docs/r/r128.pdf</u>.

<sup>&</sup>lt;sup>16</sup> See, e.g., Dolby Professional, Dolby AC-4, <u>https://professional.dolby.com/technologies/ac-4/#gref</u>.

device-specific playback differences as highlighted above. We also note that some of our members offer ad-free service tiers that enable consumers to enjoy programming without any commercials.

Furthermore, as the Commission seeks stakeholder input regarding whether audio degradation issues on streaming platforms impact consumers with disabilities,<sup>17</sup> we underscore that our members' services reflect unique accessibility design features. For example, many of our members provide audio descriptions offering multiple-language subtitle support, closed captioning (CC) and subtitling for the deaf and hard-of-hearing (SDH), and customizable caption display settings (such as font size, color, opacity, and background effects). With the advent of new artificial intelligence ("AI") based technologies, AI models are being trained to auto-detect and translate subtitles in real time, making content even more accessible to audiences. Several streaming services are now integrating AI-driven speech-to-text technology to generate real-time closed captions and subtitles. Machine learning models are improving the accuracy and context-awareness of automated captions, ensuring better synchronization with spoken dialogue, automatic differentiation between speakers, and adaptive caption styling based on scene complexity. AI-based technologies also hold promise for enabling loudness correction based on playback device and environment.

Additional resources exist to assist with commercial volume mitigation. Key players in online content delivery, such as television and Smart TV manufacturers, offer consumers features to calibrate volume and enhance the dialogue of video content. Other devices, such as some soundbars available for consumer purchase, "have a dedicated speech mode to improve dialogue clarity."<sup>18</sup> Also, existing consumer tips contain information about commercial volume controls.<sup>19</sup>

 $<sup>^{17}</sup>$  NPRM at § 6.

<sup>&</sup>lt;sup>18</sup> See, e.g., Ty Pendlebury, Best Ways to Make TV Speech Easier to Understand, CNET (Sept. 10, 2024), <u>https://www.cnet.com/tech/home-entertainment/simple-fixes-to-make-dialogue-more-audible-on-your-tv/</u>; Ty Pendlebury, Best Soundbars to Fix Muffled TV Speech in 2025, CNET(Aug. 6, 2024), <u>https://www.cnet.com/tech/home-entertainment/best-soundbars-to-enhance-tv-dialogue/</u>.

<sup>&</sup>lt;sup>19</sup> See, e.g., Federal Communications Commission, *Consumer Guide: Loud Commercials on TV*, <u>https://www.fcc.gov/sites/default/files/loud commercials on tv.pdf</u> (Advising that "many televisions and home theater systems have features to control loudness, such as automatic gain control, audio compression, or audio limiters, that can be turned on to provide a more consistent volume level across programs and commercials. These functions usually need to be activated through the equipment's "Set Up/Audio" menu.").

\* \* \*

We believe the right path forward is to give innovation and technological progress runway to address consumer concerns, disciplined by consumers in the dynamic and competitive streaming marketplace, and without mandates or one-size-fits all solutions that could freeze the progress being made and inadvertently set consumers back. SIA is encouraged that the Commission has not here proposed regulations on streaming providers,<sup>20</sup> as we believe further reflection will indicate not only a lack of authority, but that intervention would be both unwarranted and counterproductive. Given the aforementioned legal and policy considerations, we strongly recommend that the Commission continue to refrain from implicating streaming services in any efforts to amend its volume regulations.

#### April 10, 2025

#### **Streaming Innovation Alliance**

Respectfully submitted,

Kenneth Mallory, Esq. Counsel to the Streaming Innovation Alliance

<sup>20</sup> NPRM, ¶ 6.