

Nonprofit Streams Free TV

By Gerry Smith

Locast.org has 'thousands' of users so far in New York City

Founder says service is legal under provision of copyright law

David Goodfriend expects an angry call from lawyers at CBS or NBC any day now.

“It’s been a week and we haven’t heard anything,” Goodfriend, 49, said in an interview. “I don’t know how long that will last, but it’s been longer than I’d ever thought.”

Goodfriend is bracing for battle because his new TV service, [Locast.org](#), streams broadcast channels for free without permission from the owners. It debuted Jan. 11 in New York City and has “thousands” of users so far. It’s likely to gain even more traction in the coming weeks -- if it doesn’t get shut down -- as cord-cutters look for free ways to watch the NFL playoffs and the Super Bowl.

Goodfriend’s nonprofit, [Sports Fans Coalition](#), launched the service by placing an antenna on top of an office park in Long Island. It captures and retransmits 15 broadcast channels from the air, and does that

without the approval of station owners such as CBS Corp., Comcast Corp.'s NBC, 21st Century Fox Inc. or Walt Disney Co., parent of ABC.

Supreme Court Case

The service sounds like Aereo, which used tiny antennas to capture over-the-air TV signals and then streamed programming to subscribers for \$8 a month. Broadcasters sued, saying Aereo violated copyright law by not paying for the rights to their programming. The dispute went to the U.S. Supreme Court, where Aereo lost in 2014 and then filed for bankruptcy.

Goodfriend insists Locast.org is different because it operates under a section of federal copyright law that lets nonprofits retransmit broadcast signals without the approval of the stations or program owners.

Congress adopted the provision in the 1970s to help viewers who lived in areas with poor reception. A university, for instance, could place an antenna on top of its building to help people in remote areas watch broadcast channels. The only thing that's different about Locast.org is that it retransmits those signals over the internet, Goodfriend said.

Experienced Hand

Goodfriend isn't some zany entrepreneur walking cluelessly into a legal battle. He's a former legal adviser to the U.S. Federal Communications Commission, which regulates the media industry, and lobbied the agency to end a rule that barred local telecasts of NFL games that

weren't sold out. He's also been an executive at the satellite TV giant Dish Network Corp. and teaches law at Georgetown University.

While the service is free now, Locast.org will likely ask for donations to support operating costs, Goodfriend said. A wealthy benefactor he won't name is the sole investor, helping to cover the \$200,000 cost of getting the service off the ground.

Goodfriend says he's actually helping broadcasters who have been hurt by the growing legions of people who have dropped their pay-TV subscriptions. With Locast.org, CBS or NBC can reach even more viewers so they can sell more advertising, he says.

'Deeply Skeptical'

Broadcasters, however, see it differently.

"We are deeply skeptical that this service will survive legal scrutiny where its predecessors have failed," said Dennis Wharton, a spokesman for the National Association of Broadcasters, which represents networks like CBS, ABC and NBC.

Jack Goodman, a former general counsel for the NAB, confirmed there is an exemption in copyright law allowing nonprofits to retransmit broadcast signals. But the courts haven't interpreted that exemption for the digital age, he said.

If Locast.org eventually starts charging, it would need to get consent from broadcasters, Goodman said. And if it remains a free service, "I don't know how they can afford to do it."

A California service that tried a similar model in 2015, Telletopia, shut down last month after running out of money.

Social Contract

The New York chapter of the Sports Fans Coalition, which runs the new TV service, has three board members: Goodfriend; Habiba Alcindor, the daughter of basketball legend Kareem Abdul-Jabbar, and Phillip Berenbroick, a public interest lawyer.

Goodfriend says he's trying to restore the social contract between the public and broadcasters, who were given a license to use airwaves that belonged to the public.

While Goodfriend awaits a potential legal challenge, he's also dealing with smaller concerns, like people accidentally typing in the wrong URL for www.locast.org.

“Be careful it doesn't autocorrect to ‘locust,’” he told a reporter. “I've been having trouble with that.”