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June 27, 2016

Ms. Marlene Dortch, Secretary  
Federal Communications Commission  
445 12th Street S.W.  
Washington, D.C. 20554

Re: *WC Docket No. 16-106*

Dear Ms. Dortch:

Cable One, Inc. provides multichannel video, broadband and telephone services to nearly 700,000 customers in 19 states, focusing its efforts on smaller communities and towns. We are writing solely to correct the record on a single point.

In initial comments, Public Knowledge, the Benton Foundation, Consumer Action, Consumer Federation of America, and National Consumers League (“Public Interest Parties”) quoted a trade press article describing a question-and-answer period from an investors’ conference in which Cable One CEO Tom Might discussed Cable One’s approach to customer acquisition and retention. The article on which the Public Interest Parties relied reflected some confusion resulting from Mr. Might’s remarks about two independent matters – credit scoring at in-take of new customers by an independent third party to determine deposits, and, separately, the use of an internal measure of customer loyalty and history to provide additional benefits above customary service.<sup>1</sup> The confusion resulted in an incorrect description in the article about how Cable One uses consumer credit scores, stating that “Cable One instituted a policy of collecting customer subscriber information, using the information to check the customer’s credit score, and then determining the level of customer service they would provide to a new customer based on credit score.” Public Interest Parties Comments at 16. The Commenters asserted that Cable One was collecting information (without consent) for one purpose, but then using it for a different purpose.

This is not, however, the case. Cable One runs a consumer credit pre-qualification, with the applicant’s consent, solely during the new customer sign-up process. The pre-qualification results are used to determine the size of the deposit and installation charge, if any, that would be appropriate for the particular customer to offset the non-payment of bills or the non-return of equipment, as well as any introductory offers the customer may be eligible to receive. (The deposit amount is eligible to be refunded after the first six months of on-time payments.) If a customer does not wish to consent to a credit pre-qualification, that customer still can sign up for service. We understand this to be relatively common practice.

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<sup>1</sup> See D. Frankel, Cable One using FICO scores to qualify video customers, Might says, FIERCE CABLE, May 23, 2016, <http://www.fiercecable.com/story/cable-one-using-fico-scores-qualify-video-customers-might-says/2016-05-23>.

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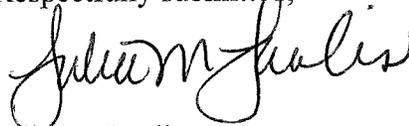
Once a customer has a subscription and some minimal history with Cable One, we use a separate, internal program entitled Lifetime Value (“LTV”) to determine appropriate rewards to provide to Cable One’s most loyal customers (rewards above and beyond the strong service that every Cable One customer receives). Many companies, such as airlines and credit card companies, also provide enhanced benefits to their loyal customers.

Importantly, the LTV program has nothing at all to do with the use of credit scores. Any Cable One customer can, through a good payment history, achieve the highest LTV level and achieve additional levels of customer service and other benefits. This LTV level is independent of a credit score, and a credit score is not used to determine levels of service or loyalty rewards. Unfortunately, the press report incorrectly conflated these two programs, making it seem as though Cable One provided substandard customer service to consumers with low credit scores. That is not the case. We understand how these programs may have been misunderstood, given the inaccurate press report that treated them as interrelated even though they actually are distinct.

Cable One is committed to strengthening and improving the communities we serve, not only through our products and services, but through our support of local community and non-profit agencies, events, and initiatives. We provide our services in many communities in small-town America, and our associates are part of the close-knit communities in which they live. We are particularly proud to bring high levels of broadband service to all of the communities we serve, including very small communities that might not otherwise have access to fast broadband, including our standard 100 Mbps service for \$55 per month and our gigabit service offering, GigaONE™, which we expect to be available in the vast majority of our markets by the end of 2016. We believe our strong record of public service speaks for itself, and we write today only to ensure that the record in this docket is accurate and reflects our actual practices.

Please direct any questions concerning this matter to the undersigned.

Respectfully submitted,



Julia M. Laulis

President and Chief Operating Officer

cc: Harold Feld, Esq.  
Counsel for Public Interest Parties