DOYLESTOWN
TELEPHONE & CABLE

August 26, 2016

Chairman Tom Wheeler
Commissioner Mignon Clyburn
Commissioner Michael O'Rielly
Commissioner Ajit Pai
Commissioner Jessica Rosenworcel
Federal Communications Commission
445 12th Street SW
Washington DC, 20554

Dear Chairman Wheeler and Commissioners Clyburn, O'Rielly, Pai, and Rosenworcel:

I am writing on behalf of Doylestown Cable TV, a small multichannel video programming distributor (MVPD) providing digital service in Northeast Ohio about the Federal Communications Commission's (Commission) Navigation Device proceeding (MB Docket No. 16-42/CS Docket No. 97-80). We are a small company who entered the cable business in 1996 to provide the residents of Doylestown a choice of video providers. We currently provide servie to approximately 1,500 homes. We are troubled by the Commission's proposed rules and other potential substitute rules because, if adopted, the substantial implementation costs would force my company to stop offering cable and forcing our customers back into a non-competitive market. Accordingly, we urge you not to apply new rules to smaller MVPDs.

Like other smaller MVPDs, Doylestown Cable TV faces major challenges in our pay-TV business. Programmers are demanding significant and growing fees and increasing carriage of "unwanted" networks. Our customers have more video choices both from much larger, traditional pay-TV providers and from over-the-top video sources, which often provide comparable services at lower costs. As a result, our margins are slim and continue to erode. Yet despite our troubles, our customers appreciate receiving video service from us because our offerings and customer service meets their needs. Our customers appreciate the fact that we do not require set-top boxes at all for our most common tier of service. By bundling service with our parent small local telephone company (Doylestown Telephone Company), our customers save even more.

Given this daunting business environment, our company cannot afford the additional regulatory costs of the proposed Navigation Device rules, estimated to be at least $1 million per system (this would be more than $650 per sustomer), or any other proposals that require such substantial costs. Simply put, we could not offset or otherwise tolerate these costs even if we diverted our limited capital spending and spent our cash reserves. And, raising customer prices significantly is out of the question. Should the Commission mandate that small providers spend this much money to comply with such rules, we would be forced to cease offering video service. This outcome is certain even if the deadline for compliance is delayed because any solutions that the industry will, if ever, develop for smaller MVPDs are still going to be unaffordable for a



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company of our size.

On behalf of our customers and our employees, we urge the Commission not to apply any new Navigation Device requirements to smaller MVPDs. Forcing our company to stop offering video service does not advance the asserted purpose of the proposed rules – to promote innovation and lower consumer prices. Instead, it eliminates a local service option for consumers, and it means the loss of jobs and tax and fee revenues for our community, among other harms.

Thank you for your consideration.

Sincerely,

Thomas J. Brockman

Thomas J. Brockman
President
Doylestown Cable TV

Cc: Honorable Sherrod Brown
Honorable Rob Portman
Honorable Jim Renacci