GRANTSBURG TELCOM
Division of FITC

August 29, 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 Grantsburg Telcom, Inc., a small multichannel video programming distributor (MVPD) providing digital service in Wisconsin, about the Federal Communications Commission's (Commission) Navigation Device proceeding (MB Docket No. 16-42/CS Docket No. 97-80. We have served the Grantsburg, WI area with cable television service for the last 10 years. We have under 380 basic cable subscribers of which approximately 100 use set top boxes. The other 280 receive our unencrypted basic cable service which does not require a set top box. For the 100 subscribers that use set top boxes it is to receive the premium tier of programming including access to HBO, Cinemax, Showtime and Starz/Encore. Set top boxes are not a profit center at our company.

We are troubled by the Commission's proposed rules and other potential substitute rules. The cable television business is a very low margin business with a declining subscriber base due to price increases required each year just to keep up with the programming costs that have risen 45% in the last three years. Our customers have many choices in their traditional video services from competitor companies that have economies of scale we do not as well as over-the-top providers. We see no end in sight for this cycle of programming cost increases and rate increases that has us in a spiral of customer losses. By piling on additional costs through this proceeding it will force Grantsburg Telcom to stop offering our cable television services prior to any required implementation date.. Accordingly, we urge you not to apply new rules to smaller MVPDs

Thank you for your consideration.

Sincerely,

Mark Anderson

Mark Anderson
Manager

Cc: Senator Tammy Baldwin
Senator Ron Johnson
Congressman Sean Duffy

139 West Madison Ave. • P.O. Box 447 • Grantsburg, WI 54840
Telephone No. 715-463-5322 • Fax No. 715-463-5206
www.grantsburgtelcom.com • office@grantsburgtelcom.com