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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Ms. Donna R. Searcy  
Secretary  
Federal Communications Commission  
1919 M Street, NW, Room 222  
Washington, DC 20554

Re: Notification of Permitted Ex Parte Presentation  
MM Docket Nos. 92-265 and 92-266

Dear Ms. Searcy:

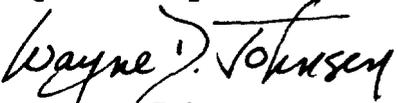
Viacom International Inc. ("Viacom"), by its attorneys and pursuant to Section 1.1206(a)(2) of the Commission's rules, hereby submits an original and one copy of this memorandum regarding a permitted ex parte presentation to the Commission's staff regarding MM Docket Nos. 92-265 and 92-266.

On Monday, March 15, 1993, at approximately 3:00 p.m., Lawrence W. Secrest III and Philip V. Permut of this firm, on behalf of Viacom, met with Byron Marchant of Commissioner Barrett's staff. The discussion related to

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Kindly direct any questions regarding this matter to  
the undersigned.

Respectfully submitted,

  
Wayne D. Johnsen

WDJ/rr  
cc: Byron Marchant

(From the Denver-Rocky Mountain News,  
Sept. 29, 1992)

#### CABLE BILL: STATIC AND SNOW

Suddenly the commodity preoccupying the U.S. Congress isn't wheat or sugar or tobacco but potatoes—the variety that takes root on den couches. Hence, by a 289-128 vote, the House has approved a measure that would cap the rates cable TV companies can charge for basic service.

Under the House bill, bureaucratic fingers would be all over the fine-tuning knob. Congress not only would empower the Federal Communications Commission to set and enforce "fair" cable charges, Congress also would specify how many phone lines each cable company must dedicate to customer complaints. It would require cable operators to refine technology within 18 years so that subscribers to basic service could enjoy one "free" premium channel (e.g., HBO). Good grief, Congress doesn't regulate the Post Office this closely.

Most Congress members claim that reregulating cable, liberated from federal

tors to equip all subscribers for channel selections that now are sold as packages of channels. The result of all these requirements is not more competition; its more likely to be cost-cutting by eliminating cable programming or even entire channels.

The effort to control gouging by cable operators should focus on increasing competition, not on heavy reregulation. Until competitors do materialize, some determination of a reasonable rate of return for certain basic cable service is a legitimate legislative pursuit next year. This bill goes overboard.

(From the Baltimore Sun, Sept. 19, 1992)

#### DISTURBING THE CABLE TV BILL

The battle now reaching a climax in Congress over re-regulating the cable television industry is a classic example of a bill intended to aid consumers that has almost been submerged by interest groups fighting each other for competitive advantages.

The bill started as a consumer protection measure. Congress lifted controls on cable TV operations in 1984. Charges promptly sky-

rocketed, and by commercials both for and against the cable reregulation bill now before Congress. With all of the hype, it's difficult to look beyond the emotional appeals and see how the legislation would truly impact both the industry and the consumers' wallets.

The cable industry, arguing for deregulation eight years ago, claimed that regulation had kept rates artificially low. As a result, since the industry won that battle in Congress, cable rates have risen three times faster than inflation.

Cable critics charge that for the extra money, many consumers have received shoddy service. The industry counters that it has invested in both improved equipment and programming.

In a sense, both claims have some validity. However, arguing about who's right and who's wrong in this controversy really does not get to the heart of the matter: what action will best protect the consumer in the future?

The cable bill approved by a House-Senate conference committee was originally de-