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Blocker Electronics  
225 Golf Links Road  
Hot Springs, Arkansas

July 22, 1994

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The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M. Street, NW., Room 814  
Washington, D.C. 20554

RECEIVED

AUG - 2 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

RE: Cable Competition Report  
CS Docket No.94-48

Dear Chairman Hundt:

I am writing this letter to ask you to use your good offices for the benefit of rural America and the fair competition of business in the field of Telecommunications.

My company agrees with the comments of National Rural Telecommunications Cooperative (NRTC), toward the implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992. The Annual Assessment of the Status of Competition in the Market, for Delivery of Video and Programming. CS Docket No.94-48

Our state of Arkansas with it's mountains and valleys, remote and rough terrain, makes Satellite Television almost a necessity instead of a luxury. Ordinary Television signals are not good in many areas and cable not to be available for some years. The people have no other means than Satellite to receive Television Programming.

My company is directly involved in bringing Satellite (DBS) to rural customers and servicing that equipment. We are Rural Electric Members and Distributors of DIRECTV, Direct Broadcast Satellite (DBS).

We are experiencing some lack of ability to compete in the market of our product and service because we don't have access to programming controlled by Time Warner/Viacom. They have arranged "exclusive" contract rights with United States Satellite Broadcasting Company (USSB) for programming such as Showtime, HBO, Cinemax, Nickelodeon and other of the most popular contracts.

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When the 1992 Cable Act was passed, we thought this problem was solved. None of the contracts for program distribution signed by DIRECTV are exclusive and they can be obtained by USSB.

I have had many customers back off from deals because we can not furnish them programming such as HBO/Showtime. They are confused at the retail level because they don't see why we can't give them that service. This directly affects our sales and service.

Under the present circumstances, if a rural customer wants to receive a Time Warner/Viacom channel, they must buy a second and costly subscription from USSB. We feel this is unfair to the public as well as business.

We think these exclusive contracts run counter to the intent of the 1992 Cable Act. That the act prohibits any arrangement that prevents access by any distributor to programming that would best serve rural, non-cabled areas. This is why we and NRTC supported the Tauzin Amendment in Section 19 of the Cable Act.

Finally Sir, we respectfully ask you to restore the effective competition in Telecommunications by making Section 19 a reality for rural America. We urge you to do away with exclusive arrangements, such as Time Warner/Viacom now use and restore fair competition to the market.

My respectful thanks for your consideration in this matter.

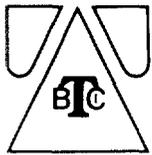
Sincerely,



Byron Blocker

cc:

The Hon. Representative, Jay Dickey  
The Hon. Representative, Ray Thornton  
The Hon. Senator, David Pryor  
The Hon. Senator, Dale Bumpers  
William F. Caton, Secretary  
The Hon. James H. Quello  
The Hon. Andrew C. Barrett  
The Hon. Susan Ness  
The Hon. Rachelle B. Chong



# **BRAZOS TELEPHONE**

COOPERATIVE, INC

EX PARTE OR LATE FILED

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109 N. Avenue D  
Olney, Texas 76374  
817-873-4303  
(Olney) 817-564-5659

July 25, 1994

AUG 2 1994

*The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, NW, Rm. 814  
Washington, D.C. 20554*

*Dear Chairman Hundt:*

*I am writing this letter in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the market for the Delivery of Video Programming, CS Docket No. 94-48.*

*Brazos Telephone Cooperative was founded 40 years ago. Our purpose today, as it was then, is to bring good quality, affordable telephone service to the rural areas of five counties we serve in north Texas. Our members now enjoy the latest technology available and our goal is to continue to provide the finest telephone service available to our rural customers, as well as meeting all of their communications needs.*

*We were naturally delighted to have the opportunity to provide direct broadcast satellite (DBS) television service to consumers in our rural service area. Until now, our customers have had little choice other than satellite for receiving television service. Our desire is to provide rural consumers with entertainment and communications opportunities previously available only to city dwellers. Our customers have shown an amazing response to the availability of the direct broadcast satellite television service. DirecTV is the vehicle we have chosen to deliver the latest technology in this industry to our rural customers.*

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*Reed Hundt, Chairman, FCC, Page 2*

*Because of the "exclusive" distribution arrangements between Time Warner/ Viacom and United States Satellite Broadcasting Co., Inc., we are unable to offer popular programming like HBO, Showtime, Cinemax, The Movie Channel, VH-1, MTC, Nickelodeon, etc. Our rural customers merit the variety in programming offered through Time Warner/ Viacom, which is now available only to the United States Satellite Broadcasting Co. exclusively.*

*It was my impression that Congress had guaranteed equal access to cable and broadcast programming for all distributors with the passage of the 1992 Cable Act. Despite this fact, however, our rural consumers will continue to be treated unfairly by the cable industry.*

*Brazos Telephone Cooperative has worked to be a leader in our local business community. We have built a reputation for exceptional customer service. I believe that the exclusivity rights will hurt the rural consumers and hinder our ability to compete and retain the reputation we have worked to build.*

*I strongly urge you to monitor this situation and help ensure that rural consumers have DBS television services technology available to them at competitive prices.*

*Thank you for your consideration in this matter.*

*Sincerely,*



*Richard D. Adams  
Exec. Vice-President/General Manager  
Brazos Telephone Cooperative, Inc.  
DBA Brazos Digital Television Services*

*RDA/mp*

*cc:*

*The Hon. Congressman Charles Stenholm*

*The Hon. Senator Kay Bailey Hutchison*

*The Hon. Senator Phil Gramm*

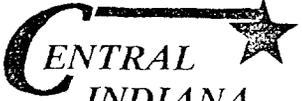
*William F. Caton, Secretary*

*The Hon. James H. Quello*

*The Hon. Andrew C. Barrett*

*The Hon. Susan Ness*

*The Hon. Rachelle B. Chong*

  
CENTRAL  
INDIANA  
COMMUNICATIONS  
INC.

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AUG - 2 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

July 23, 1994

The Honorable Reed Hundt, Chairman  
Federal Communications Commission  
1919 M Street, NW, Room 814  
Washington, DC 20554

RE: Cable Competition Report  
CS Docket No. 94-48

Dear Chairman Hundt:

I am writing this letter in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

As a rural telephone member of NRTC and distributor of the DIRECTV™ direct broadcast satellite (DBS) television service, our company is involved in bringing satellite television to rural consumers.

However, despite passage of the 1992 Cable Act, our company's ability to compete in our local marketplace is being hampered by our lack of access to programming owned by Time Warner and Viacom.

This programming, which includes some of the most popular cable networks like HBO, Showtime, Cinemax, The Movie Channel, MTV, Nickelodeon and others, is available only to our principal competitor, the United States Satellite Broadcasting Co. (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom.

In contrast, none of the programming distribution contracts signed by DIRECTV™ are exclusive in nature, and USSB is free to obtain distribution rights for any of the channels available on DIRECTV.

Central Indiana Communications, Inc., agrees that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. I believe that the Act prohibits any arrangement that

P.O. BOX 87, MAXWELL, IN 46154, (317) 462-4117 (REMC) (317) 326-3131 (HRTC)

1-800-876-4232

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July 23, 1994  
The Honorable Reed Hundt, Chairman  
Page 2

prevents any distributor from gaining access to programming to serve non-cabled rural areas. Under the present circumstance, if one of my DIRECTV subscribers also wishes to receive Time Warner/Viacom product, that subscriber must purchase a second subscription to the USSB Service. This hinders effective competition, and as a consequence keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increases consumer confusion at the retail level.

We believe very strongly that the 1992 Cable Act flatly prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve rural non-cabled areas. That is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

We ask the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in rural America. I strongly urge you to banish the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

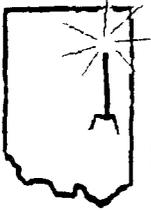
Thank you for your consideration in this matter.

Yours truly,

  
Dan O'Connor  
President

DO'C/sdt

cc: Congressman Lee Hamilton  
Congressman Philip Sharp  
Congresswoman Jill Long  
Congressman John Myers  
Senator Richard Lugar  
Senator Dan Coats



# Coleman County Broadcasting Systems

801 South Santa Fe

P. O. Box 910

Santa Anna, Texas 76878

915-348-3951

July 18, 1994

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M. Street, NW, Rm. 814  
Washington, DC 20554

RE: Cable Competition Report  
CS Docket No. 94-48

Dear Chairman Hundt:

I am writing this letter in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

As a rural telephone member of NRTC and distributor of the DIRECTV™ direct broadcast satellite (DBS) television service, my company is directly involved in bringing satellite television to rural consumers.

However, despite passage of the 1992 Cable Act, my company's ability to compete in our local marketplace is being hampered by our lack of access to programming owned by Time Warner and Viacom.

This programming, which includes some of the most popular cable networks like HBO, Showtime, Cinemax, The Movie Channel, MTV, Nickelodeon and others, is available only to my principal competitor, The United State Satellite Broadcasting Co. (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom.

In contrast, none of the programming distribution contracts signed by DIRECTV™ are exclusive in nature, and USSB is free to obtain distribution rights for any of the channels available on DIRECTV.

Mr. Hundt, my organization agrees with the NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. I believe that the Act prohibits any arrangement that prevents any distributor from gaining access to programming to serve non-cabled rural areas.

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Page Two  
Cable Competition Report  
CS Docket No. 94-48

Under the present circumstance, if one of my DIRECTV subscribers also wishes to receive Time Warner/Viacom product, that subscriber must purchase a second subscription to the USSB service. This hinders effective competition, and as a consequence keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increases consumer confusion at the retail level.

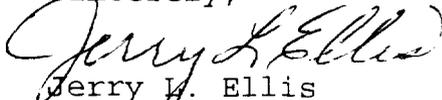
Not having access to the Time Warner/Viacom series has also adversely affected my ability to compete against other sources for television in my area. The first question our customers ask looking over our program list is, we can get HBO & Showtime can't we. We have to tell them No, not from us. This is really upsetting to them and make them want to think it over a little more, because they really wanted HBO.

We believe very strongly that the 1992 Cable Act flatly prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve rural non-cabled area. That is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

We ask the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in rural America. I strongly urge you to banish the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

Thank you for your consideration in this matter.

Sincerely,

  
Jerry W. Ellis  
Manager

cc:

The Hon. Representative Charles Stenholm  
The Hon. Senator Phil Gramm  
The Hon. Senator Kay Bailey Hutchison  
William F. Caton, Secretary  
The Hon. James H. Quello  
The Hon. Andrew C. Barrett  
The Hon. Susan Ness  
The Hon. Rachelle B. Chong

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# The Cooperative Light & Power Association of Lake County

4th St. &amp; 18th Ave.

EX PARTE OR LATE FILED

P. O. Box 69

TWO HARBORS, MINNESOTA

55616

RECEIVED Phone 834-2228

AUG 2 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

"Mills Wredha Inc"

July 28, 1994

The Honorable Reed Hundt  
Chairman Federal Communications Commission  
1919 M Street NW Room 814  
Washington DC 20054

Dear Chairman Hundt:

This letter is in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992 Annual Assessments of the Status of Competition in the Markets of Delivery of Video Programming, CS Docket #94-48.

The Cooperative Light & Power Association of Lake County is a NRTC rural electric investor in the DirectTV project delivering television programs to rural consumers who are largely not served by cable. Many of our customers are thirty and forty miles from the nearest cable system and it is the intent of the Cooperative to be able to provide cable-like programming to our customers who will never have access to cable TV. The DBS option appeared to be an excellent method to provide this service, because it is more reasonably priced as opposed to C-Band satellite receivers.

Our customers have come to expect quality goods and services from their electric cooperative. The fact that DirectTV does not have access to HBO, Showtime, Cinemax, The Movie Channel, VH-1, MTV, Nickelodean, etc. because of the exclusive distribution arrangements they have made with the United States Satellite Broadcasting Company (USSB), erodes the quality of the package that we can offer. The current setup will necessitate that our customers subscribe to two separate programming offers in order to receive the quality of programming they expect. We view this current setup as a detriment to our business plan and feel that it will impede effective competition which has the effect of lowering prices and improving service. None of the programming contracts that have been signed by DirectTV are exclusive and could be offered by USSB if they chose to do so. The Cooperative was under the impression that Congress had already solved this problem two years ago with the passage of the 1992 Cable Act.

Mr. Chairman, I want you to know that the Cooperative agrees with NRTC's position and that the FCC should act to enforce the wishes of Congress' support of the 1992 Cable Act.

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I request that you monitor and combat the problems that I have mentioned by banishing the type of exclusionary arrangements and overpricing of program offerings represented by the USSB/Time Warner/Viacom Deal.

Thank you for your interest in this matter.

Sincerely,

THE COOPERATIVE LIGHT & POWER ASSOCIATION

A handwritten signature in cursive script that reads "Steven M. Wattnem".

STEVEN M. WATTNEM  
General Manager

SMW:jml

EX PARTE OR LATE FILED



July 20, 1994

P.O. Box 40

Cowiche, Washington 98923

Phone: (509) 678-4111

Fax: (509) 678-5100

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, NW, Rm. 814  
Washington, DC 20554

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AUG - 2 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

RE: Cable Competition Report  
CS Docket No. 94-48

Dear Chairman Hundt:

I am writing this letter in support of the Comment of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

As a rural telephone member of NRTC and distributor of the DIRECTV direct broadcast satellite (DBS) television service, my company is directly involved in bringing satellite television to rural consumers.

However, despite passage of the 1992 Cable Act, my company's ability to compete in our local marketplace is being hampered by our lack of access to programming owned by Time Warner and Viacom.

This programming, which includes some of the most popular cable networks like HBO, Showtime, Cinemax, The Movie Channel, MTV, Nickelodeon and others, is available only to my principal competitor, the United States Satellite Broadcasting Co. (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom.

In contrast, none of the programming distribution contracts signed by DIRECTV are exclusive in nature, and USSB is free to obtain distribution rights for any of the channels available on DIRECTV.

Mr. Hundt, my organization agrees with the NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. I believe that the Act prohibits any arrangement that prevents any distributor from gaining access to programming to serve non-cable rural areas. Under the present circumstance, if one of my DIRECTV subscribers also

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The Honorable Reed Hundt  
July 20, 1994  
Page 2

wishes to receive Time Warner/Viacom product, that subscriber must purchase a second subscription to the USSB service. This hinders effective competition, and as a consequence keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increases consumer confusion at the retail level.

Not having access to the Time Warner/Viacom services has also adversely affected my ability to compete against other sources for television in my area.

We believe very strongly that the 1992 Cable Act flatly prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve rural non-cable areas. That is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

We ask the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in America. I strongly urge you to banish the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

Thank you for your consideration in this matter.

Sincerely,

COWICHE TELEPHONE COMPANY

Tony Pottratz  
President

cc:  
William F Caton, Secretary  
The Honorable James H. Quello  
The Honorable Rachelle B. Chong  
The Honorable Andrew C. Barrett  
The Honorable Susan Ness

TP:ls

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AUG 02 1994

FCC MAIL ROOM



# DigiCom Services, Inc.

Post Office Box 803  
713 Laurel Drive  
Sandersville, Georgia 31082  
1-800-241-3999

Member National Rural Telecommunications Cooperative

July 28, 1994

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, NW, Room 814  
Washington, DC 20554

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RE: Cable Competition Report  
CS Docket No. 94-48

Dear Chairman Hundt:

I am writing this letter in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

DigiCom Services, Inc. is an affiliate of NRTC and a distributor of the DIRECTV™ direct broadcast satellite (DBS) television service. We are directly involved in bringing satellite television to the rural areas of America.

My company's ability to compete has been severely hampered by the lack of access we have to programming owned by Time Warner and Viacom. This situation exists despite the passage of the 1992 Cable Act.

The programming we are unable to obtain includes some of the most popular networks today like HBO, Showtime, Cinemax, The Movie Channel, MTV, Nickelodeon and others. If a consumer wishes to receive these channels they would have to turn to my principal competitor, the United States Satellite Broadcasting Company, (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom.

In contrast to this "exclusive" deal none of the programming distribution contracts signed by DIRECTV are exclusive, and USSB is free to provide any of the channels available on DIRECTV.

Mr. Hundt, my organization is in agreement with the NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. It is my understanding that the Act prohibits any arrangement that prevents any distributor from

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The Honorable Reed Hundt  
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July 28, 1994

gaining access to programming to serve rural areas that cannot receive cable. Under the circumstances that exist now, if one of my DIRECTV subscribers wanted to obtain one of the channels owned by Time Warner/Viacom, the subscriber would have to purchase a second subscription to the USSB service. This hinders effective competition, and also keeps the price of the Time Warner/Viacom channels unnecessarily high. Consumer confusion is also increased at the retail level.

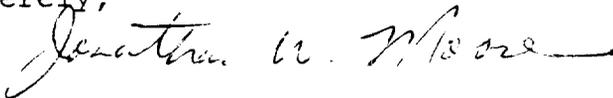
My ability to compete with other sources for television in my area have also been hampered by not having access to the Time Warner/Viacom channels. All of the TVRO dealers are able to provide channels like HBO, Showtime, Cinemax, and the Movie Channel while we are not. When a consumer learns that they cannot get one of these channels through us, and that they would have to go through a separate program provider, many are deterred.

We believe very strongly that the 1992 Cable Act out right prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve rural non-cabled areas. That is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

We ask the FCC to solve these problems so that the effective competition requirements of Section 19 become a reality in rural America. I strongly urge you to banish the type of exclusive contract that USSB and Time Warner/Viacom have entered into.

Thank you for your consideration in this matter.

Sincerely,



JONATHAN W. MOORE  
President

JWM:kbr

cc: The Honorable Cynthia McKinney  
The Honorable J. Roy Rowland  
The Honorable Sam Nunn  
The Honorable Paul Coverdell  
William F. Caton, Secretary  
The Honorable James H. Quello  
The Honorable Andrew C. Barrett  
The Honorable Susan Ness  
The Honorable Rachelle B. Chong



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# Farmers Telephone Cooperative, Inc.

*"Where Traditional Values and Modern Technology Meet."*

July 25, 1994

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AUG 07 1994

FCC MAIL ROOM

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, NW, Room 814  
Washington, DC 20554

Dear Chairman Hundt:

This letter is in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

Farmers Telephone Co-Op (FTC) is an NRTC Rural Telephone Member and an affiliate investor in the DIRECTV project delivering television programming to rural consumers who are largely not served by cable. Many of F.T.C. consumers live in rural areas that are too sparsely populated to receive cable TV. These rural households have little choice other than satellite for receiving television service.

We need complete access to all programming at a fair rate, comparable to those paid by our competition, in order to compete in our local marketplace.

Currently, we do not have DBS distribution rights for Time Warner and Viacom programming, like HBO, Showtime, Cinemax, the Movie Channel, VH-1, MTV, Nickelodeon, etc., because of the "exclusive" distribution arrangements they have made with United States Satellite Broadcasting Co. Inc. (USSB).

A very important example of how the lack of access to Time Warner and Viacom Programming would be detrimental to F.T.C. is consumers who are asking for their programming are unable to get it through us, which could be a loss for our co-op. Farmers Telephone Co-Op is the largest telephone co-op in Alabama which serves only a portion of DeKalb and Jackson Counties. We have purchased the rights to distribute DIRECTV to all of DeKalb and Jackson Counties, which consists of some 40,000 consumers. This is a very large investment for our co-op; especially if we do not have access to this programming.

Why does PrimeStar, wireless cable, cable TV companies, etc., have distribution rights to HBO and Showtime and F.T.C. does not?

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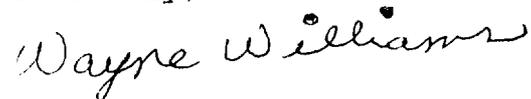
Honorable Reed Hundt  
July 25, 1994  
page 2

The lack of access to this programming hurts both us and the consumers because under the current USSB exclusive distribution arrangement, consumers interested in receiving Time Warner and Viacom programming must subscribe to two separate competing packages. Offering these services by both DIRECTV and USSB, consumers would be able to choose their service provider, resulting in the primary benefits of effective competition: lower prices and improved service.

None of the programming contracts with DIRECTV are exclusive, so USSB could offer these services if they wish to do so.

Farmers Telephone Co-Op agrees with NRTC's position that the FCC should act to enforce the wishes of Congress as put forth in the 1992 Cable Act. We ask that you monitor and combat the problem we have mentioned by banishing the type of exclusionary arrangement represented by the USSB/Time Warner/Viacom deal.

Sincerely,



Wayne Williams  
DBS Supervisor

cc: The Hon. Tom Bevill  
The Hon. Howell T. Heflin  
The Hon. Bud Cramer  
The Hon. Richard Shelby  
William F. Caton, Secretary  
The Hon. James H. Quello  
The Hon. Andrew C. Barrett  
The Hon. Susan Ness  
The Hon. Rachelle B. Chong



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# Farmers Telephone Cooperative, Inc.

*"Where Traditional Values and Modern Technology Meet."*

EX PARTE OR LATE FILED

July 26, 1994

RECEIVED

AUG 8 1994

FCC MAIL ROOM

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, NW, Room 814  
Washington, DC 20554

Dear Chairman Hundt:

This letter is in support of the comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of the implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual assessment of the status of competition in the market for the delivery of video programming, CS Docket No. 94-48.

Farmers Telephone is an NRTC member investor in the direct TV project to provide television programming to mostly rural consumers in DeKalb and Jackson Counties in Alabama. Most of these consumers do not have access to cable TV. Most of these consumers live in sparsely populated areas and are unlikely to ever have access to cable, therefore their only choice to receive television service is by satellite. We need complete access to all programming at fair rates, comparable to those paid by our competition, in order to compete in our local market. We thought that Congress had already solved this problem two years ago with the passage of the 1992 Cable Act. We do not currently have DBS distribution rights for Time Warner and Viacom programming, like HBO, Showtime, Cinemax, the Movie Channel, VH-1, MTV, Nickelodeon, and others, because of the exclusive distribution arrangements they have made with United States Satellite Broadcasting Co., Inc. (USSB).

The lack of access to this programming is detrimental to our business and is hindering our ability to compete in our local area. Farmers Telephone Cooperative is owned by it's 16,000 members and has made a considerable investment in DBS to provide this service to them. It is hard to understand why PrimeStar, Wireless Cable and Cable TV companies should have access to this programming and we do not. The lack of this programming is unfair to our consumers because under the current USSB exclusive distribution arrangements, consumers interested in receiving Time Warner and Viacom programming must subscribe to two separate competing packages.

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Honorable Reed Hundt  
July 26, 1994  
page 2

If these services were provided by both Direct TV and USSB the consumer would be able to choose their service provider, resulting in effective competition, lower prices and improved service.

None of the contracts we have signed with Direct TV are exclusive, therefore USSB could offer the service if they choose to. We agree with NRTC's position that the FCC should act to enforce the wishes of Congress as put forth in the 1992 Cable Act.

We request that you monitor and disallow the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

Sincerely,



David L. Downer,  
Office Manager

sd



# Iowa Lakes Electric Cooperative

1724 Central Avenue  
Estherville, Iowa 51334-0077  
(712) 362-2894

J. Bruce Bosworth  
General Manager

Address Reply to: P. O. Box 77, Estherville, IA 51334-0077

July 29, 1994

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Fax #	202/632-0163	Fax #	

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, NW Rm 814  
Washington, D.C. 20554

RE: Cable Competition Report  
CS Docker NO. 94-48

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

Dear Chairman Hundt:

I am writing this letter in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

Iowa Lakes Electric Cooperative (ILEC) is a rural electric cooperative member of NRTC and a distributor of the DIRECTV direct broadcast satellite (DBS) television service. Iowa Lakes has been directly involved in bringing satellite television to rural consumers in eight rural Northwest Iowa counties since September 1987.

ILEC is very concerned that despite passage of the 1992 Cable Act, our ability to compete in our local marketplace is being hampered by our lack of access to programming owned by Time Warner and Viacom.

This programming, which includes some of the most popular cable networks like HBO, Showtime, Cinemax, The Movie Channel, MTV, Nickelodeon and others, is available only to our principal competitor, the United States Satellite Broadcasting Co. (USSB), as a result of a so called "exclusive" contract signed between USSB and Time Warner/Viacom. On the other hand, none of the programming distribution contracts signed by DIRECTV are exclusive in nature, and USSB is free to obtain distribution rights for any of the channels available on DIRECTV.

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page Two

Mr. Hundt, ILEC agrees with the NRTC that these exclusive programming contracts run counter to the clear intent of the 1992 Cable Act. We believe that the Act prohibits any arrangement that prevents any distributor from gaining access to programming to serve non-cabled rural areas. Under the present circumstances, if one of my DIRECTV subscribers also wishes to receive Time Warner/Viacom product, that subscriber must purchase a second subscription to the USSB service.

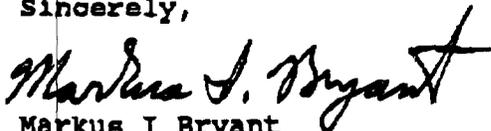
We believe this "exclusive" contract arrangement between USSB and Time Warner/Viacom has been designed to hinder effective competition, and as a consequence keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increases consumer confusion at the retail level over the availability of HBO, MTV, etc., since there is no reason we can not offer these programs other than this "exclusive" contract arrangement. We currently offer them under a C-Band satellite package marketed as "Rural TV", but are prohibited from doing so as a part of our DIRECTV package.

ILEC believes very strongly that the 1992 Cable Act flatly prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to rural non-cabled area. This is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

ILEC is asking the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in rural America. ILEC strongly urges you to banish the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

Thank you for your consideration in this matter.

Sincerely,



Markus I Bryant  
Assistant General Manager

cc:

The Honorable Representative Fred Grandy  
The Honorable Senator Charles Grassley  
The Honorable Senator Tom Harkin  
William F Caton, Secretary  
The Honorable James H Quello  
The Honorable Andrew C Barrett  
The Honorable Susan Ness  
The Honorable Rachelle B Chong

Original letter to follow

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Nebraska



Rural Electric Association

800 South 13th Street Box 82048  
Lincoln, Nebraska 68501  
402/475-4988 FAX 402/475-0835

July 26, 1994

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, N.W., Room 814  
Washington, D.C. 20554

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**AUG - 2 1994**

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

Dear Chairman Hundt:

I am writing you to express our strong support for the comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

The Nebraska Rural Electric Association, along with many of its members, provide C-Band Satellite and Direct Broadcast Satellite (DBS) programming to the sparsely populated areas of rural Nebraska which do not have access to cable television. With the passage of Cable TV Consumer Protection Act of 1992 after many years of effort, and the override of the President's veto of that act, we hoped we had finally brought an end to the discriminatory practices of the cable programmers. These practices resulted in rural satellite TV viewers paying double or triple what cable consumers pay for programming, or being denied access to that programming entirely. Unfortunately, that hope has not yet been realized.

In Nebraska, DBS programming is being offered through both rural electric and rural telephone systems which are members of NRTC. Many of these rural telephone systems also provide cable TV service in towns they serve. They have been amazed to find that they have to pay more than twice as much for a DBS programming package than they do for a similar package of programs they buy as a cable company. The only basis for this discriminatory pricing is that the programming will be broadcast over a satellite system which is not controlled by the cable industry.

To make matters worse, NRTC, its members, and their consumers are being denied fair access to HBO, Showtime, and other Time Warner and Viacom programming in clear violation of the Cable Act of 1992. By entering into exclusive contracts with USSB and PrimeStar, cable companies are attempting to control and mold their competition so they can continue to exact unreasonable fees from rural satellite viewers, and put potential competitors at a price disadvantage.

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The Honorable Reed Hundt  
July 26, 1994  
Page 2

The purpose of the Cable Act of 1992 was to inject competition into the distribution of multichannel video programming so that the nation's consumers, rural and urban, would benefit. Thus far, the nation's rural consumers have largely been denied any benefit from the Act. It is only through the Federal Communications Commission's (FCC) strict enforcement of the clear language of the Section 19 mandate that all distributors be granted nondiscriminatory access to cable programming that our consumers will realize the benefits Congress intended them to enjoy.

I urge the FCC to prohibit by rule all abuses of the program access provisions of the Cable Act of 1992 and make it clear that damages will be awarded for violation of these provisions.

Yours truly,



Jay Holmquist  
Government Relations Director

cc: The Honorable James H. Quello  
The Honorable Andrew C. Barrett  
The Honorable Susan Ness  
The Honorable Rachelle B. Chong  
William F. Caton

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July 21, 1994

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AUG 2 1994

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, NW, Rm. 814  
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION  
U.S. DEPARTMENT OF JUSTICE

RE: Cable Competition Report  
CS Docket No. 94-48

Dear Chairman Hundt:

I am writing this letter in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

As a rural electric member of NRTC and distributor of the DIRECTV direct broadcast satellite (DBS) television service, my company is directly involved in bringing satellite television to rural consumers.

However, despite passage of the 1992 Cable Act, my company's ability to compete in our local marketplace is being hampered by our lack of access to programming owned by Time Warner and Viacom.

This programming, which includes some of the most popular cable networks like HBO, Showtime, Cinemax, The Movie Channel, MTV, Nickelodeon and others, is available only to my principal competitor, the United States Satellite Broadcasting Co. (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom.

In contrast, none of the programming distribution contracts signed by DIRECTV are exclusive in nature, and USSB is free to obtain distribution rights for any of the channels available on DIRECTV.

Mr. Hundt, my organization agrees with the NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. I believe that the Act prohibits any arrangement that prevents any distributor from gaining access

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The Honorable Reed Hundt  
July 21, 1994  
Page Two

to programming to serve non-cabled rural areas. Under the present circumstance, if one of my DIRECTV subscribers also wishes to receive Time Warner/Viacom product, that subscriber must purchase a second subscription to the USSB service. This hinders effective competition, and as a consequence keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increases consumer confusion at the retail level.

Not having access to the Time Warner/Viacom services has also adversely affected my ability to compete against other sources for television in my area. We have had customers who shied away from DIRECTV after learning that HBO/Showtime were not available from us. They don't understand why they can't purchase these programs from their local cooperative.

We believe very strongly that the 1992 Cable Act flatly prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve rural non-cabled areas. That is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

We ask the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in rural America. I strongly urge you to banish this type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

Thank you for your consideration in this matter.

Sincerely,



C. T. Marhula  
Business Manager

CTM/ks

cc: The Hon. Representative Earl Pomeroy  
The Hon. Senator Byron Dorgan  
The Hon. Senator Kent Conrad  
William F. Caton, Secretary  
The Hon. James H. Quello  
The Hon. Andrew C. Barrett  
The Hon. Susan Ness  
The Hon. Rachelle B. Chong

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AUG 2 1994

*North Star*  
*Electric Cooperative, Inc.*

BAUDETTE, MN 56623

LITTLEFORK, MN 56653

218-634-2202

218-278-6658

July 21, 1994

The Honorable Reed Hundt, Chairman  
Federal Communications Commission  
1919 M Street NW, RM 814  
Washington DC 20554

RE: Cable Competition Report  
CS Docket No. 94-48

Dear Chairman Hundt:

I am the General Manager of North Star Electric Cooperative with offices in both Baudette and Littlefork, Minnesota. We serve approximately 5500 members in northern Minnesota. We are a member of NRTC (National Rural Telecommunications Cooperative) and a distributor of DIRECTV, the direct broadcast satellite (DBS) TV service. We are dedicated to bringing this new satellite television service to our rural consumers.

Because of this involvement I am writing to express my support of the comments submitted by NRTC in the matter of implementation of Section 19 of the Cable Television Act of 1992, and the Annual Assessment for the Delivery of Video Programming, CS Docket No. 94-48.

We are concerned with the lack of access to popular cable networks, such as HBO, Showtime, Cinemax, MTV, Nickelodeon and others. The United States Satellite Broadcasting Co. (USSB) has an "exclusive" contract with Time Warner Viacom for distribution of this programming.

We would like to have access to this programming for the benefit of our members. We believe the 1992 Cable Act prohibits arrangements which prevent North Star or other distributors from gaining this programming to serve non-

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*North Star*