

cabled, rural areas. Without this access our members will find it necessary to purchase multiple subscriptions from different companies.

We ask that the FCC remedy this problem by banishing exclusive arrangements such as the one represented by the USSB/Time Warner Viacom deal.

Thank you for your consideration on this important matter.

Sincerely,



Harry M. Carls  
General Manager

HMC/ae

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



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# North Texas Communications Company

205 N. Walnut St.  
P.O. Drawer 587  
Muenster, TX 76252

Phones: (817) 759-2251  
(800) 882-8876  
FAX: (817) 759-5557

July 22, 1994

EX PARTE OR LATE FILED

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 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.

I am a member of NRTC and am participating in the DIRECTV project. The area in which I will be providing this service is very rural and many of the people have no access to cable programming and limited access to off-air broadcasts. Direct Broadcast Satellite service and in particular DIRECTV is the only way many of these people can afford to receive video programming services. My company is dedicated to providing these services to our subscribers at reasonable rates.

However, my ability to compete in my area is impaired by the fact that every other video service provider has access to programming owned by Time Warner and Viacom and I do not. I do not have access to services such as HBO, Showtime, Cinemax, MTV, Nickelodeon and others. They are available to every other video distributor in my area. Primestar, owned by cable companies, has access. Cable Companies have access. Wireless cable has access. USSB has access. C-Band dealers have access. I do not.

The reason I do not have access to these services is because USSB and Time Warner/Viacom, which is affiliated with cable, have signed an "exclusive" distribution contract. Following the intent of the

1992 Cable Act, DIRECTV has no exclusive programming contracts and all the other video providers are free to obtain distribution rights to programming available on DIRECTV. It was my understanding that the 1992 Cable Act prohibits discriminatory pricing and exclusive distribution contracts. Enforcement of these provisions of the Cable Television Consumer Protection and Competition Act of 1992 would cause the Act to live up to its name of Consumer Protection and Competition.

This situation is harmful to the rural subscriber. If a subscriber wishes to receive a Time Warner/Viacom product, they must purchase a second subscription to the USSB service and receive two bills. This will cause consumer confusion, it impedes competition, and causes the price of Time Warner/Viacom programming to be higher.

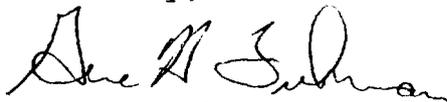
It has already affected my business. The very first customer I activated expressed a desire to purchase all his programming from one distributor. He was very displeased to know that he would have to hassle with two service providers and two bills. The customer has been burdened because of the exclusivity of the contract between USSB and Time Warner/Viacom.

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

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

Thank you for your consideration.

Sincerely,



Gene H. Fuhrman  
Manager of Operations

cc:

The Honorable Representative Ralph Hall  
The Honorable Representative Charles Stenholm  
The Honorable Senator Kay Baily Hutchison  
The Honorable Senator Phil Gramm  
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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Electric Cooperatives  
of Oklahoma

JACK L. PERKINS, President • Hooker, Oklahoma  
MARVIN G. BEST, Vice-President • Vinita, Oklahoma  
J. C. CHRISTOPHER, Secretary • Woodward, Oklahoma

AUG - 2 1994

LARRY WATKINS, General Manager

FEDERAL COMMUNICATIONS COMMISSION  
July 28, 1994  
SECRETARY

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

Post-It™ brand fax transmittal memo 7671		# of pages > 2
To <i>Chairman Hundt</i>	From <i>Larry Watkins</i>	
Co. <i>FCC</i>	Co. <i>oale</i>	
Dept.	Phone #	<i>405/478-1455</i>
Fax #	<i>202/632-0163</i>	Fax # <i>405/478-0246</i>

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

Dear Chairman Hundt:

We strongly support the comments of the National Rural Telecommunications Cooperative regarding 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.

The vast majority of over one million rural Oklahoma citizens will never have access to cable. Congress agreed with us that access at fair market rates should indeed be available to rural families and was addressed with the passage of the 1992 Cable Act.

Unfortunately, exclusive arrangements provide cable programmers yet another tool to exclude and/or rip off rural consumers. Through this and other discriminatory practices, rural consumers are required to pay several times what cable consumers are required to pay if those same rural consumers are allowed access at any price.

We agree wholeheartedly with NRTC that the FCC should act to enforce the will of Congress as stated in the Cable Act, and flatly prohibit any exclusive contract that denies NRTC access to cable programming for rural areas.

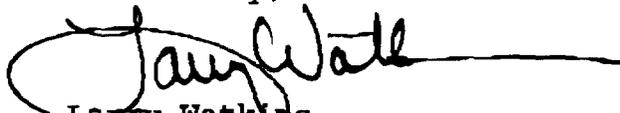
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We therefore respectfully urge you to closely scrutinize cable practices regarding programming access/rates and to impose appropriate penalties on those who continue to violate the Cable Act.

Rural people are citizens too.

Sincerely,

  
Larry Watkins  
General Manager

cc: William F. Caton, Secretary, FCC  
The Honorable James H. Quello, Commissioner, FCC  
The Honorable Rachelle B. Chong, Commissioner, FCC  
The Honorable Andrew C. Barrett, Commissioner, FCC  
The Honorable Susan Ness, Commissioner, FCC  
The Honorable David L. Boren, U.S. Senate  
The Honorable Don Nickles, U.S. Senate  
The Honorable James M. Inhofe, MC  
The Honorable Dave McCurdy, MC  
The Honorable Bill Brewster, MC  
The Honorable Ernest J. Istook, Jr., MC  
The Honorable Mike Synar, MC  
The Honorable Frank Lucas, MC

# Panora Telecommunications, Inc.

114 E. Main • Panora, Iowa • P.O. Box 189 • 515-755-2800

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July 28, 1994

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

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

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

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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.

We are also a CATV provider for four communities and are able to get contracts with all cable networks and do not understand why we cannot get them for DIRECTV to service our rural subscribers.

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.

My organization agrees with 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. Under the present circumstance, if my DIRECTV subscribers wish to receive Time Warner/Viacom product, they must

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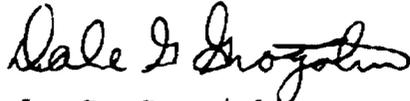
purchase a second subscription to the USSB service. This hinders effective competition, and as a consequence keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increases consumer confusion at the retail level.

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-cable areas. That is why we support 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.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Dale G. Grotjohn".

Dale G. Grotjohn  
General Manager



1-916-832-4126  
1-800-344-6191  
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Plumas - Sierra  
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July 18, 1994

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 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 an affiliate 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.

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

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that the Act prohibits any arrangement that 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 is not effective competition, and consequently the price of the Time Warner/Viacom channels are unnecessarily high. This also increases the confusion at the retail level.

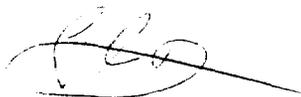
Not having access to the Time Warner/Viacom services has also adversely affected my ability to compete against other sources for television in my area. Feather River Cable TV offers HBO and Showtime, keeping some people from joining the DirecTV system because of these two channels.

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 non-rural 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.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Bony', with a long horizontal flourish extending to the right.

Paul Bony  
Plumas-Sierra  
Telecommunications

RILLY TAUSZIN  
THIRD DISTRICT, LOUISIANA

ENERGY AND COMMERCE COMMITTEE  
MERCHANT MARINE AND FISHERIES COMMITTEE  
CHAIRMAN COAST GUARD AND  
NAVIGATION SUBCOMMITTEE

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Congress of the United States  
House of Representatives  
Washington, DC 20515-1803

June 15, 1994

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MONROE, LA 70137

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

Dear Chairman Hundt:

We are writing to ask your help in strengthening the Commission's rulemaking on competition and diversity in video programming distribution.

During the past year a great deal of the energy has necessarily been devoted to the issue of cable rate regulation. Notwithstanding the immediate importance of that issue, many Members of Congress believe that the true answer to improving the video programming distribution marketplace is the promotion of real competition. In the long run we believe that competition -- not regulation -- will achieve the greatest benefits for consumers and result in greater vitality in the industry. Of the many provisions of the Cable Act that are designed to promote competition, none are more important than Section 19, which instructs the Commission to ensure nondiscriminatory access to cable programming by all distributors.

We strongly believe that section 19 is worthy of your serious and immediate attention. We respectfully request that you reexamine the Commission's First Report and Order implementing section 19 in order to eliminate potential loopholes that would permit the denial of programming to any non-cable distributor.

We wish to call to your attention certain disquieting developments heightening our concern about the FCC's program access regulations. We are troubled by the Primestar consent decrees and the effect they may have on program access. We believe the FCC's program access regulations need to be tightened if the full force and effect of Section 19 of the 1992 Cable Act is to be preserved.

As you may be aware, despite the Commission's well-reasoned brief opposing the entry of the state Primestar decree, the court entered final judgment. Among other things, the state consent decree will permit the vertically integrated cable programmers that own Primestar to enter into exclusive contracts with one direct broadcast satellite (DBS) operator to the exclusion of all other DBS providers at each orbital position. On the other hand, Primestar's ability to obtain all of the programming of its cable owners will be unimpeded by the state consent decree. In its opinion, the court made clear, however, that its ruling was in no way a judgment about the propriety of such exclusive contracts under Section 19 of the Cable Act

or the FCC's implementing regulations and specifically left that question open to be decided by the FCC.

In essence, the state consent decree gives Primestar's cable owners the ability to carve up the DBS market to the competitive disadvantage of non-cable owned DBS providers. This is directly contrary to the intent of Congress. In enacting the program access provisions, Congress specifically rejected the existing market structure in which vertically integrated cable companies controlled the distribution of programming. Congress and the FCC recognized that vertically integrated programmers had both the means and the incentives to use their control over program access to discriminate against cables' competitors and to choke off potential competition, even in unserved areas. Moreover, Congress looked to DBS as a primary source of competition to cable, not as a new technology to be captured by the cable industry.

Congress enacted very strong program access provisions and gave the Commission broad authority to regulate against anti-competitive and abusive practices by vertically integrated programmers. Section 628 (b) makes it unlawful for a cable operator or vertically integrated cable programmer "to engage in unfair methods of competition or unfair or deceptive acts or practices, the purpose or effect of which is to hinder significantly or to prevent any multichannel video programming distributor" from providing cable or superstation programming to consumers. Section 628 (c) provides the Commission with the authority to promulgate regulations to effectuate the statutory prohibition and delineates their minimum content.

Upon examination of the program access regulations, we have discovered a critical loophole that seems ripe for exploitation by the cable industry and is directly applicable to exclusive contracts between vertically integrated cable programmers and DBS providers. Section 628 (c) (2) (c) of the 1992 Cable Act contains a broad *per se* prohibition on "practices, understandings, arrangements, and activities, including exclusive contracts for satellite cable programming or satellite broadcast programming between a cable operator and a satellite cable programming vendor or satellite broadcast programming vendor, that prevent a multichannel video programming distributor from obtaining such programming from any satellite cable programming vendor in which a cable operator has an attributable interest" for distribution in non-cabled areas. However, Section 76.1002 (c) (1) of the Commission's new rules covers only those exclusionary practices involving cable operators.

The Commission's rule in its present form is inconsistent with both the plain language of the statute and Congressional intent. The prohibition against all exclusionary practices by vertically integrated programmers in unserved areas is clear. While it certainly includes exclusive contracts between cable operators and vertically integrated programmers, the language of the statute does not limit the prohibition to that one example. The regulations incorrectly turn the illustrative example into the rule.

This loophole must be closed and the program access regulation strengthened on Reconsideration. The Primestar consent decree alone makes it clear that the bare minimum regulation of exclusive contracts is insufficient to guard against anti-competitive practices by vertically integrated cable programmers. The Commission's final regulations should provide, as does the legislation, that all exclusive practices, understandings, arrangements and activities, including (but not limited to) exclusive contracts between vertically integrated video programmers and any multichannel video programming distributor are *per se* unlawful in non cabled areas. In cabled areas, all such exclusive contracts should be subject to a public interest test with advanced approval required from the Commission.

The Honorable Reed Hundt  
Page 3

There is one other vital point to note regarding the Commission's program access rules. It has become evident that the cable industry has been attempting to manipulate the Commission's reconsideration proceeding to obtain an overly broad Commission declaration as to the general propriety of exclusive contracts with non-cable multichannel video programming distributors. Any such pronouncement by the Commission would eviscerate the program access protections of the 1992 Cable Act.

Specifically, in addition to and independent of the explicit exclusive contracting limitations imposed by the Act, exclusive arrangements between vertically integrated programmers and non-cable multichannel video programming distributors (MVPD) in many circumstances also violate Section 628(b)'s general prohibition of "unfair practices" which hinder significantly or prevent any MVPD from obtaining access to cable programming. In addition, they may violate Section 628 (c)(2)(B)'s prohibition against discrimination by a vertically integrated satellite cable programming vendor in the prices, terms and conditions of sale or delivery of satellite cable programming "among or between cable systems, cable operators, or other multichannel video programming distributors." Accordingly, we urge the Commission to be extremely careful in its decision on reconsideration to avoid any ruling or language which could, in any way, limit the protections against discrimination afforded by Sections 628(b) and (c)(2)(B).

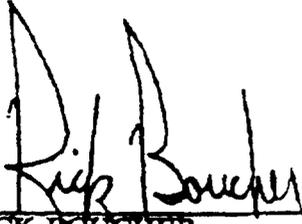
Lastly, Mr. Chairman, it is absolutely essential in overview that the Commission add regulatory "teeth" to its Program Access regulations. In the Program Access decision, the Commission generally declined to award damages as a result of a Program Access violation. Without the threat of damages, however, we see very little incentive for a programmer to comply with the rules. Nor is it practical to expect an aggrieved multichannel video programming distributor to incur the expense and inconvenience of prosecuting a complaint at the Commission without an expectation of an award of damages. There is ample statutory authority for the Commission to order "appropriate remedies" for program access violations, and we urge the Commission to use such authority to impose damages (including attorney fees) in appropriate cases. [See, 47 U.S.C. 548 (e) (i)].

DBS has long been viewed as a strong potential competitor to cable if it were able to obtain programming. In the 1992 Cable Act, Congress acted definitively to remove that barrier to full and fair DBS entry into the multichannel video programming distribution market. We think it is of the utmost importance that there be no loopholes which would allow cable or, in light of recent merger activity, cable-telco combinations to dominate the DBS marketplace.

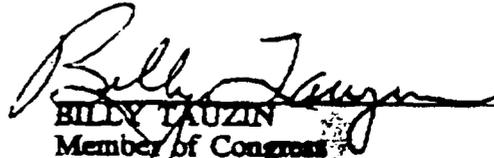
Thank you for your consideration.

Sincerely,

cc: The Hon. James H. Quello  
The Hon. Andrew C. Barrett  
The Hon. Susan Ness  
The Hon. Racheille B. Chong



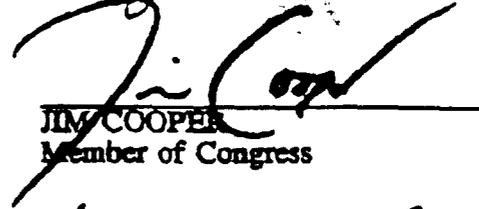
RICK BOUCHER  
Member of Congress



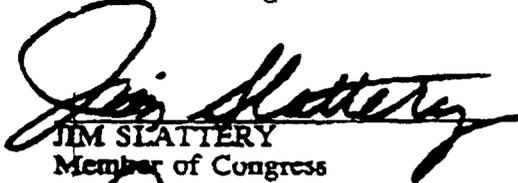
BILLY TAUZIN  
Member of Congress



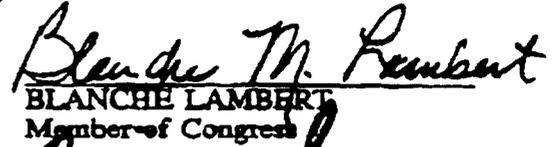
RON WYDEN  
Member of Congress



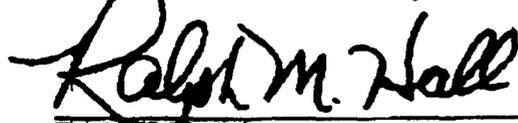
JIM COOPER  
Member of Congress



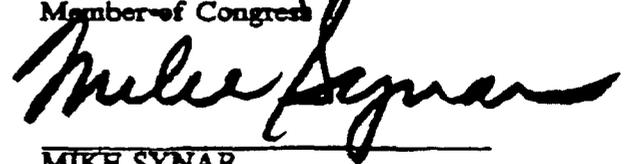
JIM SLATTERY  
Member of Congress



BLANCHE LAMBERT  
Member of Congress



RALPH HALL  
Member of Congress



MIKE SYNAR  
Member of Congress

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

To:

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

From:

Ritchie Variety TV  
1107 E. Main St.  
Harrisville, WV. 26362

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

Dear Chairman Hundt:

We are 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.

We, Ritchie Variety TV (RVTV), are a small, newly founded organization formed in 1993, in order to be an affiliate of NRTC and distributor of the DIRECTV DBS service.

Two enthusiastic investors that formed RVTV sixteen months ago was under the opinion that the 1992 Cable Act would benefit our company to compete with the present cable and C-Band programmers in the rural marketplace.

At present, RVTV has a zero percent (0%) market share in the territory obtained from NRTC and DIRECTV.™ This revelation should come to you at no great surprise since we are new. Fourteen years have passed since the inception of C - Band, and now with Primestar, they together hold, with increasing intensity, a 20% market share in our local non-cabled rural market. This has been accomplished with practically no competition present and with access to all cable programming such as Showtime, HBO, Cinemax, The Movie Channel, Flix, Nickelodeon, and others.

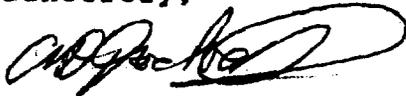
So our point is, without such programming available to us, and with "stiff" competition, how many years will it take our business to maintain a profitable share in the marketplace? Why is there a law in place to protect us .....NOT?

Chairman Hundt, being you were recently assigned this position, we assume you probably inherited this situation rather than created it. Your position to enforce the 1992 Cable Act is an essential step for our business to compete with the "Giants" around us. Unless resolved, more competitors in the near future, will be "airing out" this very issue as they wish also to have equal access to full programming. Our assumption is, unless a full commitment is adhered to, this is one "fire" that will not be extinguished.

In closing, Chairman Hundt, no matter what reasoning or thoughts prevailing over who gets what. RVTV would appreciate any explanation from the Commission as to why the main issue, the 1992 Cable Act, is being ignored after regulatory measures have been taken to deal with this issue.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read "A.D. Jackson II", written in a cursive style.

A.D. Jackson II

# SIGNAL

SIGNAL TV OF LAKE COUNTY, A DIVISION OF RONAN TELEPHONE CO.

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July 22, 1994

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AUG - 2 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

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

Dear Chairman Hundt:

I am writing you 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.

Signal TV of Lake County is a member of NRTC and we are a distributor of the DIRECTV direct broadcast satellite (DBS) television service bringing television programming to our rural consumers who are not being served by cable. The rural areas of Lake County are not being offered cabled services and their only option to this point has been satellite TV and/or the three local networks. Making a success of the financial and service-oriented commitment we have made to our community will be based on our ability to compete.

Signal TV is the first reasonably-priced satellite system to be offered in our area and we are being hindered by DIRECTV's lack of access to programming owned by Time Warner and Viacom. Many of our potential customers request HBO, Cinemax, Nickelodeon, MTV and other programming that is available only through our principal competitor, the United States Satellite Broadcasting Co. (USSB), who signed an exclusive contract with Time Warner/Viacom. We are unable to offer this programming and this seems to me to be in direct conflict with the intent of the 1992 Cable Act.

Why has Time Warner/Viacom made its programming available to other distributors but will not make it available to DIRECTV? Why have some larger programmers continued to ignore the 1992 Cable Act and the FCC's Program Access requirements by charging us up to three times more than comparably-sized cable companies for identical programming?

I believe the 1992 Cable Act prohibits any arrangement that prevents any distributor from reasonable access to programming to serve non-cabled rural areas. It is interesting to note that

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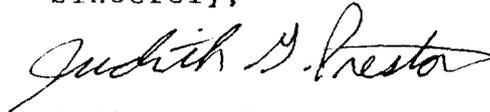
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DIRECTV, who offers reasonably-priced service to a brand new market area, signed no contacts which are exclusive and yet our major competitor is permitted to do so.

It is important to allow for competition in the service of satellite TV to customers in our rural areas. 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.

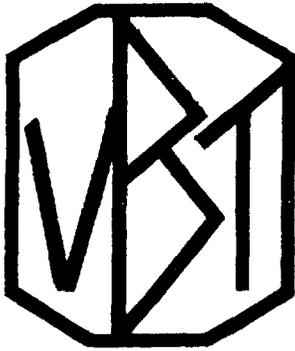
Sincerely,



Judith G. Preston  
Vice President &  
Operators Manager

JGP:ret

cc: The Hon. Senator Max Baucus  
The Hon. Senator Conrad Burns  
The Hon. Representative Pat Williams  
William F. Caton, Secretary  
The Hon. James H. Quello  
The Hon. Andrew C. Barrett  
The Hon. Susan Ness  
The Hon. Rachele B. Chong



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**VAN BUREN TELEPHONE CO., INC.**

FILED

AUG 2 1994

July 22, 1994

The Honorable Reed Hundt  
Chairman- Federal Communications Commission  
1919 M Street, NW, Rm. 814  
Washington D.C. 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 DIRECTV direct broadcast satellite television service, my company is adversely affected by the current exclusive programming arrangement between USSB and Time Warner/Viacom. Our rural families have been waiting patiently for a fair and comprehensive viewing package for years and satellite service is basically the only viewing option that most of them have due to the fact that it is not economically feasible to offer buried cable TV service to the rural areas.

Chairman Hundt, my organization agrees with NRTC that these exclusive programming contracts are in direct conflict with the intent of the 1992 Cable Act. It was our understanding that this act prevented any distributor of gaining access to exclusive programming in the rural non-cabled areas. Further USSB is not limited from obtaining any of the services that we can now offer.

Van Buren DBS, Inc. is bordered by Prime Star, TCI, and Rural TV of Iowa ( offering microwave cable TV service). All of these competitors have access to the Time Warner and Viacom programming that we have been excluded from obtaining. We are at a great disadvantage to these large distributors as HBO, Showtime, Cinemax, MTV, Lifetime and Nickelodeon are frequently requested programming. In an effort to bring quality programming packages to our subscribers and compete with these bordering companies, we need to have access to the Time Warner/Viacom services. Even if an arrangement could be made between NRTC

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and USSB to offer these services, they would be at an elevated price due to having to deal with a middleman rather than directly with Time Warner and Viacom. Furthermore, the lack of competition would not give subscribers a chance at a fair rate.

So how do we monitor pricing and service in a non-competitive atmosphere? I know that addressing this very issue was the intent of the Cable Act of 1992. We implore you to enforce the wishes of Congress by banishing this type of exclusionary arrangement as currently exists between USSB and Time Warner/Viacom.

Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in cursive script that reads "Marsha Appleman". The signature is written in black ink and is positioned above the typed name and title.

Marsha Appleman  
Assistant Manager

cc:

William F. Caton  
James H. Quello  
Andrew C. Barrett  
Rachelle B. Chong  
Susan Ness



# Washington Electric Membership Corporation

258 North Harris Street  
Post Office Box 598  
Sandersville, Georgia 31082  
Telephone (912) 552-2577

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July 20, 1994

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AUG - 2 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

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

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

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.

Washington EMC, as a rural electric member of NRTC and distributor of the DIRECTV™ direct broadcast satellite (DBS) television service, is directly involved in bringing satellite television to rural consumers.

The majority of our member 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 services. Washington EMC needs complete access to all programming at fair rates, comparable to those paid by our competition, in order to compete in our marketplaces.

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). It was our understanding that Congress had already solved this problem two years ago with the passage of the 1992 Cable Act. We briefly question why other distributors (PrimeStar, Wireless Cable, etc.) have access to HBO and Showtime and we do not.

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The Honorable Reed Hundt  
Page 2  
July 20, 1994

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.

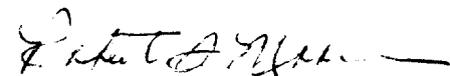
If one of our DIRECTV subscribers also wishes to receive Time Warner/Viacom product, that subscriber must purchase a second subscription to the USSB service. This hinders effective competition, and as a consequence keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increases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

If these services were offered 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.

Chairman Hundt, 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 strongly encourage you to monitor and combat the problems we have mentioned by banishing the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

Thank you for your consideration in this matter.

Sincerely,



ROBERT S. MOORE  
General Manager

RSM: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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AUG - 2 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

July 22, 1994

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, N.W., Room 814  
Washington, D.C. 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 a distributor of the DIRECTV direct broadcast satellite (DBS) television service, my company is directly involved in bringing satellite television to rural consumers in a five county area in Northeastern Georgia. Many of my potential customers for DBS live in rural areas that are too sparsely populated to receive Cable TV. These rural customers have little choice other than satellite for receiving quality television service. Therefore, I need access to all programming at fair rates, comparable to those paid by my competition in the local marketplace.

However, despite passage of the 1992 Cable Act, my company's ability to compete in my local marketplace is being hampered by my 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. This is clearly an unlevel playing field.

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The Honorable Reed Hundt  
Page 2  
July 22, 1994

Mr. Hundt, my company agrees with the NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. I believe the Act prohibits any arrangement that 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 Products, that subscriber must purchase a second subscription to the USSB service. This hinders effective competition and keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increases consumer confusion and frustration at the retail level.

Not having access to the Time Warner/Viacom services will also adversely affect my ability to compete against other sources for television in my area. While we are just getting started in our area with DIRECTV, customers who have already signed up for service and those who are inquiring about the service just do not understand why they can't purchase HBO, Showtime and other popular channels from my company.

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

I ask on behalf of my company that the FCC remedy these problems and obstacles so that effective competition as intended in Section 19 of the Cable Act become a reality in rural America.

I strongly urge you and your colleagues to banish the anti-competitive and exclusionary arrangements represented by the USSB/Time Warner Viacom deal.

Thank you for your consideration in this matter.

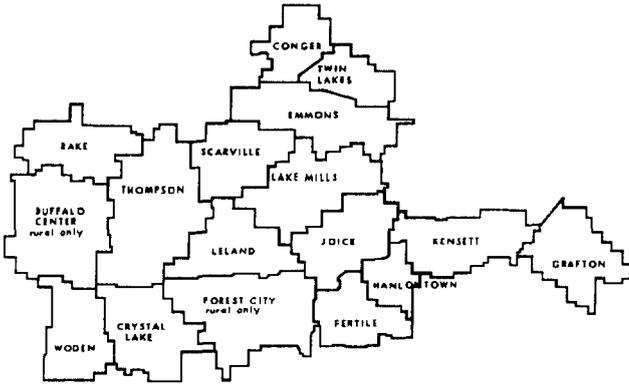
Sincerely,

  
George A. Dyson  
President

LBH/dwb

xc: 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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**Winnebago Cooperative Telephone Association**

704 East Main  
Lake Mills, Iowa 50450

KENNETH LEIN, Manager

Phone (515) 592-6105

July 20, 1994

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

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

AUG - 2 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

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THIS DATE  
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F.C.C.  
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.

Winnebago Satellite Services, Inc., a subsidiary of Winnebago Cooperative Telephone Association, is a rural telephone member of NRTC and distributor of 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-cabled rural areas. Under the present circumstance, if one of my DIRECTV subscribers also wishes to receive Time Warner/Viacom product that subscriber must

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The Honorable Reed Hundt  
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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. Our customers do not understand why they can't purchase HBO and Showtime from us.

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 support 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.

Very truly yours,



Kenneth Lein  
Manager

cc: The Honorable Representative Fred Grandy  
The Honorable Representative Jim Leach  
The Honorable Representative Jim Lightfoot  
The Honorable Representative Jim Nussle  
The Honorable Representative Neal Smith  
The Honorable Senator Charles Grassley  
The Honorable Senator Tom Harkin  
William F. Caton, Secretary  
The Hon. James H. Quello  
✓ The Hon. Andrew C. Barrett  
The Hon. Susan Ness  
The Hon. Rachelle B. Chong