



# Skyway Rural Communications

P. O. Box 221  
EAST CORINTH, VERMONT 05040

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(802) 439-5622

July 21, 1994

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JUL 29 1994

FCC MAIL ROOM

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

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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-~~98~~<sub>48</sub>.

I am a rural utility and NRTC member delivering television programming to rural consumers who are not and probably will never be served by cable. These rural families have no other choice than satellite for receiving television service.

I feel that we should not be charged a higher price for programming than the cable companies. I believed that Congress had already solved this problem two years ago with the passage of the 1992 Cable Act.

Discriminatory pricing hurts both Skyway Rural Communications and the consumers that do not have any other choice for programming other than satellite. They and we should not be charged higher rates than those with access to cable.

I thank you for your attention and action on this matter.

Sincerely,

  
Brenda Hutchinson

bh

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*Orig*  
*[Handwritten initials]*

3615 N. Broadway  
PO Box 2027  
Minot, ND 58702-2027



**SRT**  
SOURIS RIVER  
TELECOMMUNICATIONS  
COOPERATIVE

DOCKET FILE COPY ORIGINAL

Phone: 701/722-3711  
Fax: 701/722-2290

July 22, 1994

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JUL 28 1994

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

FOOD MAIL ROOM

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

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Dear Chairman Hundt:

This letter is being written to express support of the Comments filed by 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 Cooperative member of NRTC, Souris River Telecommunications (SRT) is directly involved in the distribution of satellite television programming to approximately 1,900 rural consumers in North Dakota and Montana.

SRT currently pays significantly more for access to popular cable and broadcast programming than comparably sized cable companies in our area. This means we must charge more for our service, a fact which has been detrimental to our ability to compete in our local marketplace.

Many of the consumers we serve live in remote areas not served by cable or off-air television. Satellite TV is the only source these consumers have for multichannel television programming. Because of the unfair pricing, our rural consumers are forced to pay higher rates for access to television than their counterparts with access to cable.

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*Orig*

I believe that Congress, in the 1992 Cable Act, mandated that all distributors (cable, satellite and otherwise) should be granted equal access to cable and broadcast programming services at non-discriminatory rates. Some programmers have lowered their rates since the implementation of the 1992 Cable Act, but we must have fair and equal access to all programming at rates comparable to those paid by cable if we are to offer satellite television at prices acceptable to rural consumers.

SRT joins NRTC in calling on the FCC to monitor and combat the problems and to ensure that the intentions of Congress with regard to the 1992 Cable Act are being upheld.

I feel that the FCC must prohibit abuses of the program access provisions of the 1992 Cable Act by rule and make it clear that damages will be awarded for program access violations.

Thank you for your attention on this matter.

Sincerely,

*David Traiser*  
David Traiser  
TV Division Mgr.

cc: Warren Hight  
General Mgr, SRT

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RECEIVED

JUL 26 1994

FCC MAIL ROOM

**William F. Caton**  
**Secretary**  
**Federal Communications Commission**  
**1919 M Street, NW, Rm. 222**  
**Washington, DC 20554**

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

**Dear Secretary Caton:**

**I am writing this letter in support of the Comments filed by 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 cooperative member of NRTC, South Alabama Electric Cooperative is directly involved in the distribution of C-band satellite television programming to over 500 rural consumers in Alabama.**

**Currently, South Alabama Electric Cooperative, doing business as South Alabama Marketing, is being put into the situation of paying significantly more for access to popular cable and broadcast programming than that of local cable companies comparable in size in our area. The fact that we are forced to pay inflated rates for program access means we must in turn charge our consumers more for their service. This situation has already had a detrimental effect on our ability to be competitive in our local marketplace. In the past six months we have had over 20 consumers to leave our service in order to receive cable. When asked the reason for switching to cable, the answer in almost every case is that cable is cheaper.**

**In addition, most of our consumers that we serve live in remote areas that do not have access to cable and off-air television. Therefore, these people have no other choice for multichannel television programming other than by satellite and are furthermore forced to pay higher rates for access to television than their counterparts with access to cable.**

**Through my interpretation of the 1992 Cable Act, it was my impression that Congress had mandated that all distributors (cable, satellite and otherwise) should be granted equal access to cable and broadcast programming services at non-discriminatory rates. If this is the case, why are we still paying more for many programming services than those of comparably sized cable companies?**

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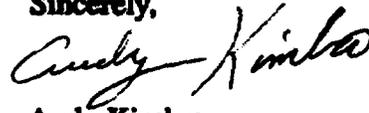
While it is true that some programmers have lowered their rates since the implementation of the 1992 Cable Act, unless there is fair and equal access to *all* programming at rates comparable to those paid by cable companies we will not be able to remain competitive in offering satellite television at prices that will be acceptable to our rural consumers.

In that regard, South Alabama Marketing joins NRTC in calling on the FCC to review and address the problems that I have mentioned above and as well as ensuring that the intentions of Congress are being upheld in accord with the 1992 Cable Act.

Specifically, I hold to the belief that the FCC must prohibit abuses of the program access provisions of the 1992 Cable Act by rule and that any violations of such will be liable for damages.

I thank you for your attention on this matter.

Sincerely,

A handwritten signature in black ink that reads "Andy Kimbro". The signature is written in a cursive, flowing style.

Andy Kimbro

# SOUTH CENTRAL PUBLIC POWER DISTRICT

DOCKET FILE COPY ORIGINAL

P.O. BOX 408 275 SOUTH MAIN PHONE 402-225-2351  
NELSON, NEBRASKA 68961

Max A. VanSkiver  
MANAGER

JUL 28 3 12 PM '94



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JUL 29 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

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July 28, 1994

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, NW, Rm. 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.

As a member of NRTC the South Central Public Power District is currently involved in the Directv project which is trying to deliver television programming to rural consumers not served by a cable system. The vast majority of our consumers have for the last 40 years been able to receive only 3 television channels, of which approximately 30 percent of them receive poor signals on 2 of the 3 channels. With the advent of the Directv DBS system (a very affordable satellite system) these rural consumers will, for the first time, have the same television programming available to them that urban dwellers have enjoyed for many years.

As a programmer for this system we have wanted to bring to these rural consumers HBO, Showtime, The Movie Channel, VH-1, MTV, and Nickelodeon, but much to our chagrin, we will not be able to offer these programs to our customers because of "exclusive" contracts between Time Warner, Viacom and United States Broadcasting Co., Inc. (USSB). Exclusive contracts between a select few programmers will result in high prices for rural consumers wanting these programs. By restricting competition in the programming industry, which these exclusive contracts do, a few companies can monopolize the DBS satellite system. I don't believe Congress had this in mind when it passed the 1992 Cable Act. If the Cable Act is implemented as Congress intended, competition among programmers will increase and the consumer will reap the benefits, namely lower prices and better service.

We have been demonstrating the DBS system at county fairs this summer and at every fair the question "Where is HBO in your packages?" has been raised by consumers. When informed that it is available through USSB on the DBS satellite, they immediately voice their displeasure in having to deal with two companies in order to obtain the programming they desire. They have repeatedly said "I get two telephone bills now, I don't need two cable bills". We feel this attitude of our

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*[Signature]*

rural consumers towards our programming is hurting our business. Dropping exclusive contracts from the programming industry will allow NRTC members to develop total programming packages that will nurture our business and increase the level of satisfaction of the consumer.

We hope that those issues raised by NRTC will be addressed by your committee and an equitable solution will be found to the problems in the programming industry so that we can compete on a level playing field with other programmers.

Very Truly Yours,



Steve Ordich  
DBS Manager

**SOUTHWEST TEXAS  
COMMUNICATIONS, INC.**

P.O. Box 347  
Rocksprings, TX 78880  
Phone: (210)683-2326

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July 22, 1994

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JUL 26 1994

FCC MAIL ROOM

William F. Caton  
Secretary  
Federal Communications Commission  
1919 M St., NW, Rm. 222  
Washington, DC 20554

Dear Secretary Caton:

Attached please find a copy of the letter I have sent to Chairman Reed Hundt concerning Section 19 of the 1992 Cable Act. As a rural telephone member of the National Rural Telecommunications Cooperative (NRTC), Southwest Texas Communications is a distributor of Direct Broadcast Satellite (DBS) television programming services to rural consumers. We would appreciate our opinion being strongly voiced concerning the matter addressed in the attached letter.

Thank you for your attention in this matter.

Sincerely,



Steven Smart  
General Manager

Your Authorized **DIRECTV** Distributor

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JULY 22, 1994

JUL 26 1994

FCC MAIL ROOM

**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 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 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 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-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.**

**Sincerely,**



**Steven Smart**

**cc:**

**The Honorable Representative Henry Bonilla**

**The Honorable Senator Kay 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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# STANTON COUNTY PUBLIC POWER DISTRICT



807 Douglas Street P.O. Box 319  
Stanton, Nebraska 68779-0319

For  
Emergency Service or Trouble Calls  
During Normal Weekdays From 8 A.M. - 8 P.M.  
Call Telephone Number 439-3228  
Holidays, Weekends and After Hours  
Call Telephone Number 439-2300

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

July 28, 1994

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

RECEIVED  
JUL 29 1994  
FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

Dear Chairman Hundt:

I am writing this letter to support the comments of the National Rural Telecommunications Cooperative regarding the issue of implementations 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 member of NRTC and a distributor of the DIRECTV direct broadcast satellite television service to a very small county in Northeast Nebraska, programming accessibility to cable networks like: HBO, Showtime, Cinemax, The Movie Channel and Nickelodeon, are essential for the DIRECTV programming Package. The above mentioned cable networks are presently in an exclusive contract which is not the intent of the 1992 Cable Act.

I request that you as Chairman of the FCC resolve the problems with the competition requirements of Section 19 and that equal access becomes a reality for my customers of Northeast Nebraska.

Thank you for your time and consideration.

Sincerely

*William Duane Johnson*  
William Duane Johnson, General Manager  
Stanton County Public Power District  
Stanton, Nebraska 68779

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**Stayton  
Cooperative  
Telephone  
Company**

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Phone (503) 769-2121  
FAX (503) 769-4216

July 28, 1994

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

RECEIVED  
JUL 29 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.

Stayton Cooperative Telephone Company is a member of NRTC and a distributor of the DIRECTV™ direct broadcast satellite (DBS) television service. Our rural service area prohibits many of our customers from ever having access to cable television. These customers are searching for quality alternatives to cable television. My company is directly involved in bringing direct broadcast satellite television to rural consumers.

However, despite passage of the 1992 Cable Act, our ability to compete in the local marketplace will be 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. It was our belief that Congress solved this very issue of exclusivity with the passage of the 1992 Cable Act.

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.

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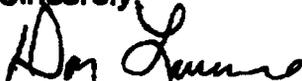
**Mr. Hundt, my organization agrees with the NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. I believe that the Act prohibits any arrangement that prevents any distributor from gaining access to programming to serve non-cabled rural areas. Under the present circumstance, if one of my DIRECTV subscribers also wishes to receive Time Warner/Viacom product, that subscriber must 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 will adversely affect our ability to compete against other sources for television in the communities we serve. 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.**

**Sincerely**



**Don Lawrence  
Manager**

**cc:**

**The Hon. Senator Bob Packwood  
The Hon. Senator Mark Hatfield  
The Hon. Representative Mike Kopetski  
William F. Caton, Secretary  
The Hon. James H. Quello  
The Hon. Andrew C. Barrett  
The Hon. Susan Ness  
The Hon. Rachelle B. Chong**

# SWAYZEE

## TELEPHONE BROADBAND, INC.

214 S. Washington Street  
Swayzee, IN 46886-0070  
PH: (317) 822-7928  
1-800-292-3288

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JUL 29 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

S. M. SAMUELS, President

July 27, 1994

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

DOCKET FILE COPY ORIGINAL

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

Dear Chairman Hundt:

I am a small Independent Telephone Co., a small CATV Co. and a DBS Co. located in Swayzee, Indiana. I am a member of National Rural Telecommunication Cooperative (NRTC). I agree and support their comments concerning Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992.

One only has to look at the attached Programming Access chart to see that now USSB/ Time Warner/Viacom has an exclusive on the Viacom channels. No one else such as DIRECTV has an exclusive on any programming.

Please enforce the Cable Act of 1992 and deny any exclusive programming no matter how the exclusive is hidden or explained.

Sincerely,



S. M. Samuels  
President

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**TELEPHONE BROADBAND, INC.**

214 S. Washington Street

Swayzee, IN 46886-0070

PH: (317) 922-7929

1-800-292-3266

**S. M. SAMUELS, President**

cc:

**The Honorable Representative Steve Buyer**

**The Honorable Senator Richard Lugar**

**William F. Caton, Secretary**

**The Honorable James H. Quello**

**The Honorable Andrew C. Barrett**

**The Honorable Susan Nees**

**The Honorable Rachelle B. Chong**

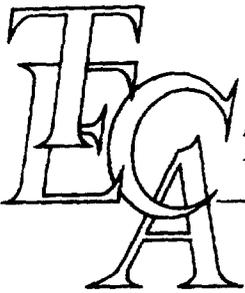


# PROGRAMMING ACCESS

Access to Programming Controlled by Vertically Integrated Cable Companies

PROGRAMMER	DIRECTV*	USBB*	PrimeStar*	CLASSIC TV Cable Networks CLASSIC	Cable USA Networks*
Cinemax		X	X	X	X
Fix		X	X	X	X
NBC		X	X	X	X
The Movie Channel		X	X	X	X
Showtime		X	X	X	X
Comedy Central		X	X	X	X
MTV		X	X	X	X
VH1		X	X	X	X
Nickelodeon		X	X	X	X
Lifetime		X	X	X	X
American Movie Classics	X	X	X	X	X
BET	X	X	X	X	X
Brevo	X	X	X	X	X
Cartoon Network	X	X	X	X	X
Country Music TV	X	X	X	X	X
CNN/Headline News	X	X	X	X	X
Court TV	X	X	X	X	X
Discovery Channel	X	X	X	X	X
E! Entertainment TV	X	X	X	X	X
Encore	X	X	X	X	X
Family Channel	X	X	X	X	X
Fox Network	X	X	X	X	X
Home Shopping Network	X	X	X	X	X
The Learning Channel	X	X	X	X	X
GVC	X	X	X	X	X
GVC2	X	X	X	X	X
The Nashville Network	X	X	X	X	X
Sol-FI Channel	X	X	X	X	X
TNT	X	X	X	X	X
Travel Channel	X	X	X	X	X
Turner Classic Movies	X	X	X	X	X
USA Network	X	X	X	X	X
The Weather Channel	X	X	X	X	X

**\* CROSS OWNERSHIP INTERESTS WITH USBB/TIME WARNER/VIACOM**



**TENNESSEE ELECTRIC COOPERATIVE ASSOCIATION**

710 SPENCE LANE / P. O. BOX 100912 / NASHVILLE, TENNESSEE 37224 / 615-367-9284

July 28, 1994

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AUG 01 1994

FEDERAL BUREAU OF INVESTIGATION

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

**Dear Chairman Hundt:**

**I am writing this letter in support of the position taken by 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 Association representing 23 rural electric cooperatives in Tennessee, we are concerned about the fact that many of the consumers in the rural areas throughout our State do not have acceptable television reception and do not have access to cable television service. Many of those consumers have asked the electric cooperative industry to provide assistance, especially in the area of satellite dish programming services. We have responded to their requests through our national organization, NRTC, and are now delivering television programming to almost 1,200 rural consumers who are not served by cable.**

**However, over the past five years of providing this service, we have not been successful in gaining access to all programming, nor have we received fair rates, comparable to those paid by the cable television industry.**

**In making Congress aware of this problem that adversely impacts the rural people, we were quite pleased when the 1992 Cable Act was passed to solve such a disparity. However, since the passage of that law, we continue to pay significantly more for cable and broadcast programming than comparatively-sized cable companies in our respective areas. We are perplexed as to why cable companies in our area should be entitled to receive programming at lower rates than our system.**

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**The Honorable Reed Hundt**  
**Page 2**  
**July 28, 1994**

**Chairman Hundt, please understand that discriminatory pricing hurts our rural consumers, especially if they have no other choice for programming other than satellite. They are forced to pay higher rates than those who have access to cable.**

**In summary, our Association in Tennessee agrees with NRTC's position that the Federal Communications Commission should act to enforce the wishes of Congress as presented in the 1992 Cable Act. We ask your help in monitoring and combating these discriminatory problems by not allowing abusive practices by rule and by making it clear that damages will be awarded for Program Access violations.**

**Thank you for your help in this very important issue.**

**Respectfully yours,**



**Tom Purkey**  
**Executive Vice President and**  
**General Manager**

**jm**

**cc: Mr. William F. Caton**  
**Secretary, FCC**

**The Honorable James H. Quello**  
**Commissioner, FCC**

**The Honorable Andrew C. Barrett**  
**Commissioner, FCC**

**The Honorable Rachelle B. Chong**  
**Commissioner, FCC**

**The Honorable Susan Ness**  
**Commissioner, FCC**



# THE MONON TELEPHONE CO. INC.

315 N. MARKET ST.  
P.O. BOX 625  
MONON, IN. 47959  
219 / 253-6601

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JUL 26 1994

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July 22, 1994

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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

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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.

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 purchase a second subscription to the USSB service. This hinders effective competition, and as a consequence keeps the price of the Time Warner/Viacom

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July 22, 1994

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. The local cable companies in our area offer these selections when we cannot get them for our customers. It is one of the first questions asked, "Do you have Showtime and 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 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,

THE MONON TELEPHONE COMPANY, INC.



Bruce T. Hanway  
Vice President

BTH/pah

cc:

The Hon. Representative Steve Buyer  
The Hon. Senator Richard G. Lugar  
William F. Caton, Secretary  
The Hon. James H. Quello  
The Hon. Andrew C. Barrett  
The Hon. Susan Ness  
The Hon. Rachele B. Chong

cket CS-94-12



**Times Mirror**

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**JUL 26 1994**

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OFFICE OF THE SECRETARY

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Times Mirror Square  
Los Angeles, CA 90053  
213 237-2990

July 21, 1994

Curtis A. Hessler  
Executive Vice President

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**JUL 26 1994**

OFFICE OF  
COMMISSIONER RACHELLE B. CHONG

The Honorable Rachelle B. Chong  
Federal Communications Commission  
1919 M. Street, N.W.  
Washington, DC 20054

Dear Commissioner Chong:

My colleagues -- Larry Wangberg, Ann Dilworth, and Jacquelyn Jackson -- and I are very grateful for the opportunity you gave us recently to explain Times Mirror's strategy as a new entrant in the cable programming industry.

The Company's plans are premised on the emergence of a regulatory regime that permits open competition for audience, on the merits of price and content quality, among contending programmers and that reasonably incents operators to roll out available and emerging technologies to expand cable channel capacity.

The current regulatory regime does not have these merits and -- if kept in place -- would make our entry into the programming industry an uneconomic proposition, despite the very considerable financial and editorial resources at our disposal. Judging from our situation, and from what we know of that facing other new programming ventures, maintaining the current regulatory scheme will effectively "freeze in" today's programming menu. We can't believe Congress intended this result, or that the American public would welcome it.

We support the NCTA's consensus recommendations as a small but constructive first step toward a regulatory regime based on competition, consumer choice, and inter-programmer neutrality.

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Hon. Rachelle B. Chong  
July 21, 1994  
Page two

From our own perspective, the revisions to the current regulatory environment that are most critically needed at this point are (a) to liberalize operator incentives to expand and alter the programming menu on the so-called "extended basic tier" and (b) to treat "shopping revenue" payments to operators by programmers on an equal basis as between 100% shopping channels (such as QVC and HSN) and those channels (like some of those we plan) that will contain both shopping services and entertainment/information programming.

Speaking personally, I would greatly appreciate the opportunity to hear your views in greater detail than our interview permitted. (Your concerns about inter-programmer neutrality in the current regulatory scheme are very well founded.) I am, of course, available at your convenience and hope I may give you a call as events develop.

Again, we all very much appreciated your willingness to hear our views, and we were impressed by the conscientious manner in which you and your colleagues are approaching the very serious issues now before the Commission.

Sincerely,



CAH/be

**Trans-Cascades Telephone Co.**

**BOX 189  
ESTACADA, OREGON 97023  
503-630-4202**

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

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AUG 01 1994

FCC MAIL ROOM

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

July 25, 1994

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 (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 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 such as HBO, Showtime, Cinemax, MTV, Nickelodeon, and others is only available to my principal competitor, United States Broadcasting Co. (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom. The programming contracts signed by DIRECTV are not exclusive in nature. USSB is free to obtain distribution rights for any of the channels available on DIRECTV.

My organization agrees with the NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. It prevents distributors from gaining access to serve non-cabled rural areas. The unavailability of Time Warner/Viacom products to DIRECTV subscribers hinders effective competition. The requirement to purchase a second subscription with USSB keep the prices unnecessarily high for consumers.

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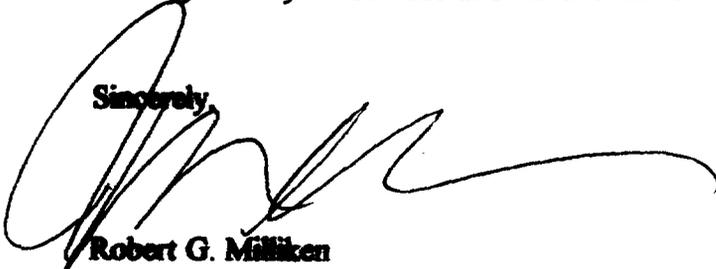
**Not having access to Time Warner/Viacom services has harmed my ability to compete against other sources for television in my area. Potential customers have shied away because HBO and Showtime was not available.**

**I strongly believe that the 1992 Cable Act prohibits any exclusive arrangement that prevent any distributor from gaining access to cable programming to serve non-cabled 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.**

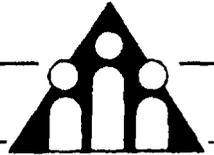
**Thank you for your consideration in this matter.**

**Sincerely,**

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

**Robert G. Milliken  
Chief Engineer/Manager  
Trans-Cascades Telephone Co.**

**Tri-County**  
**ELECTRIC**  
**COOPERATIVE**



1100 West Grand River Avenue  
P.O. Box 379  
Portland, Michigan 48875-0379  
Telephone: (517) 647-7554  
(800) 848-9333

JUL 27 1994

FCC MAIL ROOM

July 18, 1994

DOCKET FILE COPY ORIGINAL

William F. Caton  
Secretary  
Federal Communications Commission  
1919 M Street, NW, Rm. 222  
Washington, DC 20554

Dear William Caton:

This letter is written in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter concerning 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.

Tri-County Electric is a rural electric utility company, and a NRTC member whose service area includes largely rural areas which are not serviced by cable. These rural families have little choice other than satellite for receiving cable television programming. Tri-County Electric is helping to provide satellite television programming to these consumers.

Currently, Tri-County Electric is forced to pay more for access to popular cable and broadcast programming than cable companies of comparable size in our area. These inflated rates in turn forces us to charge a higher rate to consumers for our service. This fact, on top of equipment costs, has contributed to many people not joining the age of satellite television.

It was my impression that, in the 1992 Cable Act, Congress had mandated that all distributors should be granted equal access to cable and broadcast programming services at non-discriminatory rates. If so, why are the cable companies in our area receiving programming at lower rates than us?

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*Cruz*