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OFFICE OF SECRETARY

Blocker Electronics
225 Golf Links Road
Hot Springs, Arkansas

July 22, 1994

The Honorable United States Senator
David Pryor
248 Russell Senate Building
Washington, D.C. 20510

Sir:
I respectfully ask you to give attention to the enclosed letter to the Honorable Reed Hundt, Chairman of Federal communications Commission.

The letter is pretty explanatory, I think. This issue is of great importance to Rural America and especially the State of Arkansas.

This matter is now in committee but we expect you may help with this Bill at a later date, if not now.

My special Thanks for your consideration in this matter.

Sincerely,

Byron Blocker

Byron Blocker

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Blocker Electronics
225 Golf Links Road
Hot Springs, Arkansas

July 22, 1994

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

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 terrian, 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 recieve 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.

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 recieve 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 Ammendment 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

Byron Blocker

cc:
The Hon. Represenative, Jay Dickey
The Hon. Represenative, 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

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

OCT 24 1994

IN REPLY REFER TO:
CN 9404269

Mr. Byron Blocker
Blocker Electronics
225 Golf Links Road
Hot Springs, AR 71901

Dear Mr. Blocker:

The Chairman has asked me to respond to the inquiry you sent to Senator David Pryor expressing your concern that DirectTV, operator of a direct broadcast satellite (DBS) facility, cannot obtain rights to Time Warner and Viacom programming, because such programming is subject to exclusive distribution rights of United States Satellite Broadcasting, Inc.

The National Rural Telecommunications Cooperative (NRTC) has requested that the Federal Communications Commission reexamine the legality of exclusive contracts between vertically integrated cable programmers and DBS providers in areas unserved by cable operators. NRTC has asked that the Commission determine that such contracts are prohibited.

NRTC's petition for reconsideration of the Commission's program access rulemaking proceeding is currently pending. As such, any discussion by Commission personnel concerning this issue outside the context of the rulemaking would be inappropriate. However, you may be assured that the Commission will take into account each of the arguments raised by NRTC and the other parties to the rulemaking concerning this issue to arrive at a reasoned decision on reconsideration.

I trust this information is responsive to your inquiry.

Sincerely,

Meredith J. Jones

Meredith J. Jones
Chief, Cable Services Bureau