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## GROUP W SATELLITE COMMUNICATIONS

Westinghouse Broadcasting Company, Inc.  
250 Harbor Drive, Stamford, CT 06904-2210 (203) 965-6000

MARK MELNICK  
Assistant General Counsel

June 1, 1995

VIA FAX (913-599-5903) & MAIL

Mr. Frank Hughes  
Vice President  
National Cable Television Cooperative, Inc.  
14809 West 95th Street  
Lenexa, KS 66215

JUL 28 1995

FCC MAIL ROOM

Re: Group W Discount Programs

Dear Mr. Hughes:

This is in response to a request you made to Francie Leader of Group W in your May 26, 1995 telephone conversation with Ms. Leader. Your request was for Group W to reiterate the qualifications of Group W's standard U.S. cable industry The Nashville Network and Country Music Television affiliate-wide cross-discount program that NCTC does not satisfy. You told Ms. Leader in that conversation that you needed those qualifications restated to assist you in understanding why Group W offered NCTC its alternate standard U.S. cable industry discount program, which operates on a system-by-system basis and, overall, has fewer discount benefits.\*

The qualifications of Group W's affiliate-wide discount program that NCTC does not satisfy include the following:

1. NCTC does not have an executed, written affiliate agreement for distribution of TNN entered into with Group W on behalf of the owner of TNN.
2. NCTC does not have an executed, written affiliate agreement for distribution of CMT entered into with Group W on behalf of the owner of CMT.
3. NCTC does not have CMT license fees, from which the CMT discounts of the affiliate-wide program would apply, equal to Group W's standard rate card rates for CMT.

\* As you know, the system-by-system discount offer was made to NCTC in Francie Leader's December 6, 1994 letter to NCTC's President, Michael Pandzik. NCTC has yet to accept that offer.

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4. Because NCTC has no INN subscribers, NCTC cannot satisfy the affiliate-wide discount program's qualification that the ratio of NCTC's CMT subscribers to NCTC's INN subscribers be at least 80% for each month from May 1993 to December 1995. (Even if one were to look at INN subscribership of the cable operators to which NCTC distributes CMT, the 80% CMT:INN test would be unsatisfied.)
5. Because NCTC has no INN subscribers, NCTC cannot satisfy the affiliate-wide discount program's qualification that the ratio of NCTC's INN subscribers to NCTC's total basic subscribers for each month from June 1993 to December 1995 be no lower than it is for May 1993. (Even if one were to look at INN subscribership of the cable operators to which NCTC distributes CMT, it has not been demonstrated that the INN:basic ratio test would be satisfied.)

I trust that the foregoing clarifies for you why NCTC does not qualify for Group W's INN-CMT affiliate-wide discount program.

Very truly yours,



Mark Melnick

cc: Michael Pandzik, NCTC  
Francie Leader, Group W