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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)
)
Annual Assessment of the Status of) CS Docket No. 96-133
Competition in the Market for the)
Delivery of Video Programming)

NOTICE OF INQUIRY

Adopted: June 12, 1996

Released: June 13, 1996

By the Commission:

Comment Date: July 19, 1996
Reply Comment Date: August 19, 1996

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I. INTRODUCTION

1. Section 628(g) of the Communications Act of 1934, as amended, directs the Commission to report annually to Congress on the status of competition in the market for the delivery of video programming.¹ The Commission issued the first two reports in compliance with this statutory requirement on September 28, 1994, and December 11, 1995, respectively.² This *Notice of Inquiry* ("*Notice*") is designed to assist the Commission in gathering the information, data and public comment necessary to prepare the third annual report on competition in the market for the delivery of video programming, which will update our assessment of the status of competition and report on changes in the competitive environment since the *1995 Competition Report* was submitted to Congress.

2. The Commission recognizes that much of the information that we will need for the 1996 Competition Report can be obtained from publicly available sources. In addition, a considerable amount of relevant, and even necessary, information may be available in filings with the Commission in connection with a variety of ongoing proceedings. We are not asking parties to repeat here the substance of comments that have been filed in other proceedings. Nonetheless, while the Commission intends to look to publicly available sources and filings in other proceedings as sources of information, commenters should feel free to comment or to provide information on any matter that they believe is relevant to the issues on which the Commission will report.³ Commenters are invited to submit data, information, and analysis regarding the cable industry, existing and potential competitors to cable systems, and the prospects for increased competition in markets for the delivery of video programming. In particular, we seek comment regarding our conclusions in the *1995 Competition Report*, current information and data regarding changes over the past year, and fact-based projections for the future development of competition in this market. Commenters are also asked to provide any other information or analysis they deem relevant for this report.

3. The Telecommunications Act of 1996 ("1996 Act"), enacted on February 8, 1996, potentially will affect dramatically overall competition in the market for the delivery of video

¹ Communications Act of 1934, as amended ("Communications Act") § 628(g), 47 U.S.C. § 548(g).

² *Implementation of Section 19 of the 1992 Cable Act (Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming), First Report*, CS Docket No. 94-48, 9 FCC Rcd 7442 (1994) ("*1994 Competition Report*") and *Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, Second Annual Report*, CS Docket No. 95-61, FCC 95-491, 11 FCC Rcd 2060 (1996) ("*1995 Competition Report*").

See also *Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, Notice of Inquiry*, CS Docket No. 94-48, 9 FCC Rcd 2896 (1994) and *Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, Notice of Inquiry*, CS Docket No. 95-61, 10 FCC Rcd 7508 (1995).

programming.⁴ Section II of this *Notice* requests information concerning the relevant provisions of the 1996 Act and their likely effects on existing and potential distributors of video programming. In Section III of this *Notice* we solicit updated information on the cable industry, other competitors, and on competition in markets for the delivery of video programming.

II. TELECOMMUNICATIONS ACT OF 1996

4. In enacting the 1996 Act, which substantially amended the Communications Act, Congress sought to increase competition in all telecommunications markets, and to provide for a prompt and orderly transition from regulated monopoly markets to competitive, deregulated markets. The legislative history states that the 1996 Act is intended to "provide for a pro-competitive, deregulatory national policy framework . . . by opening all telecommunications markets to competition."⁵

5. The 1996 Act includes several provisions that may promote competition among multichannel video programming distributors ("MVPDs"), by fostering the entry of alternative MVPDs in markets for the delivery of video programming and by removing existing barriers to entry. In the 1996 Competition Report, we will seek to provide information on the effect of the 1996 Act on competition among MVPDs in markets for the delivery of video programming. We recognize that the legislative changes contained in the 1996 Act may significantly impact video delivery markets. Because any such changes will likely occur over a number of years, the 1996 Competition Report can only begin the process of monitoring them. Thus, we seek information on those initial effects of the provisions of the 1996 Act that are already apparent.

6. For example, the 1996 Act repeals Section 613(b) of the Communications Act which prohibited local exchange carriers ("LECs") from providing video programming directly to subscribers in their telephone service area ("cable-telco cross-ownership ban").⁶ In place of the cable-telco cross-ownership ban, the 1996 Act provides several options for common carriers entering the video marketplace.⁷ Specifically, common carriers may: (1) provide video programming to subscribers through radio communication under Title III of the Communications

⁴ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996).

⁵ Joint Explanatory Statement at 1.

⁶ 1996 Act, Sec. 302(b)(1), which repeals Section 613(b), 47 U.S.C. § 533(b).

⁷ Section 301 of the 1996 Act adds a new Section 651 to the Communications Act, Video Programming Services Provided By Telephone Companies.

Act;⁸ (2) provide transmission of video programming on a common carrier basis under Title II of the Communications Act;⁹ (3) provide video programming as a cable system under Title VI of the Communications Act;¹⁰ (4) provide video programming by means of an "open video system" ("OVS") under new Section 653 of the Communications Act.¹¹ We seek comment on the initial effects of the elimination of the cable-telco cross-ownership ban.

7. The 1996 Act also contains provisions that deregulate, or reduce the regulation of, incumbent cable operators' rates.¹² The 1996 Act contains provisions which deregulate certain rates of small cable operators in franchise areas where they serve 50,000 or fewer subscribers immediately,¹³ and which sunset rate regulation on the cable programming service tiers of large cable operators after three years.¹⁴ The 1996 Act also expands the definition of effective competition so that the cable service rates of an incumbent cable operator are deregulated when a LEC or its affiliate (or any MVFD using the facilities of such carrier or its affiliate) offers comparable video programming in the local franchise area by any means other than direct to home satellite.¹⁵ We seek comment on the effect of these provisions on competition in the market for the delivery of video programming.

8. The 1996 Act contains a provision that eliminates under a number of circumstances the uniform rate structure requirement for similarly situated subscribers¹⁶ for cable

⁸ Section 651(a)(1), 47 U.S.C. § 571(a)(1).

⁹ Section 651(a)(2), 47 U.S.C. § 571(a)(2).

¹⁰ Section 651(a)(3), 47 U.S.C. § 571(a)(3).

¹¹ Section 651(a)(3)-(4), 47 U.S.C. § 571(a)(3)-(4).

¹² 1996 Act, Sec. 301(b). Section 301 amends Section 623 of the rate regulation provisions of the Communications Act, 47 U.S.C. § 543.

¹³ 1996 Act, Sec. 301(c). This deregulation is limited to the cable programming service ("CPS") tier unless the operator had only a single tier as of December 31, 1994, in which case all tiers are deregulated.

¹⁴ 1996 Act, Sec. 301(b)(4).

¹⁵ 1996 Act, Sec. 301(b)(3). See *Order and Notice of Proposed Rulemaking Implementation of Cable Act Reform Provisions of the Telecommunications Act of 1996*, CS Docket No. 96-85, FCC 96-154, released April 9, 1996.

¹⁶ Section 623(d) of the Communications Act, 47 U.S.C. § 543(d).

operators that face effective competition,¹⁷ for programming provided on a per channel or per event bases, and in general for services provided to multiple dwelling units ("MDUs").¹⁸ The provision, however, provides that a competitor can file a uniform rate complaint alleging that rates charged to an MDU are "predatory".¹⁹ We seek comment on the effect of this provision on competition generally, and, in particular, on competition from MVPDs that compete with cable operators for service to MDUs.

9. The 1996 Act narrows the definition of a cable system to exempt facilities that serve buildings under different ownership, control, or management, provided that the facilities do not use public rights-of-way.²⁰ For example, a satellite master antenna system ("SMATV") operator can now expand service to MDUs with different owners without obtaining a cable franchise, provided that the operator does not use a public right-of-way. We seek comment on the likely impact of this legislative change on SMATV entry in video delivery markets and on competition in those markets. We also seek information about any actual entry or expansion by SMATV operators that was stimulated by this new provision in the law.

10. The 1996 Act also directs the Commission to "promulgate regulations to prohibit restrictions that impair a viewer's ability to receive video programming services through devices designed for over-the-air reception of television broadcast signals, multichannel multipoint distribution service, or direct broadcast satellite services."²¹ This provision is intended to ensure that consumers have access to a broad range of video programming services and to foster full and fair competition among different types of video programming services.²² What effect has the implementation of this provision had on competition in the market for delivery of video programming?

¹⁷ This provision codifies the decision of the United States Court of Appeals for the District of Columbia Circuit in *Time Warner Entertainment Co., L.P. v. FCC*, No. 93-1723 (D.C. Cir. 1995).

¹⁸ 1996 Act, Sec. 301(b)(2).

¹⁹ *Id.* Under the statute, predatory pricing is only an issue with respect to MDUs. In other areas, non-uniform rates are illegal, regardless of whether they are predatory.

²⁰ 1996 Act, Sec. 301(a)(2).

²¹ 1996 Act, Sec. 207.

²² See *Notice of Proposed Rulemaking on Implementation of Section 207 of the Telecommunications Act of 1996 Restrictions on Over-the-Air Reception Devices: Television Broadcast and Multichannel Multipoint Distribution Service*, CS Docket No. 95-83, FCC 96-151, released April 4, 1996. See also *Report and Order and Further Notice of Proposed Rulemaking on Preemption of Local Zoning Regulation of Satellite Earth Stations*, IB Docket No. 95-59, FCC 96-78, released March 11, 1996, summarized at 61 Fed. Reg. 10710 (Mar. 15, 1996).

11. In addition, the 1996 Act includes provisions which (a) extend program access obligations to LECs;²³ (b) eliminate cable/broadcast²⁴ and cable/network cross ownership rules;²⁵ and (c) eliminate cable antitrafficking restrictions.²⁶ We seek comment on any of the foregoing provisions, as well as other provisions which commenters deem pertinent to competition in markets for the delivery of video programming.

III. CHANGES IN MARKETS FOR THE DELIVERY OF VIDEO PROGRAMMING SINCE LAST YEAR'S REPORT

A. *Competitors in Markets For the Delivery of Video Programming*

12. Markets for the delivery of video programming are served by video distributors using several different technologies, including both wired systems and wireless systems. Incumbent cable systems, operating under franchise agreements with local governments, use wired systems to deliver video programming to subscribers. Some LECs are also building wired systems that will deliver their own video programming and carry the video programming of unaffiliated program providers. While some of these systems will be cable systems, as discussed above, the 1996 Act also authorizes LECs to operate such wired facilities as OVS or common carrier systems. An OVS system will deliver the LECs' own programming directly to subscribers and will also provide transmission services to unaffiliated programming providers on a nondiscriminatory basis. A common carrier system will provide only transmission services. In addition, SMATV systems, also known as "private cable systems," are video distributors that serve residential MDUs and various other buildings and complexes. A SMATV system uses a satellite dish to receive programming signals and then distributes the programming to the subscribing buildings, generally over wires, though SMATV operators also use 18 GHz licenses to interconnect separate buildings.

13. Wireless technologies include wireless cable systems, direct to home ("DTH") satellite services, and over-the-air broadcast services. The term "wireless cable" refers to service providers using multichannel multipoint distribution service ("MMDS"), instructional television fixed service ("ITFS") and local multipoint distribution service ("LMDS") over-the-air microwave

²³ Section 653(b)(1) of the Communications Act, 47 U.S.C. § 573(b)(1).

²⁴ 1996 Act, Sec. 202(i), which eliminates Section 613(a) of the Communications Act, 47 U.S.C. § 533(a).

²⁵ 1996 Act, Sec. 202(f), which revises Section 76.501 of the Commission's rules, 47 C.F.R. § 76.501; *See Order on Implementation of Section 202(c)(1) and 202(e) of the Telecommunications Act of 1996 National Broadcast Television Ownership and Equal Networking Provision*, FCC 96-91, released March 8, 1996, summarized at 61 Fed. Reg. 10691 (Mar. 15, 1996).

²⁶ 1996 Act, Sec. 301(i) amending Section 617 of the Communications Act, 47 U.S.C. § 537; *See Order on Implementation of Sections 202(f), 202(i), and 301(i) of the Telecommunications Act of 1996, Cable Television Antitrafficking, Network Television, and MMDS/SMATV Cross-Ownership Rules*, CS Docket No. 96-56, FCC 96-112, released March 18, 1996, summarized at 61 Fed. Reg. 15387 (Apr. 8, 1996).

facilities to transmit video programming to subscribers. There are two types of DTH satellite services. One type is direct broadcast satellite ("DBS") services, which distribute video programming to subscribers who use a relatively small receiving dish. The second type is home satellite dish ("HSD") services. HSD owners use relatively large satellite dishes to receive video programming. Some DTH programming is received without subscription directly from satellites. Other DTH programming is available by subscription to programming services provided by program packagers.

14. As in last year's report, we seek factual information and statistical data about the status of video programming distributors using the different technologies, and changes that have occurred in the past year.²⁷ Among the types of information we seek are the following: (a) the numbers of homes passed, the numbers of subscribers, and penetration rates;²⁸ (b) channel capacities, the numbers and types of channels offered, and the numbers and types of services offered; (c) industry revenues, in the aggregate and by sources (e.g., subscriber revenues, advertising revenues), expenditures, cash flows, and investments; (d) industry transactions, including information on mergers, acquisitions, consolidations, and cross-ownership; (e) technological advances and developments, including developments in the deployment of advanced technologies; (f) other developments that affect the distributor's delivery of video programming; (g) regulatory and judicial developments that are affecting the use of the technologies; and (h) the initial effects of the 1996 Act on video programming distributors.

15. In addition, we seek information including, but not limited to, the following:

(a) In the *1995 Competition Report*, we noted that subscribership to existing DBS services was increasing rapidly and that several firms were planning to offer new DBS services.²⁹ We seek information about the further development of these existing and planned new services, and any changes in their proposed prices, program offerings, or launch dates.

(b) OVS permits LECs to offer their own programming directly to subscribers and simultaneously provide transmission services to unaffiliated programming providers. What are the likely effects of the new OVS option for LEC entry into video programming transmission and distribution?³⁰ What plans do LECs have with respect to OVS, common carriage, radio communications, cable, and other technologies

²⁷ See *1995 Competition Report*.

²⁸ To the extent available, we seek information on the numbers of subscribers to different levels of service (e.g., basic, cable programming service or "CPS," and premium).

²⁹ *1995 Competition Report*, 11 FCC Rcd 2080-81 ¶ 49.

³⁰ Sec. 653 of the Communications Act, 47 U.S.C. § 573.

(c) When assessing the competitive significance of broadcast television transmission, the *1995 Competition Report* noted the importance of distinguishing between broadcast television as a transmission medium and broadcast television as a programming source.³¹ The Commission seeks information and comments on these two functions of broadcast television and to what extent broadcast television competitively constrains cable.

(d) The Commission also seeks information on the growth and future prospects for the two new broadcast networks (United Paramount and Warner Bros. Network) that were launched in the 1994-95 television season.³² We observe that the Warner network has relied on cable system carriage of a superstation to reach households in areas where it has been unable to enter into affiliation agreements with local broadcast stations.³³ Has reliance on cable carriage proved to be a successful entry strategy?

(e) The *1995 Competition Report* provided information on existing and potential distribution technologies that may affect competition. We included local multipoint distribution service ("LMDS"), low power television ("LPTV"), video cassette recorders ("VCRs"), interactive video and data services ("IVDS") and the Internet among these technologies.³⁴ We request information on any changes involving these technologies that may affect competition in the video marketplace.

(f) The 1996 Act relaxed restrictions on public utility holding company entry into communications markets.³⁵ What effect will this statutory change have on competition in video markets? We seek information on the existing or potential entry of utility holding companies in particular and utility companies in general into the video marketplace.

(g) The Commission seeks comments on the status of overbuilding, including the status of new overbuilding. In the *1995 Competition Report*, the Commission noted that "[n]ew overbuilding activity appears to be occurring. Most notably, Ameritech Operating Companies ("Ameritech"), several other Regional Bell

³¹ *1995 Competition Report*, 11 FCC Rcd 2113-14 ¶ 112.

³² *Id.*

³³ For example, it has been reported that Warner Bros. Network indicated that 18% of its coverage will come from cable carriage of superstation WGN. Laurie Mifflin, *WB is Setting Up a System That Will Use Cable Stations*, New York Times, May 18, 1996, at 33.

³⁴ *1995 Competition Report*, 11 FCC Rcd 2097, 2116-22 ¶¶ 84-85, 117, 121-127.

³⁵ 1996 Act, Sec. 103, which amends Section 34 of the Public Utility Holding Company Act of 1935, 15 U.S.C. § 79z-5c. See also *1995 Competition Report*, 11 FCC Rcd 2117-18 ¶¶ 119-120.

Operating Companies, and a number of smaller LECs are pursuing the construction of cable systems in their local telephone service areas.³⁶ There has also been recent evidence that this trend is continuing.³⁷ In the 1996 Competition Report, the Commission intends to update its information on the status of competition from cable overbuilds, including the number and location of markets, the manner in which overbuilders market their services, and the effects of overbuild competition on cable rates, services and service quality.

(h) We seek descriptive or demographic information regarding the differences between households that subscribe to cable and other MVPDs and those that do not subscribe to these services. Are nonsubscribing homes more likely to be located in areas with good off-air reception of broadcast television? Do they differ in income or education from households that subscribe? Are there other factors that affect a household's decision to subscribe to cable or another MVPD?

B. Technological Issues

16. The 1995 *Competition Report* described in detail various technological advances that may affect industry structure and competition in the market for delivery of video programming.³⁸ For this year's report, we seek updated information on developments in the deployment, or planned deployment, of advanced technologies, such as digital compression and switched digital services. We intend to update the information we presented about the different transmission media used for distribution of multichannel video programming, such as copper wire, coaxial cable, optical fiber, broadcast and other terrestrial radio frequency communications, terrestrial microwave and satellites, and how they affect, and are likely to affect, industry structure and competition for the provision of video services. We will also explore the hybridization of different transmission media as well as system configurations and designs that may also affect competition. We also seek updated information about developments in set-top boxes to accommodate extended cable and broadband services in the future and facilitate their use by consumers. In addition, we request comment on the effect of the 1996 Act's provisions relating to commercial availability of equipment used by consumers to access services provided by MVPDs.³⁹

³⁶ 1995 *Competition Report*, 11 FCC Rcd 2076 ¶ 39.

³⁷ See, e.g., Michael Katz, *Ameritech Hits Potholes in Road to Cable Entry*, *Broadcasting & Cable*, April 1, 1996, at 50; *VDT Abandoned SNET Seeks Conn. Cable Franchise for Video and Telephony Over Fiber-Coaxial*, *Communications Daily*, January 25, 1996, at 2.

³⁸ 1995 *Competition Report*, 11 FCC Rcd 2142-50 ¶¶ 173-193.

³⁹ Section 304 of the 1996 Act adds a Section 629 to the Communications Act, 47 U.S.C. § 549, Competitive Availability of Navigation Devices.

C. *Industry and Market Structure*

1. **Horizontal Concentration**

17. The Commission intends in the 1996 Competition Report to update its information concerning the structure of the cable industry and markets for the delivery of video programming. An important element of industry and market structure is horizontal concentration, which refers to the number and market shares of cable operators and other video programming distributors. Accordingly, we seek information on changes in and the effects of horizontal concentration at the national, regional and local levels, including information on the increased national concentration and regional clustering that we reported last year. To the extent possible, we also seek information on local markets for the delivery of video programming where incumbent cable operators face competition from other video programming distributors. In particular, the Commission seeks to obtain information on: (a) the identity of the competitors; (b) the distribution technology used by each competitor; (c) the date that each competitor entered the market; (d) the location of the market, including whether it is predominantly urban or rural; (e) an estimate of the subscribership and market share for the services of each competitor; (f) a description of the service offerings of each competitor; and (g) the prices charged for these offerings.

18. The Commission seeks comment about the definition of the relevant product market and our analysis of the relevant market, and what changes, if any, have occurred since the *1995 Competition Report*, in the relevant product market for the delivery of video programming. We also seek comment on the analysis and definition of the relevant geographic market within which customers can turn for alternative sources of delivered video programming, and what changes, if any, have occurred since the *1995 Competition Report* in the relevant geographic market definition.

2. **Vertical Integration**

19. A cable company is vertically integrated if it is affiliated with a supplier of video programming. In the 1996 Competition Report, the Commission intends to update its information on existing and planned programming services. We seek information on programming services that are affiliated with cable operators and on programming services that are unaffiliated. In particular, we seek information on the following subjects:

- (a) The existing national programming services, and the extent to which they are affiliated with cable operators. In particular, the Commission would like to provide a description of the amount and type of interest, the date such interest was acquired, any changes since last year, and the percentage of ownership by each cable operator for each programming service;
- (b) The national programming service launches that have occurred over the past year, and the extent of their affiliation with cable system operators;

- (c) The national programming services that have been announced for launch since last year, and the extent of their affiliation with cable operators;
- (d) The number of subscribers and number of cable systems served by individual programming networks;
- (e) Cable programming networks also are distributed by other MVPDs. We request information regarding such distribution and the numbers of subscribers receiving these programming services for noncable video providers.
- (f) The audience ratings, primetime or all day parts, of national cable programming services; and
- (g) The extent to which national cable programming services are affiliated with actual or potential competitors (e.g., LECs) to cable systems.

20. In the *1995 Competition Report*, the Commission presented information on the effects of its rules concerning relationships between cable operators and programming providers.⁴⁰ These rules include the "program access" rules, the "program carriage" rules, and the "channel occupancy" rules.⁴¹ In the *1996 Competition Report*, we seek to update our information on the effects of these rules. As noted above, the 1996 Act expanded the program access rules to LECs.⁴² We seek comment on the effect of this provision on competition in the video programming market.

21. The Commission's program access rules are intended to ensure access by non-cable MVPDs to satellite cable programming that is affiliated with cable operators.⁴³ In the *1995 Competition Report*, the Commission found that its program access rules appeared to be meeting this goal.⁴⁴ In order to update our finding, we seek information on the effectiveness of the program access rules during the past year.

22. The Commission's program carriage and channel occupancy rules are intended to ensure access to carriage on cable systems by video programming providers that are unaffiliated with cable operators. In particular, the channel occupancy rules limit the number of channels that

⁴⁰ *1995 Competition Report*, 11 FCC Rcd 2135-42 ¶¶ 157-71.

⁴¹ *1994 Competition Report*, 9 FCC Rcd 7520-22 ¶¶ 158-159.

⁴² See ¶ 11 *supra*.

⁴³ *1995 Competition Report*, 11 FCC Rcd 2135 ¶ 157.

⁴⁴ *Id.*, 11 FCC Rcd 2135-36 ¶ 159.

a cable operator may fill with affiliated programming to 40% of its activated channels.⁴⁵ In the *1995 Competition Report*, the Commission found little indication that this limit had a significant impact during the previous year.⁴⁶ In order to update our finding, we seek information on the impact of the channel occupancy rules since the *1995 Competition Report* was issued. We also seek information on the effect of the program carriage rules during the past year.

23. In addition, the Commission's leased access rules are intended to increase the diversity of available video programming.⁴⁷ These rules, which implement Section 612 of the Communications Act,⁴⁸ are designed to "promote competition in the delivery of diverse sources of video programming and to assure that the widest possible diversity of information sources are made available to the public"⁴⁹ The leased access rules require cable operators to set-aside channel capacity for commercial use of cable by unaffiliated programmers. We seek comment on the carriage of leased access programming and its effect on competition.

D. Status of Competition in the Market For the Delivery of Video Programming

24. The Commission seeks information on the current effects of actual or potential competition in those local markets where consumers have, or soon will have, a choice between MVPDs. We also intend to obtain updated information on incumbent cable operators' responses to entry and competition and on the changes that cable operators are making in anticipation of the entry of competitive alternatives in local markets. We further request information regarding any existing or potential impediments that deter entry or prevent increases in competition in the video program delivery market. Such impediments may include strategic behavior of incumbent firms and legal, regulatory and other impediments.⁵⁰ Finally, comment is sought on the outlook for competition in the market for the delivery of video programming based on available factual information and announced plans of participants in this marketplace.

⁴⁵ *Id.*, 11 FCC Rcd 2141-42 ¶ 171.

⁴⁶ *Id.*

⁴⁷ 47 C.F.R. § § 76.701, 76.970, 76.971, 76.975 and 76.977. See also *Implementation of Sections of the Cable Consumer Protection and Competition Act of 1992: Rate Regulation Leased Commercial Access, Order on Reconsideration of the First Report and Order and Further Notice of Proposed Rulemaking*, MM Docket No. 92-266, FCC 96-122, released March 29, 1996.

⁴⁸ 47 U.S.C. § 532.

⁴⁹ 47 U.S.C. § 532(a).

⁵⁰ *Id.*, 11 FCC Rcd 2154-57 ¶ ¶ 205-214.

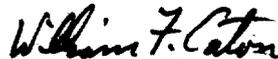
IV. PROCEDURAL MATTERS

25. This *Notice* is issued pursuant to authority contained in Sections 4(i), 4(j), 403 and 628(g) of the Communications Act of 1934, as amended. Pursuant to applicable procedures set forth in Sections 1.415 and 1.419 of the Commission's Rules, 47 C.F.R. §§ 1.415 and 1.419, interested parties may file comments on or before July 19, 1996, and reply comments on or before August 19, 1996. To file formally in this proceeding, participants must file an original and four copies of all comments, reply comments and supporting comments. If participants want each Commissioner to receive a personal copy of their comments, an original plus nine copies must be filed. Comments and reply comments should be sent to the Office of the Secretary, Federal Communications Commission, Washington, D.C. 20554. Comments and reply comments will be available for public inspection during regular business hours in the FCC Reference Center (Room 239) of the Federal Communications Commission, 1919 M Street, N.W., Washington, D.C. 20554.

26. There are no *ex parte* or disclosure requirements applicable to this proceeding pursuant to 47 C.F.R. § 1.1204(a)(4).

27. Further information on this proceeding may be obtained by contacting Marcia Glauberman in the Cable Services Bureau at (202) 418-7200 or Deborah Klein in the Office of the General Counsel at (202) 418-1880.

FEDERAL COMMUNICATIONS COMMISSION


William F. Caton
Acting Secretary