

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554

In the Matter of )  
)  
Petition for Rulemaking to Amend the ) MB Docket No. \_\_\_\_\_  
Commission's Rules Governing Practices of ) RM - 11728  
Video Programming Vendors )

**COMMENTS OF CENTURYLINK**

CenturyLink files these comments to support Mediacom Communications Corporation's (Mediacom) request for the Commission to open a rule-making on the issues that Mediacom has raised and the rule modifications it has proposed.

Mediacom has identified several tactics occurring in content transmission consent negotiations that are inhibiting MVPDs' ability to control costs and offer video programming choices to consumers. Broadcast and regional sports programming are the most expensive programming and it is the negotiations regarding retransmission of these types of programming that warrant the greatest scrutiny and reform.

All indications are that retransmission consent negotiations are not improving and remain lopsided with large broadcasters receiving the largest benefit.<sup>1</sup> In today's market, large broadcasters have both market power and regulatory leverage on their side of the negotiation

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<sup>1</sup> SNL Kagan analysts report a trend of increased retransmission consent fees year over year from second quarter 2013 to second quarter 2014 and that "[r]etrans continues to be a larger piece of the total revenue pie for TV station owners, and the ongoing consolidation in station ownership through 2014 will undoubtedly increase retrans per sub per month fees for combined groups." Peter Leitzinger, *Retrans per sub average fee jumps YoY in Q2*, SNL Kagan, (Sept. 19, 2014), available at: <https://www.snl.com/InteractiveX/Article.aspx?id=29236485>.

table. It is past time for the Commission to take steps to correct the regulatory imbalance to give MVPDs, particularly smaller MVPDs, a less disadvantageous starting point and a few more useful negotiating tools. Additionally, negotiations for non-broadcast content, particularly regional sports programming, are similarly lopsided and in need of re-balancing. The Commission should determine the steps it can take to level the negotiating table for broadcast and regional sports programming while minimizing the extent to which it dictates substantive terms of the negotiations.

Mediacom, like Block Communications, Inc. (Block Communications) earlier this year, is requesting that the Commission open a rule-making docket to address problems in the video marketplace in negotiating consent to transmit programming. While Block Communication's petition focused specifically on broadcast retransmission consent negotiation issues and the Commission's authority to address those issues under its good faith rules, Mediacom raises issues that encompass negotiations with non-broadcast programmers as well and looks to a wider range of statutory authority the Commission may have to address the issues. Both Block Communications and Mediacom have proposed specific rules to address the problems they have identified. CenturyLink views that all of these proposals warrant further consideration by the Commission, industry participants, consumers and others to discuss the issues raised, the rules

offered, and the rule adjustments that will most effectively re-balance content transmission consent negotiations in today's marketplace.

Respectfully submitted,

**CENTURYLINK**

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Its Attorney

September 29, 2014

**CERTIFICATE OF SERVICE**

I, Marjorie Herlth, do hereby certify that I have caused the foregoing **COMMENTS OF CENTURYLINK** to be served, via U.S. Mail, postage prepaid, on the following:

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                  /s/ Marjorie Herlth                    
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September 29, 2014