



September 8-11, 2014
Comcast – Time Warner Merger
AT&T U-Verse - DirecTV

About Youtoo and BizTV:

Independently owned networks. Youtoo is the world’s first interactive TV network. Viewers become part of the programming by using their smart phone, tablet or computer to create user-generated videos, live polling and text to TV. BizTV is the home for small business owners, entrepreneurs and families looking to manage their assets.

Our Position:

Comcast, Time Warner, AT&T and DirecTV have every right to conduct business in a way that will set their companies up for future success.

Our concern is not with the distribution outlets, but with the large media companies that are forcing the distribution outlets to carry all of their channels in a package.

This drives up prices for the consumer and limits the bandwidth and budget available for independent channels. According to market research company NPD Group, *“TV monthly rates have grown an average of 6% per year as household income has remained essentially flat. If nothing changes, NPD expects the average pay-tv bill to reach \$200 a month by 2020.”*

Example:

ESPN is owned by Disney, which has a package that includes ESPN, ESPN 2, ESPN NEWS, ESPN U, ESPN Classic, Disney Channel, Disney Jr., Disney XD, ABC Family, and Lifetime. Disney has a stake in 10 networks of A&E. Recently Disney started requiring distribution outlets to add the SEC Network in markets not in the Southeastern Conference.

We like ESPN and Disney’s offering of networks, and independent channels like Youtoo and BizTV need channels like these to help drive an audience. This is just one example how a large media company has forced a package on the distribution outlets.

What We Want From the Distribution Outlets:

We have existing business relationships with Comcast and Time Warner. In fact, Time Warner has been supportive in helping our independent channel.

Our desire is that Comcast will extend our current contract to include the Time Warner distribution post merger.

Our desire is that AT&T will consider adding both Youtoo and BizTV as part of their list of independent channels.

What We Want From Congress and the FCC:

We are not asking for Congress and the FCC to require the distribution outlets to carry more independent channels. We are asking for Congress and the FCC to review the current way major media companies force package their channels and drive up rates. We are also asking for review on how many channels any one provider can secure on a single form of distribution.

Kind regards,

Scott Miller, Executive Vice President
Tim Larson, Vice President of Distribution
Joseph Steuert, Principal