



February 11, 2016

Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

The Honorable Tom Wheeler
The Honorable Mignon Clyburn
The Honorable Ajit Pai
The Honorable Michael O'Rielly
The Honorable Jessica Rosenworcel

Dear Chairman Wheeler and Commissioners:

Given the importance of developing and promoting arts education and quality partnerships with cultural institutions, Ovation TV strongly urges the Commission to reject the proposed new set-top regulations that are scheduled to be considered at the Commission's February 18, 2016 meeting.

Ovation has successfully created an independent network devoted to connecting viewers to the arts and culture through programming that includes art-related series, documentaries, films and Ovation original productions. In addition to our programming, much of our success is due to our ability to forge valuable partnerships with cultural institutions, arts agencies and individual artists to help further strengthen the bond with our viewers. Ovation has accomplished this through carefully developing and maintaining a quality network for our audience in all phases, from beginning to end.

The Commission's proposed AllVid regulations will undermine this successful formula and, in turn, threaten the stability and success of our network. By supporting this new rule, Commissioners would allow third-party resellers to utilize our content for their own business purposes without following any of the critical terms and provisions that we have negotiated with our current affiliate partners – especially in the areas such as channel placement and overall security protections.

For example, resellers could, at their sole discretion, rearrange, television channel lineups and position specialized niche channels like Ovation where it could be very difficult, if not impossible to find. We rely on negotiated channel positions and the ability to be positioned in genre-based "channel neighborhoods" to capitalize on channel surfing and to help maintain and increase our viewership for viewers. This discovery mechanism is critical for Ovation and other independent networks.

In addition, resellers would also be in a position to display competing advertising and even direct viewers to a competing network, just like the search and social sites currently do online to promote their own services. The Commission should be aware that the negative effect on channel position and advertising revenue is especially important to Ovation as this undermines our ability to fund high-quality programming and to maintain the significant support we offer to artists and art organizations.



Today's video market is increasingly competitive and already moving away from set-top boxes and toward an apps-based model. Over-The-Top providers and content creators have adopted this model to deliver video and consumers are embracing it. The apps approach enables consumers to access video content on a variety of devices from smartphones to tablets to Smart TVs without causing the aforementioned issues for companies like Ovation.

We believe approval of the AllVid proposal will undermine the Commission's important goals of encouraging both quality and diversity in artistic and cultural entertainment and we believe the Commission should instead seek comments on all the DSTAC report proposals.

Yours truly,

A handwritten signature in black ink, appearing to read "Rob Rader", with a long horizontal flourish extending to the right.

Rob Rader
General Counsel
Ovation LLC