Lexcom began operating, Time Warner filed suit against Lexcom accusing its competitor of damaging its lines and trespassing.[702] In its suit, Time Warner alleged that Lexcom moved its line illegally, without permission, and while doing so damaged Time Warner's lines and equipment. Time Warner lost approximately 225 of its subscribers to Lexcom within Lexcom's first few months of service.[703] In response to Lexcom's entry, Time Warner proposed adding 32 channels to its video programming services.[704] Recently, Time Warner completed its system upgrade. In addition to its basic service, it began providing digital service to its subscribers at an additional cost.[705]

221. In March 2000, Lexcom launched cable modem service. Lexcom also added a new parental control feature to its service that allows parents to block adult-oriented programs from their children. It reduced the monthly charge for expanded basic service from $30.95 per month to $28.95 per month.[706] Time Warner launched its cable modem service in October 2000. As of October 2000, Time Warner was charging $30.95 for its expanded basic service.[707]

222. In February 1998, Time Warner filed a Petition for Determination of Effective Competition for its systems operating in Lexington, Davidson and Rocky Mount.[708] The Bureau granted the Petition in July 2000.[709] The Bureau found that Lexcom is able to provide cable service that overlaps both Time Warner's service and service areas.[710]

3. Wapakoneta, Ohio

223. On May 6, 1998, the City of Wapakoneta awarded a franchise for cable television service in Wapakoneta to TSC Communications, Inc., d/b/a/ TSC Television ("TSC"). TSC is a wholly-owned subsidiary of Telephone Service Company, an independent telephone company which provides local exchange service to the city. Prior to beginning its cable service in Wapakoneta, TSC promoted its planned service to potential subscribers through advertising, an Internet web site, local seminars, and tours of its cable facilities. TSC was also featured in a number of local newspaper articles and advertised its services on the local telephone company's home page.[711] TSC also made it possible for potential subscribers to sign up for service on line by using the local telephone company's Internet site.[712]

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[702] Craig Allen, *Time Warner Sues Lexcom*, Lexington Dispatch, October 11, 1997, at A-1.

[703] *Lexington Petition* at 7.

[704] *Id.* at 11.

[705] *Consumers Benefit When Competition Occurs*, The Dispatch , November 11, 1999, at 1 and 2.

[706] Vikki Broughton Hodges, *Lexcom Cable Offers New Features, Discount*, The Dispatch, July 3, 2000, at 1 and 2.

[707] Vikki Broughton Hodges, *Time Warner Launches Cable Modem Service*, The Dispatch, October 6, 2000, at 1-3.

[708] *See Lexington Petition.*

[709] *Time Warner Petition for Determination of Effective Competition in Lexington and Davidson County, North Carolina*, CSR 5218-E, Memorandum Opinion and Order ("*Lexington Order*"), 15 FCC Rcd 12705, 12707 ¶ 7 (2000).

[710] *Id.* at 12706 ¶ 5.

[711] *Time Warner Petition for Determination of Effective Competition in Wapakoneta, Ohio,* CSR 5405-E ("*Wapakoneta Petition*"), May 24, 1999, at Exhibits A and B.

[712] *Id.* at Exhibit C.

224. TSC began providing cable service to Wapakoneta on March 22, 1999.[713] TSC's system used advanced hybrid fiber coaxial technology to distribute cable programming. It offered more than 70 channels of non-broadcast cable programming services such as ESPN, HBO, and CNN, as well as local television broadcast channels.[714] TSC charged $28.65 per month for its 60 channel basic service tier. Its basic tier included channels such as Disney Channel and ESPN.[715] TSC employed a new interdiction system which eliminated the need for the cable set-top box. As of April 2000, TSC had 150 subscribers and it was expected to serve 3,000 additional subscribers in Wapkoneta and surrounding areas by year's end.[716]

225. Time Warner Entertainment Company, L.P. ("Time Warner") is the incumbent cable television operator in Wapakoneta, Ohio. It passes 100 percent of the households in Wapakoneta. The territorial boundaries of each cable television franchise holder, both the entrant and the incumbent, encompass the same territorial boundaries in the Wapakoneta area.

226. Prior to TSC's entry, Time Warner offered 30 channels on its basic tier. Upon TSC's entry, Time Warner, began offering 29 additional channels to its basic tier subscribers. Its basic tier, like TSC's basic tier, also included channels such as Disney Channel and ESPN. Time Warner was charging $27.87 for its basic tier of programming.[717] According to Time Warner it had lost approximately 80 subscribers to TSC at the time it filed its Petition with the Commission.[718]

227. In May 1999, Time Warner filed its Petition for Determination of Effective Competition arguing that it faced effective competition from TSC.[719] The Bureau granted the Petition on May 9, 2000, recognizing that potential subscribers were reasonably aware of the availability of TSC's services, and that TSC is able to provide cable service that overlaps Time Warner's service.[720]

4. Various Communities in Orange County, Florida

228. In 1998, two DBS providers, DirecTV and EchoStar, and an unaffiliated cable operator, Telesat Acquisition Limited Partnership ("Adelphia"), began providing cable programming services, comparable to those provided by the incumbent, Time Warner, in six communities in Orange County, Florida.[721]

229. According to local advertisements, DirecTV offered up to 55 pay-per-view movie choices per night, 14 different premium channels, 13 sports channels, and over 40 of "your favorite channels" for

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[713] *Time Warner Petition for Determination of Effective Competition in Wapakoneta, Ohio*, CSR 5405-E, Memorandum Opinion and Order ("*Wapakoneta Order*"), 15 FCC Rcd 8152, 8153 ¶ 4 (2000).

[714] *Wapakoneta Petition* at 6.

[715] *Id.* at Exhibit C.

[716] Ronald Lederman, *Oxley Praises Local Cable Competition*, The Lima News, April 9, 1999, at B1.

[717] *Id.*

[718] *Wapakoneta Petition* at 6.

[719] *Id.* at 1.

[720] *Wapakoneta Order*, 15 FCC Rcd at 8153 ¶ 5.

[721] *Time Warner Petition for Change in Regulatory Status* ("*Orange County Petition*"), September 3, 1998, at 2.

as little as $19.99 per month.[722] EchoStar offered services for $19 per month including local channels and 12 free months of a premium channel, 160 digital channels for about "$1 a day", two free months of service, various other incentive packages, and equipment systems priced at anywhere between $89 and $179 with free delivery.[723] Adelphia offered one free month of "value service", one free month of HBO and Showtime, and free installation for up to three outlets. Rates for its packaged services ranged from $27.45 to $47.35 per month. Along with its programming services, Adelphia also offered pager and long distance telephone service.[724]

230. According to Time Warner, out of 155,874 households in its service area, Adelphia and the DBS providers serve 38,750 subscribers, i.e., approximately 25 percent of the households.[725] In the affected Orange County communities, Time Warner responded to the newly introduced competition by offering various service packages ranging from $22.01 to $36.49 per month. It also offered separate premium packages ranging from $9.95 to $24.95 per month and reduced its basic service tier price to $8.05 per month.[726]

231. In September 1998, Time Warner filed a petition challenging the certification of Orange County, Florida, to regulate its basic cable service and equipment rates in the six affected Orange County communities.[727] In May 2000, the Bureau granted Time Warner's petition.[728] The Bureau found that Adelphia and the two DBS providers provide service to 25 percent of the households in Time Warner's service area and that Adelphia is able to provide MVPD service to households in Time Warner's service area without any regulatory, technical, or other impediments.[729]

5. Laurens, Iowa

232. In January 1997, the citizens of Laurens, Iowa, voted to have Laurens Municipal Communications Utility ("LCMU") operate a cable system in Laurens. That cable system began operating in December 1998.[730] LMCU is owned and operated by the City of Laurens.[731] LMCU charged $20.95 per month for a 43 channel basic service tier. Premium packages, each package consisting of several channels, were offered at $10.95 per month.[732] LCMU also offered free cable service through the end of January 1999 to those who signed up before December 31, 1998. As of February 1999, LCMU's

[722] *Id.* at Exhibit A.

[723] *Id.* at Exhibit A.

[724] *Id.* at Exhibit E.

[725] *Id.* at 8.

[726] *Id.* at Exhibit D.

[727] *Id.* at 1.

[728] *Time Warner Petition for Determination of Effective Competition in Orange County, Florida,* Memorandum Opinion and Order ("*Orange County Order*"), 15 FCC Rcd 8852, 8855 ¶ 8 (2000).

[729] *Id.* at 8854 ¶ 7.

[730] *TCI Petition for Revocation of Certification for the City of Laurens, Iowa to Regulate Basic Cable Service and Equipment Rates.* ("*TCI Petition*"), March 22, 1999, at 3.

[731] *Id.* at 3.

[732] Gregory A. Moberly, *Laurens' Cable TV System On Its Way,* Fort Dodge, Iowa Messenger, November 25, 1998.

cable system passed 100 percent of the 715 households in the City of Laurens, and was providing cable service to 495 of those households.[733] According to one report, a majority of LCMU's subscribers formerly subscribed to the incumbent cable system.[734]

233. TCI of the Heartlands ("TCI") is the incumbent cable television operator in Laurens. As of March 1999, TCI provided service to 139 of the 715 potential subscribers in Laurens.[735] Prior to LMCU's entry, TCI had 23 channels on its basic service tier. In response to LCMU's entry into the Laurens franchise area, TCI upgraded its system, added 22 new channels to its basic service, split its basic-only line up into separate basic and expanded basic tiers, and launched a digital tier.[736] TCI was charged $21.25 per month for its 45 channel extended basic service. TCI also offered digital service for $10 with an additional charge of $3.55 for equipment.[737] LCMU did not offer any digital tier.

234. In March 1999, TCI filed a Petition for Revocation of Certification of the City of Laurens to Regulate Basic Cable Service and Equipment Rates because TCI, in Laurens, was subject to effective competition.[738] In May 2000, the Bureau granted TCI's Petition.[739] The Bureau found that LCMU's municipally owned cable system passed more than 50 percent of the households in the area and that LCMU and TCI have similar program offerings.

B. Preliminary Findings

235. The case studies of communities where the Commission has found "effective competition" suggest that subscribers have benefited from "head-to-head" competition. Generally, in the communities studied, subscribers have seen decreased monthly charges for services and equipment. They have received additional program offerings and have access to "bundled" telecommunications services. Subscribers also have new digital services available.

236. It appears that the incumbent operators in the localities described above have made use of both "price" and "non-price" competitive responses. The cases described above also indicate that one of the new entrants in Orange County sought to attract subscribers by providing "bundled" pager and long distance service. To counter these service offerings, the incumbent operator in Orange County responded by reducing the rate for its basic service tier and increasing the number of service packages available at widely varied rates. In Lexington, both the entrant and the incumbent added cable modem to their service offerings.

237. In some cases, the incumbents have resorted to non-market responses. For example, in the City of Lexington and in Davidson County, North Carolina, the incumbent operator filed suit alleging

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[733] *TCI Petition* at Exhibit F.

[734] Gregory A. Moberly, *Laurens' Residents can Choose Between Two Cable Companies*, Iowa Messenger, January 16, 1999, at B1.

[735] *TCI Petition* at 6.

[736] *Id.* at 5.

[737] *Id.* at Exhibit G.

[738] *Id.* at 1 and 2.

[739] *TCI Petition for Revocation of Certification for the City of Laurens, Iowa to Regulate Basic Cable Service and Equipment Rates*, Memorandum Opinion and Order ("*TCI Order*"), 15 FCC Rcd 8803, 8805 ¶ 9 (2000).

that the entrant illegally moved connected lines and equipment which belong to the incumbent without permission. The incumbent also claimed that the entrant damaged such lines and equipment.

238. A majority of the new entrants discussed above are affiliated with local exchange carriers. This may be the result of the capital intensive nature of the cable television industry. LECs not only have relatively "deep pockets" with which to undertake such capital-intensive investment but they also have a customer base that is already familiar with their telephone and Internet services. From July 1, 1999, through June 30, 2000, the Bureau granted 12 petitions for effective competition, representing more than 150 communities, from entrants affiliated with LECs. Despite the presence of a large number of LEC-related entrants in the local markets for the distribution of multichannel programming, the future of such competition has become increasingly uncertain following SBC's acquisition of Ameritech, the largest LEC overbuilder.[740] Similarly, other large LEC affiliated overbuilders are also considering selling there overbuild cable systems.[741] The future of head-to-head competition and the extent of competitive benefits to consumers also depends on the successful penetration of DBS in local markets for the distribution of multichannel programming.

V. ADMINISTRATIVE MATTERS

239. This *2000 Report* is issued pursuant to authority contained in sections 4(i), 4(j), 403, and 628(g) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 154(j), 403, and 548(g).

240. It is ORDERED that the Office of Legislative and Intergovernmental Affairs shall send copies of this *2000 Report* to the appropriate committees and subcommittees of the United States House of Representatives and the United States Senate.

241. It is FURTHER ORDERED that the proceeding in CS Docket No. 00-132 IS TERMINATED.

FEDERAL COMMUNICATIONS COMMISSION

Magalie Roman Salas

Magalie Roman Salas
Secretary

[740] *See* ¶ 122 *supra*.

[741] *Id.*

APPENDIX A

Initial Comments

American Broadband, Inc. ("American Broadband")
AT&T Corp. ("AT&T")
BellSouth Corporation, BellSouth Entertainment, Inc., BellSouth Interactive Media Services, Inc. and BellSouth Wireless Cable, Inc. ("BellSouth")
DirecTV, Inc. ("DirecTV")
Paul Dowgewicz ("Dowgewicz")
EchoStar Satellite Corporation ("EchoStar")
Fox Television Stations, Inc. ("Fox")
National Cable Television Association ("NCTA")
National Rural Telecommunications Cooperative ("NRTC")
RCN Corporation ("RCN")
Satellite Broadcasting and Communications Association ("SBCA")
Wireless Communications Association International, Inc. ("WCA")

Reply Comments

Association of America's Public Television Stations, the Public Broadcasting Service, and the Corporation for Public Broadcasting ("APTS")
AT&T Corp. ("AT&T")
Comcast Corporation ("Comcast")
DirecTV, Inc. ("DirecTV)
National Association of Broadcasters ("NAB")
National Cable Television Association ("NCTA")
Paxson Communications Corporation ("Paxson")
RCN Corporation ("RCN")
State of Hawaii ("Hawaii")
Viacom Inc. ("Viacom")

APPENDIX B

TABLE B-1

Cable Television Industry Growth: 1992 - June 2000
(in millions)

Year	Television Households ("TH") Total	% Change	Homes Passed ("HP") Total	% Change	Basic Cable Subscribers ("Subs") Total	% Change	HHs Passed by Cable (HP/TH)	HHs Subscribing (Subs/TH)	U.S. Penetration (Subs/HP)
1992	93.1	1.1%	89.7	1.5%	55.2	3.4%	96.3%	59.3%	61.5%
1993	94.0	1.0%	90.6	1.0%	57.2	3.6%	96.4%	60.9%	63.1%
1994	94.9	1.0%	91.6	1.1%	59.7	4.4%	96.5%	62.9%	65.2%
1995	95.9	1.1%	92.7	1.2%	62.1	4.0%	96.7%	64.8%	67.0%
1996	97.0	1.1%	93.7	1.1%	63.5	2.3%	96.6%	65.5%	67.8%
1997	98.0	1.0%	94.6	1.0%	64.9	2.2%	96.5%	66.2%	68.6%
1998	99.0	1.0%	95.6	1.1%	66.1	1.8%	96.6%	66.8%	69.1%
1999	100.0	1.0%	96.6	1.0%	67.3	1.8%	96.6%	67.3%	69.7%
June 00[(e)]	100.5	0.5%	97.1	0.5%	67.7	0.6%	96.6%	67.4%	69.7%

[(e)] June data based on year-end estimate by Paul Kagan Associates.

Sources:

1992 to 1997: U.S. Television Households: Paul Kagan Assocs., Inc., *Basic Cable Network Economics (1983-2007)*, Cable Program Investor, Mar. 13, 1998, at 2; Homes Passed and Basic Cable Subscribers: Paul Kagan Assocs., Inc., *History of Cable and Pay-TV Subscribers and Revenues*, Cable TV Investor, Apr. 14, 1998, at 3.

1998 to 1999: U.S. Television Households, Homes Passed, and Basic Cable Subscribers: Paul Kagan Assocs., Inc., *Paul Kagan's 10-Year Cable TV Industry Projections (1998-2009)*, The Cable TV Financial Databook 1999, Aug. 1999, at 10.

June 2000(e): U.S. Television Households, Homes Passed, and Basic Cable Subscribers: Paul Kagan Assocs., Inc., *Paul Kagan's 10-Year Cable TV Industry Projections (1999-2010)*, The Cable TV Financial Databook 2000, Aug. 2000, at 10.

TABLE B-2

Premium Cable Services: 1992 - June 2000
(in millions)

	Premium Cable Service Subscribers[1]		Premium Units[2]	
Year End	Year End Total	% Change	Year End Total	% Change
1992	24.7	2.9%	46.5	7.9%
1993	26.4	6.9%	47.0	1.1%
1994	28.1	6.4%	47.4	0.9%
1995	29.8	6.0%	51.6	8.9%
1996	31.0	4.0%	54.6	5.8%
1997	31.5	1.6%	56.0	2.6%
1998	35.3	12.1%	57.9	3.4%
1999	35.5	0.6%	53.0	-8.5%[3]
June 00[(e)]	35.8	0.8%	52.7	-0.6%

[(e)] June data based on year-end estimate by Paul Kagan Associates.

[1] Premium Cable Services Subscribers refers to the total number of homes subscribing to one or more premium services. Each home is counted once, regardless of the number of premium services to which it subscribes.

[2] Premium Units refers to the total number of premium subscriptions. Each subscription is counted separately, thus may exceed the number of premium subscribers.

[3] The decrease in the number of premium units is due to the migration of certain pay services to other tier categories. As such, the number of units sold by those services are no longer counted here.

Sources:

1992 to 1997: Paul Kagan Assocs., Inc., *History of Cable and Pay-TV Subscribers and Revenues*, Cable TV Investor, Apr. 14, 1998, at 3.

1998 to 1999: Paul Kagan Assocs., Inc., *Paul Kagan's 10-Year Cable TV Industry Projections (1998-2009)*, The Cable TV Financial Databook 1999, Aug. 1999, at 10.

2000(e): Paul Kagan Assocs., Inc., *Paul Kagan's 10-Year Cable TV Industry Projections (1999-2010)*, The Cable TV Financial Databook 2000, Aug. 2000, at 10.

Table B-3
Channel Capacity by Cable Systems: October 1999 and October 2000

	1999		2000		99-00
Channel Capacity	Number of Systems	Percent of Systems	Number of Systems	Percent of Systems	Percent Change
125+	8	0.08%	14	0.15%	75.0%
91 to 124	71	0.74%	88	0.95%	23.94%
54 to 90	2,085	21.62%	2,145	23.13%	2.88%
30 to 53	6,072	62.96%	5,785	62.37%	-4.72%
20 to 29	833	8.64%	756	8.15%	-9.24%
13 to 19	254	2.63%	219	2.36%	-13.78%
6 to 12	309	3.21%	256	2.76%	-17.15%
5 or less	12	0.12%	12	0.13%	0%
Total	**9,644**	-	**9,275**	-	-
Sys. w/ 54+ channels	2,164	22.44%	2,247	24.23%	7.98%
Sys. w/ 30+ channels	8,236	85.40%	8,032	86.60%	1.41%
Sys. w/ less than 30 channels	1,408	14.60%	1,243	13.40%	-8.22%

All figures exclude systems for which channel capacity information was not provided.

Sources:

1999: Warren Publishing, Inc., *Channel Capacity of Existing Cable Systems*, Television & Cable Factbook: Services Volume No. 68, 2000 Edition, at I-98.

2000: Warren Publishing, Inc., *Channel Capacity of Existing Cable Systems*, (unpublished figures – subject to change).

Table B-4
Channel Capacity by Cable Systems: October 1999 and October 2000

	1999		2000		99-00
Channel Capacity	Number of Subscribers (millions)	Percent of Subscribers	Number of Subscribers (millions)	Percent of Subscribers	Percent Change
125+	0.20	0.31%	0.86	1.39%	330%
91 to 124	2.84	4.44%	3.20	5.15%	12.68%
54 to 90	37.99	59.4%	38.46	61.93%	`1.24%
30 to 53	21.99	34.4%	19.00	30.60%	-13.60%
20 to 29	0.74	1.16%	0.48	0.08%	-35.13%
13 to 19	0.07	0.11%	0.04	0.06%	-42.86%
6 to 12	0.08	0.13%	0.06	0.10%	-25.00%
5 or less	0.004	0.01%	0.004	0.01%	0%
Total	**63.91**	-	**62.10**	-	-
Sys. W/ 54+ channels	41.03	64.20%	42.52	68.47%	6.65%
Sys. w/ 30+ channels	63.02	98.61%	61.52	99.07%	0.47%
Sys. w/ less than 30 channels	0.89	1.40%	0.58	0.93%	-33.09%

All figures exclude systems for which channel capacity information was not provided.

Sources:

1999: Warren Publishing, Inc., *Channel Capacity of Existing Cable Systems*, Television & Cable Factbook: Services Volume No. 68, 2000 Edition, at I-98.

2000: Warren Publishing, Inc., *Channel Capacity of Existing Cable Systems*, (unpublished figures – subject to change).

TABLE B-5

Growth By Network Type: 1998 - June 1999

	1998		97-98	1999		98-99
Network Type	Number of Networks	Percent of Networks	Percent Change	Number of Networks	Percent of Networks	Percent Change
Basic/No-Chg	139	80.0%	6.1%	147	68.7%	5.8%
Premium	18	10.3%	28.6%	43	20.1%	138.9%
Pay Per View	10	5.7%	66.7%	9	4.2%	-10.0%
Combination*	7	4.0%	-46.2%	15	7.0%	114.3%
Total	174		6.1%	214		23.0%

Note:

* Combination refers to cable networks that fall under more than one service category. For example, the Disney Channel, which is part of the basic tier in some systems, and is sold as a premium service on other systems, is considered a "combination" network.

Source:

1998 to 1999: National Cable Television Association, *National Cable Video Networks By Type of Service: 1980 - 1999*, Cable Television Developments, 1999/2000, at 6.

TABLE B-6

Cable Industry Revenue and Cash Flow: 1996 – 2000

	1996 Total	1997 Total	1997 % Change	1998 Total	1998 % Change	1999 Total	1999 % Change	2000 Estimated Year-End Total	2000 % Change
Avg Basic Subscribers (mil)	62.8	64.2	2.2%	65.4	1.9%	66.7	2.0%	67.7	1.5%
Revenue Segments (mil.)									
Basic Service and CPST Tiers	$18.395	$20.008	8.8%	$21.830	9.1%	$23.135	6.0%	$24.445	5.7%
Pay Tiers	$4.955	$4.952	-0.1%	$5.084	2.7%	$4.989	-1.9%	$5.177	3.8%
Local Advertising	$1.662	$1.925	15.8%	$1.850	-3.9%	$2.685	45.1%	$3.128	16.5%
Pay-Per-View	$647	$823	27.2%	$627	-23.8%	$954	52.2%	$1.522	59.5%
Home Shopping	$145	$152	4.8%	$187	23.0%	$185	-1.1%	$202	9.2%
Advanced Svcs (Ana./Dig.)[1]	$91	$208	128.6%	$452	117.3%	$1,978	337.6%	$4.238	114.3%
Equipment and Install	$2.055	$2.320	12.9%	$2.631	13.4%	$2.824	7.3%	$3,029	7.3%
Total Revenue (mil.) (Residential)	$27,950	$30.388	8.7%	$32.661	7.5%	$36,750	12.5%	$41,741	13.6%
Revenue Per Subscriber	$445.06	$473.33	6.4%	$499.40	5.5%	$550.97	10.3%	$616.56	11.9%
Operating Cash Flow (mil.)[2]	$11.972	$13.369	11.7%	$14.602	9.2%	$15.600	6.8%	$17,160	10.0%
Cash Flow per Subscriber	$190.64	$208.24	9.2%	$225.87	8.5%	$233.88	3.5%	$253.47	8.4%
Cash Flow/Total Revenue	42.8%	44.0%	2.8%	45.2%	2.7%	42.4%	-6.2%	41.1%	-3.1%

Notes:

[1] Includes advanced analog, digital video, high-speed data, cable telephony, interactive services, and games.

[2] Cash flow and its proxies (e.g. EBITDA) are often used to value the operations of a communications firm without regard to the firm's capital structure. Cash flow from operations is the net result of cash inflows from operations (revenue) and cash outflows from operations (expenses), thus ignoring non-cash charges to net income such as depreciation and amortization. Cash flow from operations indicates a firm's ability to meet its net finance and investment obligations.

Sources:

1996 to 1997: Average Number of Basic Subscribers: Paul Kagan Assocs., Inc., *History of Cable and Pay-TV Subscribers and Revenues*, Cable TV Investor, Apr. 14, 1998, at 3; Revenue Segments: Paul Kagan Assocs., Inc., *Paul Kagan's 10-YearProjections,* Cable TV Investor, May 20, 1997, at 9; Paul Kagan Assocs., Inc., *Total Cable TV Advertising Revenue (1980-2007),* Cable TV Financial Databook, Aug. 1998, at 15; Operating Cash Flow: Paul Kagan Assocs., Inc., *Estimated Capital Flows In Cable TV,* Cable TV Finance, May 31, 1998, at 1.

1998 : Average Number of Basic Subscribers and Revenue Segments: Paul Kagan Assocs., Inc., *Paul Kagan's 10-Year Cable TV Industry Projections (1998-2009)*, The Cable TV Financial Databook 1999, Aug. 1999, at 10-11; Operating Cash Flow: Paul Kagan Assocs., Inc., *Estimated Capital Flows in Cable TV,* The Cable TV Financial Databook 1999, Aug. 1999, at 149.

1999 to 2000(e): Average Number of Basic Subscribers and Revenue Segments: Paul Kagan Assocs., Inc., *Paul Kagan's 10-Year Cable TV Industry Projections (1999-2010)*, The Cable TV Financial Databook 2000, Aug. 2000, at 10; Operating Cash Flow: Paul Kagan Assocs., Inc., *Estimated Capital Flows in Cable TV,* The Cable TV Financial Databook 2000, Aug. 2000, at 150.

TABLE B-7

Acquisition of Capital: 1992 - June 2000
($ in million)

Year	Private Debt Sum Raised	Private Debt % of Total [1]	Public Debt [2] Sum Raised	Public Debt % of Total	Private Equity Sum Raised	Private Equity % of Total	Public Equity Sum Raised	Public Equity % of Total	Total Capital Raised [3]
1992	$(1,842)	-77.2%	$2,493	104.5%	$1,711	71.7%	$23	1.0%	$2.385
1993	$(3,584)	-186.4%	$5.280	274.6%	$62	3.2%	$165	8.6%	$1.923
1994	$ 4.803	87.0%	$155	2.8%	$100	1.8%	$461	8.4%	$5.519
1995	$(714)	-8.5%	$4.495	53.6%	$1.191	14.2%	$3.419	40.7%	$8.391
1996	$1.287	23.4%	$2.355	42.7%	$49	0.9%	$1.818	33.0%	$5509
1997	$103	1.2%	$6.252	73.3%	$1.942	22.8%	$230	2.7%	$8527
1998	$194	2.3%	$6,174	72.7%	$200	2.4%	$1,927	22.7%	$8495
1999	$(320)	-1.1%	$16.115	55.9%	$5.385	18.7%	$7.648	26.5%	$28.828
June 00	$225	15.8%	$815	57.4%	$0	0.0%	$380	26.8%	$1,420
Total: 1992 through June 00	**$152**		**$44,134**		**$10,640**		**$16,071**		**$70,997**
Avg Raised Per Year	**$18**		**$5,192**		**$1,252**		**$1,891**		**$8,353**

[1]Column entitled "% of total" represents the percent of total capital raised from financing sources for that given year.

[2]Public Debt is expressed in terms of net new public debt.

[3]Total Capital Raised equals private debt plus public debt plus private equity plus public equity.

Sources:

1992: Paul Kagan Assocs., Inc., *Discussion with Elaine Blaisdell Taylor, Research Associate,* Aug. 28, 1998.

1993: Paul Kagan Assocs., Inc., *Estimated Capital Flows in Cable TV*, Cable TV Finance, May 31, 1998, at 1.

1994: Paul Kagan Assocs., Inc., *Estimated Capital Flows in Cable TV*, The Cable TV Financial Databook 1999, Aug. 1999, at 149.

1995 to 1999: Paul Kagan Assocs., Inc., *Estimated Capital Flows in Cable TV*, The Cable TV Financial Databook 2000, Aug. 2000, at 150.

June 2000: Paul Kagan Assocs., Inc., *Cable Financing Snapshot - June*, Cable TV Finance, Sept. 8, 2000, at 10.

TABLE B-8

System Transactions: 1997 - June 2000

	1997	1998	97-98 % Change	1999	98-99 % Change	Jan-June 2000
Number of Systems Sold	109	119	9.2%	90	-24.4%	22
Total Number of Subscribers	10,582,265	22,466,200	112.3%	19,511,206	-13.2%	8,713,975
System Size Average	97,085	188,792	94.5%	216,791	14.8%	396,090
Number of Homes Passed	16,918,571	36,397,730	115.1%	30,285,516	-16.8%	14,294,571
No. of Homes Passed Average	155,216	305,863	97.1%	336,506	10.0%	649,753
Total Dollar Value (mil.)	$21,568	$64,601	199.5%	$75,773	17.3%	$54,545
Dollar Value (mil.) Average	$197.9	$542.9	174.3%	$841.9	55.1%	$2,479.3
Dollar Val. Per Subscriber	$2,038	$2,875	41.1%	$3,884	35.1%	$6,259
Dollar Val. Per Home Passed	$1,275	$1,775	39.2%	$2,502	41.0%	$3,816
Cash Flow Multiple	9.2x	13.1x	42.4%	16.2x	23.7%	20.3x

Sources:

1997 to 1998 - Paul Kagan Assocs., Inc., *Cable System Sale Summary (through December annually)*, Cable TV Investor, Jan. 29, 2000, at 7.

Jan 2000 to June 2000 - Paul Kagan Assocs., Inc., *Cable System Sale Summary (through June annually)*, Cable TV Investor, Aug 11, 2000, at 9.

Table B-9

Examples of Cable Modem Deployments as of July 2000

System	Location of Offering	Monthly Rate [1]	Installation Fee [1]	Service Provider [2]	Type of Service
Adelphia	FL, KY, MA, NJ, NY, OH, PA, SC, VA, VT	$29.95-$39.95	$49.95	•Adelphia PowerLink • ISP Channel	• Telco-return • Two-way
AT&T – BIS (includes former MediaOne)	CA, CO, CT, FL, GA, IA, IL, LA, MA, MI, MN, ND, NH, OH, OR, PA, TX, UT, VA, WA	$34.95-$45.00 includes modem rental	$99.95-$150.00	•@Home •Road Runner	• Two-way • Telco-return
Bresnan	MI, MN, WI	$39.95 includes modem rental	N/A	•BresnanLink •@Home	• Two-way
Cablevision Systems	CT, NY	$29.95	$150.00	•@Home	• Two-way
Century	NY	$39.95	N/A	•@Home	• Two-way
Charter	AL, CA, CT, GA, MO, NC, TN,	$29.95-$49.95	$99.00-$175.00	• Charter Pipeline •High Speed Access Corp.	• 500 kbps Svc. • Two-Way • Telco-return
Comcast	AL, CA, DE, FL, GA, IN, KS, MD, MI, MO, NJ, PA, SC, VA	$29.95 –$64.95	$149.00	•@Home • Expressnet	• Two-way
Cox	AZ, CA, CT, FL, KS, LA, MO, MS, NE, NM, NV, OK, RI, TX, VA	$29.95-$44.95	$149.95	•@Home • Internet Venutres • Road Runner • Cox Express • ISP Channel	• Two-way • Telco-return
InterMedia	GA, KY, NC, SC, TN	$29.95 -$39.95	N/A	•@Home	• Two-way
Jones Intercable	VA	$29.95-43.90	N/A	•@Home •Jones	• Two-way • Telco-return
Marcus	TX,WI	$49.95	N/A	•@Home • High Speed Access Corp.	• Two-way
Time Warner	CA, FL, HI, ME, MS, NC, NY, OH, TN, TX	$39.95-$44.95	$100.00	• Road Runner	• Two-way

Notes:

[1] Monthly rate and installation fees vary based on the type of service and hardware received.

[2] As of July 2000, all service providers are exclusive to a particular location.

Sources:

Paul Kagan Assocs., Inc., *Cable Modem Deployments*, The Cable TV Financial Databook 2000, Aug. 2000, at 75-83.

Michael Harris, *Commercial Cable Modem Launches in North America*, Kinetic Strategies, Aug, 2000. *See* http://www.cabledatacomnews.com/cmic/cmic7.html.

APPENDIX C

TABLE C-1

Assessment of Competing Technologies[i]

Technology Used	December 96	June 97	June 98	June 99	June 00
(1) TV Households[ii]	97,000,000	97,000,000	98,000,000	99,400,000	100,801,720
Percent Change	1.15%	0.00%	1.03%	1.43%	1.41%
(2) MVPD Households[iii]	72,370,950	73,646,970	76,634,200	80,882,411	84,423,717
Percent Change	5.67%	1.76%	4.06%	5.54%	4.38%
Percent of Households	74.61%	75.92%	78.20%	81.37%	83.75%
(3) Cable Subscribers	63,500,00	64,150,000	65,400,000	66,690,000	67,700,000
Percent Change	2.25%	1.02%	1.95%	1.97%	1.51%
Percent of MVPD Total	87.74%	87.10%	85.34%	82.45%	80.19%
(4) MMDS Subscribers	1,180,000	1,100,000	1,000,000	821,000	700,000
Percent Change	38.66%	-6.78%	-9.09%	-17.90%	-14.74%
Percent of MVPD Total	1.63%	1.49%	1.30%	1.02%	0.83%
(5) SMATV Subscribers	1,126,000	1,162.500	940,000	1,450.000	1,500,000
Percent Change	17.05%	3.24%	-19.14%	54.26%	3.45%
Percent of MVPD Total	1.56%	1.58%	1.23%	1.79%	1.78%
(6) HSD Subscribers	2,277,760	2,184,470	2,028,200	1,783,411	1,476;717
Percent Change	-3.71%	-4.10%	-7.15%	-12.07%	-17.20%
Percent of MVPD Total	3.15%	2.97%	2.65%	2.20%	1.75%
(7) DBS Subscribers	4,285,000	5,047,000	7,200,000	10,078,000	12,987,000
Percent Change	94.77%	17.78%	42.66%	39.97%	28.86%
Percent of MVPD Total	5.92%	6.85%	9.40%	12.46%	15.38%
(8) OVS Subscribers[iv]	2,190	3,000	66,000	60,000	60,000
Percent Change	0.00%	36.99%	2100.00%	-9.09%	0.0%
Percent of MVPD Total	0.00%	0.00%	0.09%	0.07%	0.07%

Notes:

(i) Some numbers have been rounded.

(ii) The year-end 1996 and June 1997 figures are the same because Nielsen's annual update does not take effect until September, the beginning of the new television season.

(iii) The total number of MVPD households is likely to be somewhat less than the given figure since some households subscribe to the services of more than one MVPD. *See 1994 Report,* 9 FCC Rcd at 7480 ¶ 74. However, the number of households subscribing to more than one MVPD is expected to be low. Hence the given total can be seen as a reasonable estimate of the number of MVPD households.

(iv) The decline in OVS subscribers between 1998 and 1999 reflects the conversion of portions of some OVS systems to franchised cable systems over the last year.

Sources:

(1) Television households: 1996 from Nielsen Media Research as cited in *TV Column*, Washington Post, August 26, 1997, at E4; 1998 from Nielsen Media Research as cited in Broadcasting & Cable, June 29, 1998, at 70; 1999 from Nielsen Media Research as cited in Broadcasting & Cable, June 28, 1999, at 26; and 2000 from *Nielsen Media Research.*

(2) Total MVPD households: The sum of the total number of subscribers listed under each of the categories of the various technologies. See note (ii) above.

(3) Cable subscribers: 1996-97 from Paul Kagan Associates, Inc., *Paul Kagan's 10-Year Cable TV Industry Projections,* Cable TV Investor, May 20, 1997, at 9; 1998 from Paul Kagan Associates, Inc., *Paul Kagan's 10-Year Cable TV Industry Projections,* Cable TV Investor, August 10, 1998, at 4; 1999 from Paul Kagan Associates, Inc., *Cable Industry 10-YearProjections,* Cable TV Investor, June 25, 1999, at 6; and 2000 from Paul Kagan Associates, Inc., *Cable Industry 10-YearProjections,* Cable TV Investor, June 19, 2000, at 6.

(4) MMDS subscribers: 1996 from Paul Kagan Associates, Inc., *Wireless Cable Futures,* Wireless Cable Investor, December 31, 1996, at 10-11; 1997 from WCA Comments for the *1997 Report* at 8. The 1998 and 1999 subscribers estimated by the FCC; 2000 from NCTA Comments at 9.

(5) SMATV subscribers: 1996 from *Private Cable Growth,* Private Cable Investor, July 1997, at 3; 1997 subscribers were estimated by the FCC based on data from Paul Kagan Associates, Inc., *Private Cable Growth,* Private Cable Investor, July 1997, at 3; 1998 subscribers from NCTA 1998 Comments at 6; 1999 subscribers from NCTA 1999 Comments at 5; and 2000 subscribers from NCTA Comments at 9.

(6) HSD subscribers: 1996-1997 from *DTH Subscribers,* SkyREPORT, November 1999, at 10; 1998-2000 from SkyReport.com at http://www.skyreport.com/dth_us.htm.

(7) DBS subscribers: 1995 from *DTH Subscribers,* SkyREPORT, January 1997, at 8; 1996-97 from *DTH Subscribers,* SkyREPORT, November 1997, at 10; 1998 from Minal Damani and Jennifer E. Sharpe, *U.S. DBS Marketplace: 1998,* The Strategis Group, July, 1998 at 6; and 1999-2000 from SkyReport.com at http://www.skyreport.com/dth_us.htm.

(8) OVS subscribers: 1996 from Bell Atlantic Comments for *1996 Report* at 5. OVS subscriber count for 1997 through 2000 estimated by the FCC.

TABLE C-2

Number and Subscriber Size of Major Cable System Clusters (Cumulative Figures)

Range of Clustered Subscribers (thousands)	1996		1997		1998		1999	
	Clusters	**Subscribers (millions)**	**Clusters**	**Subscribers (millions)**	**Clusters**	**Subscribers (millions)**	**Clusters**	**Subscribers (millions)**
100-199	76	10.3	49	6.7	33	4.6	41	5.4
200-299	34	8.3	33	8.2	25	6.3	16	4
300-399	11	3.7	11	3.8	20	6.7	20	6.8
400-499	8	3.6	8	3.7	7	3.2	9	3.9
>500	10	7.7	16	11.9	21	19.6	28	23.8
Total	139	33.6	117	34.3	106	40.4	114	43.9

Sources:

Paul Kagan Associates, Inc., *Major Cable TV Systems/Clusters*, The Cable TV Financial Databook, 1996, at 38-40; 1997, at 39-41; 1998, at 38-42; 1999, at 50-55; and 2000 at 40-42.

TABLE C-3

1999 Concentration in the National Market for Purchase of Video Programming[1]

Rank	Company	Percent of Subscribers[2]
1	AT&T	19.07
2	Time Warner	14.92
3	DirecTV	10.28
4	Comcast	8.43
Top 4		52.70
5	Charter	7.36
6	Cox	7.27
7	Adelphia	5.94
8	EchoStar	5.11
Top 8		78.38
9	Cablevision	4.29
10	Insight	1.23
Top 10		83.90
Top 25		89.75
Top 50		92.14
	HHI	**954**[3]

Notes:

(1) MSO subscriber totals as of June 1999, and reported in Top Cable System Operators as of June 2000, Paul Kagan Associates, Inc., *Cable TV Investor,* October 10, 2000, at 12-13. There is no double counting of subscribers. If a cable operator is partially owned by more than one MSO, its subscribers are assigned to the largest MSO. Subscribers for DirecTV and EchoStar are based on SkyReport.com at http://www.skyreport.com/dth_us.htm.

(2) The total number of MVPD subscribers used to calculate the HHI is 84,423,717 from Table C-1.

(3) The HHI is calculated on the basis of market shares for the top 67 companies. Because all of the remaining MVPDs have very small shares of the market, an HHI calculation that included all cable system operators could only be slightly higher (no more than 2-3 points) than the given HHI.

TABLE C-4

Concentration in the National Market for the Purchase of Video Programming

1997-2000

Market Share	Percent of MVPD Subscribers			
	1997	1998	1999	2000
Top Share	25.54	26.48	20.50	19.07
Top 2	41.51	42.62	36.45	33.99
Top 3	48.46	48.94	45.68	44.27
Top 4	54.30	54.63	53.94	52.70
Top 10	72.26	71.04	74.95	83.90
Top 25	84.96	80.99	84.92	89.75
Top 50	89.92	86.08	89.58	92.14
HHI	1166	1096	923	954

Sources:

Data for 1997 through 1999 were taken from *Reports, 1997-99*. Data for 2000 are from Table C-2.

TABLE C-5

Announced Cable Transactions

July 1999 – June 2000

YEAR	BUYER	SELLER	SYSTEMS	PRICE* (Millions)	SUBS (Actual)	PRICE/ SUB.**	CASH FLOW MULT.
July –1999	Cox	AT&T	Oklahoma. Louisiana. Arkansas. Nevada.	2.094	495.000	4.230	18.1
July –1999	Cox	Multimedia	Topeka. Oklahoma City	2.350	522.000	4,502	15.6
July –1999	Benchmark	King Comm.	King City. NC	8.6	5.800	1.483	10.8
July –1999	TW Fanch one	ARH, Ltd.	Texas. West Virginia	45.7	18.300	2.497	15.2
July-1999	TCA Cable	Cablev./Leander Pflugerville & Williamson Cty.	Leander. Georgetown. Williamson County. Pflaugerville. TX	87.5	23.000	3.806	14.6
July –1999	TCA Cable	Carthage. MO	SW MO Cable TV	28.6	12.300	2,325	13.3
July –1999	Harron	Chain Lakes	Old Forge. et. al.. NY	4.3	2.900	1.509	9.1
Aug-1999	MediaOne	Cox	Taunton. et al.. MA	145.8	54.000	2.700	14.4
Aug –1999	Cox	MediaOne	Enfield. CT: Westerly. RI: Holland. MA	137.7	51.000	2.700	13.4
Aug-1999	Adelphia	Citizens Cable	Diamond Bar et. al.. CA	157.5	45.900	3.431	14.4
Aug- 1999	Galaxy	Cencom Ptnrs.	Northeast MO	2.0	1.600	1.220	7.1
Aug- 1999	Bresnan	Fairmont Cable	Fairmont et. al.. MN	10.0	4,400	2.284	14.1
Sept- 1999	Bresnan	Midwest Cable	Bemidji/Case Lake. MN	16.0	7.100	2.269	11.3
Oct- 1999	Classic	Star Cable	PA	127.7	57,000	2,241	10.7
Oct –1999	Cable One	Harmon	West Fargo. ND	14.6	7,700	1.896	9.5
Oct- 1999	American Media Group	Harmon	Nebraska and New Mexico	10.5	7.500	1.400	11.2
Oct-1999	Adelphia	Coaxial	Cincinnati. OH	175.0	53.000	3,302	16.5
Oct- 1999	TCI Cable/NM	White Sands	White Sands. NM	2.0	1.400	1.459	9.3
Nov- 1999	Comcast	AT&T	PA	5,665.9	1.259.100	4,500	19.2
Nov –1999	AT&T	Chambers	Chico. CA: Edmunds. WA: Ontario. OR: Payette. ID	240.0	80,000	3,000	16.9
Dec-1999	Charter	AT&T	St.Louis. MO; Mascoutan. IL; Birmingham. AL: GA	2,408.0	704.000	3,421	15.0
Dec-1999	AT&T	Charter	Ft. Worth. TX: Boston. MA: Clarksville, TN: Santa Cruz, CA; Willimantic. CT	2,300.0	632,000	3,639	15.0
Dec-1999	Adelphia	Cablevision	Cleveland, OH	1,530	306,000	5,000	20.6

YEAR	BUYER	SELLER	SYSTEMS	PRICE* (Millions)	SUBS (Actual)	PRICE/ SUB.**	CASH FLOW MULT.
Dec-1999	RCN	21st Century	Chicago, IL	500.0	37,000	13,730	Not reported
Dec-1999	Cable USA	Julian Cablevision	Julian, CA	1.1	800	1,467	9.3
Dec-1999	Comcast	CalPRES	Various MI/NJ/FL systems	750.0	288,900	2,596	9.2
Dec-1999	USA Media	Pacific Sub Cable	Eastern Washington and Northwest Oregon	8.6	6,000	1,425	7.5
Dec-1999	Time Warner	Hunters Creek	Orange City, FL	10.5	3,400	3,088	14.6
Jan- 2000	America Online	Time Warner	Various systems	50,688.0	7,800,000	6,499	20.5
Jan-2000	Centennial	Pegasus	Mayaguez, PR	170.0	55,500	3,063	13.1
Jan-2000	Metrocast	New England Cablevision	Rochester, NH; Sanford, ME	80.0	25,500	3,137	15.6
Jan-2000	Omega	Bresnan	Various Michigan systems	55.0	26,000	2,115	10.2
Jan-2000	Bresnan	Midwest Video	Rhinelander, et al. WI	27.5	8,400	3,290	16.2
Jan-2000	Galaxy	Cable TV Assoc.	Various South Dakota and Nebraska systems	6.6	6,000	1,100	6.5
Feb-2000	Adelphia	Liberty cable	South Gate et al., CA	30.0	12,700	2,362	20.9
Mar-2000	Sandler Capital	James Cable	Various Michigan systems	142.0	64,100	2,222	12.1
Mar-2000	Charter	Cablevision	Kalamazoo, MI	172.5	49,400	3,491	17.6
Mar-2000	Mediacom	Mid-American	Various Illinois systems	8.0	5,000	1,600	8.8
Apr-2000	AT&T	Cablevision	Boston, MA	1,789.6	357,900	5,001	22.9
Apr-2000	Cablevision	AT&T	Westchester et al., NY	627.6	125,500	5,001	22.9
Apr-2000	Mallard Cablevision	Blackstone Cable	Various systems in Montana, Georgia, Wyoming, Idaho, Washington, Utah, Oregon, and California	54.0	41,800	1,292	8.5
Apr-2000	Mediacom	Rapid Comm.	Various Kentucky and Illinois systems	8.0	6,000	1,333	8.5
Apr-2000	Mallard Cablevision	B&L Cable Comm	Various Florida, Utah, and Alabama systems	5.4	4,900	1,092	9.0
Apr-2000	Mallard Cablevision	Alltech Cable TV/Hurst Cable	West Central US	2.8	2,600	1,070	8.2
Apr-2000	Mediacom	Tri-Cable	Montgomery, et al., MN	1.8	1,300	1,385	8.9
Apr-2000	Mallard Cablevision	High Mountain Comm	Systems in ten Montana cities	2.3	1,800	1,260	8.9
May-2000	Cox Classic Cable	Rapid Comm	Branson et al., MO	30.0	12,000		Not reported
May-2000	Mallard Cablevision	Plentywood Cable	Plentywood, MT	.8	700	1,155	7.9
May-2000	Mallard Cablevision	Baker Cable	Baker, MT	.8	700	1,166	7.9
Jun-2000	Adelphia	CATV/ Kennebunksport	Kennebunksport et al., ME	35.0	9,500	3,684	17.0

YEAR	BUYER	SELLER	SYSTEMS	PRICE* (Millions)	SUBS (Actual)	PRICE/ SUB.**	CASH FLOW MULT.
Jun-2000	Adelphia	GS Comm	Frederick, MD; Culpepper County, VA; Inwood, WV; Adams County, PA	661.7	122,700	5,394	14.8
			Grand Total	$73,431.5	$13,427,100		

Notes:

* The transaction prices are from Paul Kagan Assocs. The transaction price is dependent upon the terms of each transaction and may or may not include debt.

** The calculation of Price/Basic Subscriber are from Paul Kagan Assocs. These calculations are subject to rounding and reporting inconsistencies.

Source:

Kagan Assocs., Inc., *Announced/Proposed Cable System Sales*, Cable TV Investor, July 26, 1999 at 9; Aug Paul. 20, 1999, at 8; Sept. 10, 1999, at 6; Nov. 24, 1999, at 8; Dec. 23, 1999, at 8; Jan. 29, 2000, at 7; March 24, 2000, at 6; Apr. 30, 2000, at 8; June 19, 2000, at 8; Aug. 11, 2000, at 9; and Oct. 10, 2000, at 8.

APPENDIX D

TABLE D-1

MSO Ownership in National Video Programming Services

Programming Service	Launch Date	MSO Ownership (%)
American Movie Classics (AMC)	Oct-84	Cablevision (75)
Animal Planet	Oct-96	AT&T (39.2), Cox (19.7)
BET (Black Entertainment Television)	Jan-80	AT&T (35)
BET Action Pay-Per-View	Sept-90	AT&T (35)
BET Gospel	Nov-98	AT&T (35)
BET Movies	Feb-97	AT&T (35)
BET on Jazz	Jan-96	AT&T (35)
Bravo	Feb-80	Cablevision (75)
Canales ñ (6 digital channels)	Oct-98	AT&T (100)
Cartoon Network	Oct-92	Time Warner (100)
Cinemax	Aug-80	Time Warner (100)
CNN	Jun-80	Time Warner (100)
CNN Headline News	Jan-82	Time Warner (100)
CNN International	Jan-95	Time Warner (100)
CNN/SI	Dec-96	Time Warner (100)
CNNfn (The Financial Network)	Dec-95	Time Warner (100)
Comedy Central	Apr-91	Time Warner (50)
Court TV	Jul-91	AT&T (50), Time Warner (50)
Discovery Channel	Jun-85	AT&T (49), Cox (24.6)
Discovery Civilization	Oct-96	AT&T (49), Cox (24.6)
Discovery En Espanol	Aug-98	AT&T (49), Cox (24.6)
Discovery Health	Jul-98	AT&T (49), Cox (24.6)
Discovery Home & Leisure	Oct-96	AT&T (49), Cox (24.6)
Discovery Kids	Oct-96	AT&T (49), Cox (24.6)
Discovery People	Dec-98	AT&T (49), Cox (24.6)

Programming Service	Launch Date	MSO Ownership (%)
Discovery Science	Oct-96	AT&T (49), Cox (24.6)
Discovery Wings	Jul-98	AT&T (49), Cox (24.6)
E! Entertainment	Jun-90	Comcast (40), AT&T (20)
Encore	Apr-91	AT&T (100)
Encore Action	Sept-94	AT&T (100)
Encore Love Stories	Jul-94	AT&T (100)
Encore Mysteries	Jul-94	AT&T (100)
Encore True Stories and Drama	Sept-94	AT&T (100)
Encore WAM! America's Youth Network	Sept-94	AT&T (100)
Encore Westerns	Jul-94	AT&T (100)
Food Network	Nov-93	AT&T(5.5), Cox (1), TimeWarner(1)
FOX Sports Net (5 channels)	various	Cablevision (50)
GEMS International Television	Apr-93	Cox (50)
Golf Channel	Jan-95	AT&T (14.4), Comcast (43.3)
Great American Country	Dec-95	Comcast (100)
HBO (Home Box Office)	Nov-72	Time Warner (100)
HBO Plus	Dec-75	Time Warner (100)
HBO Signature	Oct-93	Time Warner (100)
HBO Comedy	May-99	Time Warner (100)
HBO Family	Dec-96	Time Warner (100)
HBO Zone	May-99	Time Warner (100)
Home Shopping (Spree!)	Sep-86	AT&T (19.7)
Home Shopping Network	Jul-85	AT&T (19.7)
Independent Film Channel	Sep-94	Cablevision (75)
International Channel	Jul-90	AT&T (90)
Kaleidoscope	Sep-90	AT&T (12)
Knowledge TV	Nov-87	Comcast (97)
MoreMAX	Aug-91	Time Warner (100)
MuchMusic USA	Jul-94	Cablevision (75)

Programming Service	Launch Date	MSO Ownership (%)
Multimax: ActionMax	June-98	Time Warner (100)
Multimax: ThrillerMax	June-98	Time Warner (100)
Odyssey Channel	Oct-93	AT&T (32.5)
Outdoor Life Network	Jul-95	Cox (33.3), Comcast (17), AT&T (15.4)
Ovation: The Arts Network	Apr-96	Time Warner (4.2)
PIN (Product Information Network)	Apr-94	Cox (45)
Prevue Channel	Jan-88	AT&T (51)
QVC	Nov-86	Comcast (57), AT&T (43)
Sci-Fi Channel	Sept-92	AT&T (19.7)
Sneak Prevue	May-91	AT&T (12)
Speedvision	Dec-95	Cox (33.3), Comcast (15), AT&T (13.3)
Starz!	Feb-94	AT&T (100)
Starz! Cinema	May-99	AT&T (100)
Starz! Family	May-99	AT&T (100)
Starz!2	Mar-96	AT&T (100)
Style	May-99	Comcast (40), AT&T (20)
TBS	Dec-76	Time Warner (100)
Telemundo	Jan-87	AT&T (50)
The Box Worldwide	Dec-85	AT&T (78)
TLC (The Learning Channel)	Nov-80	AT&T (49), Cox (24.6)
TNT (Turner Network Television)	Oct-88	Time Warner (100)
Travel Channel	Feb-87	AT&T (49), Cox (24.6)
Turner Classic Movies	Apr-94	Time Warner (100)
USA Network	Apr-80	AT&T (19,7)
Viewers Choice 1-10 and Hot Choice (11 multiplexed channels)	Nov-85	Cox (20), Time Warner (17), AT&T (11.7), Comcast (11)
Women's Entertainment (formerly Romance Classics)	Jan-97	Cablevision (75)

Notes:

The sale of BET and its programming channels to Viacom is pending. The sale is expected to be completed early next year. *Communications Daily,* November 6, 2000, at 2.

AT&T has a 28% equity interest (6.9% voting) in Cablevision Systems and a 25.5% ownership interest in TWE.

Canales ñ, AT&T Liberty's digital package of Spanish-language channels, consists of FoxSportsAmericas, CBS Telenoticias, CineLatino, BoxTejano, BoxExitos, and Canal 9.

Sources:

National Cable Television Association, *Directory of Cable Networks*, Cable Television Developments, Spring/ Summer 2000 at 32 through 135.

Kim McAvoy, AOL TW Has Lock on the Top, Broadcasting and Cable, August 28, 2000 at 32.

BET Web site, http://www.bet.com.

Letter from Mark Hollinger, Executive Vice President and General Counsel, Discovery Communications Inc., to Marcia Glauberman, FCC Staff, February 3, 2000.

Leslie Cauley and Sally Beatty, *Cable Channel Oxygen Looks for Investors,* The Wall Street Journal, October 20, 2000.

Comcast Web site, http://www.comcast.com/companies/default.asp.

Cox Web site, http;//www.cox.com/corporate/factsheet.asp.

TABLE D-2

National Video Programming Services
Not Affiliated With a Cable Operator

Programming Service	Launch Date
A&E (Arts & Entertainment)	Feb-84
Adultvision	Jul-95
All News Channel	Nov-89
America's Voice	Dec-93
ANA Television Network	Dec-91
Asian American Satellite TV	Jan-92
BBC America	Mar-98
Biography Channel	Dec-98
Bloomberg Information Television	Jan-95
B-Movie Channel	May-98
BoyzChannel	Oct-99
Cable Video Store	Apr-86
Canal de Noticias NBC	Mar-93
Canal Sur	Aug-91
CBS TeleNoticias	1997
CelticVision	Mar-95
Channel America Television Network	Jun-88
Channel Earth	Mar-97
Children's Cable Network	May-95
Cine Latino	Dec-94
Classic Arts Showcase	May-94
Classic Movie Channel	Nov-99
CMT (Country Music Television)	Mar-83
CNBC	Apr-89
CNET: The Computer Network	Jan-95
Consumer Resource Network	Dec-94
Crime Channel	Jul-93

Programming Service	Launch Date
C-SPAN	Mar-79
C-SPAN2	Jun-86
Deep Dish TV	Jan-86
Disney Channel	Apr-83
Do-It-Yourself Channel	Sep-99
Dream TV Network	Nov-96
Ecology Channel	Nov-94
Employment Channel	Feb-92
ESPN	Sep-79
ESPN Classic Sports (formerly Classic Sports Network)	May-95
ESPN2	Oct-93
ESPNEWS	Nov-96
Ethnic-American Broadcasting Co.	1992
EWTN: Global Catholic Network	Aug-81
Fashion Network	Jul-96
Fifth Avenue	Mar-00
Filipino Channel	Apr-91
Flix	Aug-92
Fox Family Worldwide	Apr-77
Fox News Channel	Oct-96
Fox Sports Americas	Dec-93
Fox Sports Direct	1989
Fox Sports World	1997
FX	Oct-94
FXM: Movies from Fox	Oct-94
Galavision	Oct-79
Game Show Network	Dec-94
Games and Sports	Mar-99
Gay Entertainment Television	Nov 95
GirlzChannel	Oct-99
Goodlife Television Network (formerly Nostalgia Channel)	Jun-98

Programming Service	Launch Date
History Channel	Jan-95
History Channel International	Dec-98
Home & Garden Television	Dec-94
HTV	Aug-95
Inspirational Network	Apr-78
International Channel Network (7 channels)	Various
Jewish Television Network	1981
Ladbroke Racing Channel	Nov-84
Las Vegas Television Network	Nov-91
Lifetime Movie Network	Jun-98
Lifetime Television	Feb-84
Lottery Channel	Nov-95
M2: Music Television	Aug-96
MBC Gospel Network	Nov-98
Military Channel	Jul-98
Mor Music TV	Aug-92
MSNBC	Jul-96
MTV "S"	Aug-98
MTV "X"	Aug-98
MTV Networks Latin America (formerly MTV Latino)	Oct-93
MTV: Music Television	Aug-81
Music Zone	Apr-95
My Pet TV	Sep-96
NASA Television	Jul-91
National & International Singles Television Network	Apr-95
NBA.comTV	Jan-99
NET - Political NewsTalk Network	Dec-93
Network One	Dec-93
Newsworld International	Sep-94
Nick at Nite's TV Land	Apr-96

Programming Service	Launch Date
Nick Too	Jan-99
Nickelodeon/Nick at Nite	Apr-79
Noggin	Feb-99
Oasis TV	Sept-97
Outdoor Channel	Apr-93
Oxygen	Feb-00
Planet Central Television	May-95
Playboy TV	Nov-82
Pleasure Channel	Jun-99
Praise Television	Dec-96
Recovery Network	Feb-97
SCOLA	Aug-87
Shop at Home	Jun-86
Showtime	Jul-76
Showtime Beyond	Sep-99
Showtime Extreme	1998
SingleVision	Jun-94
SiTV	Aug-00
Soap Channel	Jul-98
Spice	May-89
Spice Hot	1998
Student Film Network	Nov-94
Sun TV	Aug-96
Sundance Channel	Feb-96
Telemundo	Jan-87
The Erotic Network (TEN)	Aug-98
The Health Network	May-99
TMC (The Movie Channel)	Dec-79
TNN: The National Network (formerly The Nashville Network)	Mar-83
Toon Disney	Apr-98
Total Communications Network	Nov-95
Trinity Broadcasting Network	Apr-78
TRIO	Sep-94

Programming Service	Launch Date
Tropical Television Network	Aug-96
TV 5 - La Television Internationale	Jan-98
TV Asia	Apr-93
TV Games Network	unknown
TV Japan	Jul-91
TVN Digital Cable (32 digital pay-per-view channels)	Feb-98
U Network	Oct-89
Univision	Sep-76
ValueVision	Oct-91
VH-1	Jan-85
VH1 Smooth	Aug-98
VH1 Soul	Aug-98
VHI Country	Aug-98
Via TV Network	Aug-93
Video Catalog Channel	Oct-91
Weather Channel	May-82
Weatherscan	April-98
Weatherscan Local	May-99
Weatherscan Plus	Sep-99
Weatherscan Radar	Jun-99
WorldJazz	Jul-95
Worship Network	Sep-92
Z Music	Mar-93
ZDTV: Your Computer Channel	May-98

Notes:
Cable affiliates provide 95% of funding for C-SPAN and C-SPAN2, but have no ownership or program control interests. DBS licensees provide the other 5% of funding and also have no ownership or program control interests.

Sources:
National Cable Television Association, *Directory of Cable Networks*, Cable Television Developments Spring/Summer 2000 at 32 through 135.

Leslie Cauley and Sally Beatty, *Cable Channel Oxygen Looks for Investors,* The Wall Street Journal, October 20, 2000 at 25.

Fifth Avenue Corporation, *5th Avenue Channel Corp. Launches TV Channel,* Press Release, March 6, 2000.

SiTV Web site, http:/www.sitv.com.

USA Networks Web site, http://www.usanetworks.com/companies/usa.network.html.

News Corporation Web site, http://www.newscorp.com/body/html.

TABLE D-3

Regional Video Programming Services

Programming Services	Launch Date	MSO Ownership (%)
Arabic Channel	Apr-91	
Arizona News Channel	Nov-96	
Automotive Television Network (ATN)	Sep-95	
Bay News 9	Jul-94	AT&T (49)
BAYTV	Jul-94	AT&T (49)
Cable TV Network of New Jersey	Jul-93	
California Channel	Feb-91	
Casa Club TV	Jul-97	
Central Florida News 13	Oct-97	
ChicagoLand Television News (CLTV)	Jan-93	
CN8 - The Comcast Network	1996	Comcast (100)
Comcast SportsNet	Oct-97	Comcast (46)
County Television Network San Diego	Jul-96	
Ecumenical Television Channel	1983	
Empire Sports Network	Dec-90	
Florida's News Channel	Sep-98	
Fox Sports Arizona	Sep-96	
Fox Sports Bay Area	Apr-90	
Fox Sports Chicago	Jan-84	Cablevision (45)
Fox Sports Cincinnati	1989	Cablevision (45)
Fox Sports Detroit	Sep-97	
Fox Sports Intermountain West	1990	
Fox Sports Midwest	1989	
Fox Sports New England	Nov-81	Cablevision (22.5), AT&T (50)
Fox Sports New York	1982	Cablevision (41.5)
Fox Sports Northwest	Nov-88	
Fox Sports Ohio	Feb-89	Cablevision (45)
Fox Sports Pacific	Unknown	Cablevision (45)

Programming Services	Launch Date	MSO Ownership (%)
Fox Sports Pittsburgh	Apr-86	
Fox Sports Rocky Mountain	Nov-88	
Fox Sports South	Aug-90	
Fox Sports Southwest	Jan-83	
Fox Sports West	Oct-85	
Fox Sports West 2	Jan-97	
Hip Hop Network	Jan-97	
Home Team Sports (HTS)	Apr-84	AT&T (17)
International Television Broadcasting (ITV)	Apr-86	
Las Vegas One News	Apr-98	
Local News on Cable	Feb-97	
Madison Square Garden Network (MSG)	Oct-69	AT&T (18), Cablevision (41.5)
MediaOne News	Dec-95	AT&T (100)
Midwest Sports Channel	Mar-89	
MSG Metro Guide	Aug-98	Cablevision (100)
MSG Metro Learning Channel	Aug-98	Cablevision (100)
MSG Traffic and Weather	Aug-98	Cablevision (100)
Neighborhood News L.I.	Unknown	Cablevision (75)
New England Cable News	Mar-92	AT&T (50)
New England Sports Network (NESN)	Mar-84	
New York 1 News	Sep-92	
News 12 Connecticut	Jun-95	Cablevision (75)
News 12 Long Island	Dec-86	Cablevision (75)
News 12 New Jersey	Mar-96	Cablevision (75)
News 12 The Bronx	Jun-98	Cablevision
News 12 Westchester	Nov-95	Cablevision (75)
News 8 Austin	Sep-99	
News Channel 5+	Sept-96	
News Now 53	Jun-97	
News on One	Oct-97	

Programming Services	Launch Date	MSO Ownership (%)
News Watch 15	Oct-99	
Newschannel 8	Oct-91	
Nippon Golden Network	Jan-82	
NorthWest Cable News	Dec-95	
Ohio News Network	May-97	
Orange County NewsChannel	Sep-90	
PASS Sports (Pro-Am Sports System)	Apr-84	
Pennsylvania Cable Network (PCN)	Sep-79	
Pittsburgh Cable News Channel (PCNC)	Jan-94	
PRISM	Sep-76	
San Diego's News Channel 15	Jan-97	
Six News Now	Jul-95	
South Florida News Channel	1998	
SportsChannel Florida	Dec-87	AT&T (6), Cablevision (13.5)
SportsChannel New York	1976	
Sunshine Network	Mar-88	AT&T (34.5), Comcast (16), Cox (5.3)
Texas Cable News	Jan-99	

Sources:
National Cable Television Association, *Regional Video Services*, Cable Television Developments, Spring/Summer 2000, at 136 through 168.

Rainbow Media Holdings Web site, http://www.cablevision.com/cvhome/cvrainb/rainbow.htm.

Fox Web site, http://foxsports.com/direct/index.sml.

TABLE D-4

Planned Programming Services

Programming Service	Planned Launch Date, If Announced
American Legal Network	TBA
American West Network	TBA
Anti-Aging Network	TBA
Applause	TBA
Arts & Antiques Network	TBA
Auto Channel	TBA
Baby TV	TBA
Beauty Channel	4th Qtr 2000
BET Rap/Hip Hop	TBA
BET World Music Beat	TBA
Black Women's Television	2000
Boating Channel	TBA
Booknet	2000
Bravo World Cinema	TBA
Children's Fashion Network	2000
Chop TV	TBA
Collectors Channel	TBA
ComedyNet	Jan 2001
Crime Beat	2001
Documentary Channel	1st Qtr 2001
Eurocinema	TBA
Fad TV (Fashion & Design Television)	3rd Qtr 2001
Fanfare (The Classical Music Channel)	TBA
Fashion Network	TBA
GETv Network	TBA
Global Village Network	TBA
Hobby Craft Interactive	TBA

Programming Service	Planned Launch Date, If Announced
Inspirational Network Digital Digiplex (6 channels)	2000
Investment TV	TBA
Local News Network	TBA
Love Network	TBA
Martial Arts Action Network	TBA
Museum Channel	TBA
Museum World	TBA
National Geographic Channel	Jan-2001
Native American Nations Program Network	2001
Noah's World International	2001
Opportunity Television Network	TBA
Orb TV	TBA
Parents Television	TBA
Performance Showcase	TBA
Planet Central Television	TBA
Premiere Horse Network	TBA
Puppy Channel	2001
RadioTV Network	3rd Qtr 2001
Real Estate Network (TREN)	TBA
Seminar TV Network (Seminar TV)	1st Qtr 2001
Senior Citizens Television Network	1st Qtr 2001
Showtime FamilyZone	1st Qtr 2001
Showtime Next	1st Qtr 2001
Showtime Women	1st Qtr 2001
Skywatcher Channel	TBA
Spanish Shopping Channel	TBA
TBD (Gen – Y emphasis)	2000
Starz Comedy	2002
Starz Kids	2002
The Catalogue Channel	TBA
The CEO Channel	TBA

Programming Service	Planned Launch Date, If Announced
The Enrichment Channel	TBA
The Football Channel (TFN)	TBA
The Gospel Network	TBA
The Recovery Network	TBA
The World Cinema Channel	TBA
Theater Channel	TBA
Weatherscan Espanol	TBA
Youth Sports Broadcasting Channel	TBA

Sources:

National Cable Television Association, *Planned Services*, Cable Television Developments, Spring/Summer 2000 at 169 through 186.

The Martial Arts Network Web site, http://www. Martia-arts-network.com/inves._pg.htm.

TABLE D-5

MSO Ownership in National Programming

Services	Subs.[(MM)]	AT&T	Time Warner	Media One	Comcast	Cox	Cablevision Systems	Jones[(1)]
AMC	71.9						75%	
Animal Planet	54	39.2%				19.7%		
BET	58.5	35%						
BET Action PPV	10	35%						
BET Gospel	*	35%						
BET Movies	6.2	35%						
BET on Jazz	5	35%						
Bravo	50.1						75%	
Canales ñ	*	100%						
Cartoon Network	60		100%					
Cinemax[(2)]			100%					
CNN	77		100%					
CNN Headline News	72.4		100%					
CNN Int'l	10		100%					
CNN/SI	15.4		100%					
CNNfn	11.7		100%					
Comedy Central	62		50%					
Court TV	44.7	50%	50%					
Discovery	77.8	49%				24.6%		
Discovery Civilization	*	49%				24.6%		
Discovery En Espanol	*	49%				24.6%		
Discovery Health	*	49%				24.6%		

Services	Subs. (Mil.)	AT&T	Time Warner	Media One	Comcast	Cox	Cablevision Systems	Jones[1]
Discovery Home&Leisure	*	49%				24.6%		
Discovery Kids	*	49%				24.6%		
Discovery People	11	49%				24.6%		
Discovery Science	*	49%				24.6%		
Discovery Wings	*	49%				24.6%		
E!	60	20%			40%			
Encore	13.1	100%						
Encore Action	*	100%						
Encore Love Stories	*	100%						
Encore Mysteries	*	100%						
Encore True Stories/Drama	*	100%						
Encore WAM!	*	100%						
Encore Westerns	*	100%						
Food Network	39.7	5.5%	1%			1%		
Fox Sports Net	68						50% *5	
GEMS Intn'l TV	5.5					50%		
Golf Channel	26.2	14.4%			43.3%			
Great American Country	12				100%			
HBO	35.7		100%					
HBO Plus			100%					
HBO Signature			100%					
HBO Comedy			100%					
HBO Family			100%					
HBO Zone			100%					
Spree!	*	19.7%						
HSN	52.6	19.7%						
Independent Film Channel	14						75%	
Int'l Channel	8.7	90%						
Kaleidoscepe	*	12%						

Services	Subs (Mil.)	AT&T	Time Warner	Media One	Comcast	Cox	Cablevision Systems	Jones[1]
Knowledge TV	20				97%			
More Max			100%					
MuchMusic USA	19.1						75%	
Multimax:Action			100%					
Multimax:Thril			100%					
Odyssey	28.3	32.5%						
Outdoor Life	13.5	15.4%			17%	33.3%		
Ovation	7		4.2%					
PIN	23.4					45%		
Prevue Channel	*	51%						
QVC	65.4	43%			57%			
WE (formerly Romance Classics)	24.7						75%	
Sci-Fi	46.9	19.7%						
Sneak Prevue	34	12%						
Speedvision	28	13.3%			15%	33.3%		
Starz!	9.7	100%						
Starz! Cinema	3.3	100%						
Starz! Family	3	100%						
Starz!2	3	100%						
Style	6	20%			40%			
TBS	78.6		100%					
Telemundo	17.6	50%						
The Box	24.5	78%						
TLC	72	49%				24.6%		
TNT	77.1		100%					
Travel Channel	31.5	49%				24.6%		
TCM	40.2		100%					
USA	77.2	19.7%						
Viewers Choice 1-10	*	11.7%	17%		11%	20%		

Notes:

In addition to cable, other services such as MMDS (wireless cable), SMATV (satellite master antenna television),satellite, including HSD (home satellite dish) and DBS (direct broadcast satellite), broadcast television and LPTV\(low power television) may distribute these signals. Subscriber figures may include these non-cable services.

*Indicates that subscribership count is unknown or not available.

In April 1999, Glenn Jones, founder of Jones International, sold controlling interest in cable MSO, Jones Intercable,to Comcast Cable Communications. *See Comcast Announces Filing of Registration Statement Relating to Partial Exchange Offer for Jones Intercable, Inc.* (press release) August 23, 1999. *See also* Frank Witsil, *Augusta, Ga.-Based Cable Firm to Adopt Comcast Name*, The Augusta Chronicle, September 29, 1999.

CNN International subscribership of 12.5 million includes domestic US subscribers only. CNN international has 129 million subscribers outside the U.S.

HBO subscriber numbers include HBO Plus, HBO Signature, HBO Comedy, HBO Family, HBO Zone, and Cinemax , MoreMax, ActionMax, and Thriller Max.

Sources:

National Cable Television Association, *Directory of Cable Networks*, Cable Television Developments, Spring/Summer 2000 at 31 through 158.

Cablevision Online: *Database, Network Subscriber Counts*, http://www.cablevisionmag.com/database.

TABLE D-6

Top 20 Programming Services by Subscribership

Rank	Programming Network (Top 20)	Number of Subscribers (Millions)	MSO Ownership Interest in Network (%)
1	TBS	78.0	Time Warner (100)
2	Discovery Channel	77.4	AT&T (49), Cox (24.6)
3	USA Network	77.2	AT&T (18.6)
4	ESPN	77.1	
5	C-SPAN	77.0	
6	CNN	77.0	Time Warner (100)
7	TNT	76.8	Time Warner (100)
8	Nickelodeon/Nick at Nite	76.0	
9	Fox Family Channel	75.7	
10	TNN	75.0	
11	Lifetime Television	75.0	
12	A&E	75.0	
13	Weather Channel	74.0	
14	MTV	73.2	
15	CNN Headline News	72.4	Time Warner
16	QVC	72.2	Comcast (57), AT&T (43)
17	TLC	72.0	AT&T (49), Cox (24.6)
18	AMC	71.0	Cablevision (75)
19	CNBC	71.0	
20	VH1	68.3	

Notes:
In addition to cable, other services such as MMDS (wireless cable), SMATV (satellite master antenna television), satellite, including HSD (home satellite dish) and DBS (direct broadcast satellite), broadcast television and LPTV (low power television) may distribute these signals. Subscriber figures may include these noncable services. Cable affiliates provide 95% of funding for C-SPAN and C-SPAN2, but have no ownership or program control interests. DBS licensees provide the other 5% of funding and also have no ownership or program control interests.

Source:
National Cable Television Association, Top 20 Cable Networks, Cable Television Developments, Spring/Summer 2000 at 20, 21.

TABLE D-7

Top 15 Programming Services by Prime Time Rating

Rank	Programming Service	MSO with Ownership Interest (%)
1	USA Network	AT&T (19.7)
2	TBS	Time Warner (100)
3	TNT	Time Warner (100)
4	Nick at Night	
5	Cartoon Network	Time Warner (100)
6	Lifetime Television	
7	A&E	
8	MTV	
9	History Channel	
10	TLC (The Learning Channel)	AT&T (49), Cox (24.6)
11	Sci Fi Channel	AT&T (19.7)
12	FX	
13	TV Land	
14	HGTV	
15	Fox Family	
16	Comedy Central	Time Warner (50)
17	Court TV	AT&T (50), Time Warner (50)
18	CNN	Time Warner (100)
19	E!	Comcast (40), AT&T (20)
20	APL	AT&T (39.2), Cox (19.7)

Source:
Paul Kagan Assocs., Inc., *Day Part Ratings Averages, Prime Time (2nd Quarter)*, Cable Program Investor, Aug. 10, 2000, at 6.

Dissenting Statement of Commissioner Harold Furchtgott-Roth

Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 00-132

I must respectfully dissent from the 2000 "Annual Assessment of the Status of Competition in Markets for the Delivery of Video Programming." As I have previously made clear, I do not believe that the Competition Report, in its traditional form, fulfills our duties under the Communications Act. *See generally* Dissenting Statement of Commissioner Harold Furchtgott-Roth, Annual Assessment of Competition in Markets for the Delivery of Video Programming, 15 FCC Rcd. 978 (2000); Dissenting Statement of Commissioner Harold Furchtgott-Roth, Annual Assessment of Competition in Markets for the Delivery of Video Programming, 13 FCC Rcd 24284 (1998).

In particular, instead of examining the state of competition "in the market for the delivery of video programming," 47 USC section 628(g), the Report artificially limits its analysis to the delivery of "multichannel video programming." Furthermore, the plain language of section 628(g) suggests that the business of delivering video programming constitutes a single "market," *see id.* section 628(g) (referring to "the market" for video programming delivery), not a conglomeration of analytically discrete markets, as this report presumes.[1] Because I believe the definition of the relevant market to be in error, I cannot sign on the ensuing analysis of that market.

[1] I note that, while I am gratified that the Commission has responded to my prior statements on this issue by changing the title of the report to refer to a unitary "market," the underlying analytical approach of the report has not changed.