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NATIONAL CABLE & TELECOMMUNICATIONS ASSOCIATION

**DANIEL L. BRENNER SENIOR VICE PRESIDENT, LAW & REGULATORY POLICY**

1724 MASSACHUSETTS AVE N.W. WASHINGTON, D.C. 20036-1903

TEL: 202.775.3664 FAX: 202.775.3603

November 21, 2002

W. Kenneth Ferree  
Chief, Media Bureau  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W., Room 3-C740  
Washington, DC 20554

Re: CS Docket Nos. 98-82, 96-85; MM Docket Nos. 92-264, 94-150, 92-51, 87-154

Dear Mr. Ferree:

The Commission recently released a study on the effect of most favored client clauses in cable operator-programmer affiliation agreements.<sup>1</sup>

For the record, we wish to note that, like many businesses, there is wide use of "most favored nation" (MFN) type clauses in contracts between cable programmers and operator affiliates who distribute the programming. However, not all affiliate agreements contain MFN provisions. And MFN provisions are one element in complicated, often long-term contracts that may cover a wide range of business arrangements.

MFN clauses generally address both price and non-price related terms negotiated to provide comparability protections between similarly situated operators. They may also include MFN clauses negotiated to assure programmers of comparability with similarly situated programmers.

Sincerely,

Daniel L. Brenner

DLB:gml

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<sup>1</sup> Media Bureau Staff Research Paper, "Must-Favored Customers in the Cable Industry," Nodir Adilor and Peter J. Alexander, September 2002.