



July 14, 2004

The Honorable Michael Powell
Chairman
Federal Communications Commission
445 12 Street NW
Washington, DC 20554

Re: Docket No. 04-207

Dear Chairman Powell:

The National Black Chamber of Commerce (NBCC) wishes to express its strong opposition to the “a la carte” proposal that would compel the cable and satellite industries to offer channels separately, rather than in the current tiered structure. The NBCC is a nonprofit, nonpartisan, nonsectarian organization dedicated to the economic empowerment of African American communities. With 190 affiliated chapters based throughout the nation, the NBCC represents 95,000 black-owned businesses.

A la carte could dramatically reduce the diversity of programming on cable and satellite television networks. This would adversely affect not only the millions of Americans who enjoy the variety of programming currently available to them, but also the minority businesses who seek to reach certain audiences through advertising on these diverse channels. The current tiered channel structure allows the cost of diverse programming to be spread out among many subscribers. An a la carte model would be unlikely to support the development of channels such as BET, TVOne, Univision, and Oxygen because there would be fewer subscribers choosing these networks. Without access to the full compliment of subscribers, the networks would be unable to attract sufficient advertising revenue and would likely be forced out of business. Even if they were to remain on the air, there would be added costs in marketing the niche channels to each individual subscriber.

The expanded universe of cable and satellite television enables a wide range of programming to develop, targeting all segments of the population. However, these networks and programs were only able to grow because they were included the basic tier of channels. The a la carte proposal seems concerned only with pricing and not with the diversity that has flourished on cable and satellite networks. Diverse programming benefits the target populations, but also gives all subscribers the opportunity to learn about and enjoy other cultures and communities.

We urge you to proceed cautiously in the Commission's consideration of a la carte. Rushing into an a la carte model to satisfy demands for lower prices in cable and satellite offerings will have many unintended consequences. Diverse programming must be encouraged and protected, a goal the Commission has embraced in the past. We looking forward to working with you to ensure that diverse programming continues to be a hallmark of our nation's cable and satellite systems

Sincerely,



Harry C. Alford
President & CEO

cc: Kathleen Q. Abernathy, Commissioner
Michael J. Copps, Commissioner
Kevin J. Martin, Commissioner
Jonathan S. Adelstein, Commissioner