Center for Creative Voices in Media

VIA ELECTRONIC FILING

July 15, 2004

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., TW-A325
Washington, DC 20554

Re: Comment Requested on *A La Carte* and Themed Tier Programming and Pricing Options for Programming Distribution on Cable Television And Direct Broadcast Satellite Systems -- **MB Docket No. 04-207**

Dear Ms. Dortch:

Pursuant to the Commission's Rules, please find our attached Comments in the above titled proceedings filed electronically through the Commission's Electronic Comment Filing System procedures.

If you have any questions, please don't hesitate to contact me.

Sincerely,

Jonathan Rintels
Executive Director

Attachment

Cc: Chairman Michael K. Powell
Commissioner Michael J. Copps
Commissioner Kathleen Q. Abernathy
Commissioner Kevin J. Martin
Commissioner Jonathan S. Adelstein
Jonathan Cody, Legal Advisor to Chairman Michael K. Powell
Jordan Goldstein, Legal Advisor to Commissioner Michael J. Copps
Stacy Robinson Fuller, Legal Advisor to Commissioner Kathleen Q. Abernathy
Catherine Crutcher Bohigian, Legal Advisor to Commissioner Kevin J. Martin
Johanna Mikes Shelton, Legal Advisor to Commissioner Jonathan S. Adelstein

1220 L Street, N.W., Suite 100-494 • Washington, D.C. 20005 • (202) 448-1517 tel
www.creativevoices.us • (202) 318-9183 fax • jonr@creativevoices.us

Before the
Federal Communications Commission
Washington, D.C. 20554

In the matter of

Comment Requested on *A La Carte* and Themed Tier Programming and Pricing Options for Programming Distribution on Cable Television And Direct Broadcast Satellite Systems	)	MB Docket No. 04-207

COMMENTS OF THE CENTER FOR CREATIVE VOICES IN MEDIA

Jonathan Rintels
President and Executive Director
CENTER FOR CREATIVE VOICES IN MEDIA
1220 L Street, N.W., Suite 100-494
Washington, DC 20005
(202) 448-1517
www.creativevoices.us
jonr@creativevoices.us

July 15, 2004

I. SUMMARY

Voluntary *a la carte* pricing options in cable and satellite programming distribution would promote the Commission's fundamental media policy goal of – and the public's interest in – viewpoint diversity. Today, viewpoint diversity in television is on life support. As the Commission concluded in its 2002 Biennial Order, concentrated media ownership harms viewpoint diversity. These grim statistics document today's excessively concentrated ownership:

- Five giant media conglomerates (Viacom/CBS/UPN/MTV/etc., GE/NBC/MSNBC/CNBC/Bravo/etc., Disney/ABC/ESPN/etc., News Corp./FOX/FX/Fox News/etc., and Time Warner/WB/CNN/TNT/etc.) control approximately a 75% share of broadcast and cable prime-time viewing, roughly the same share of TV households in prime time as the three broadcast networks controlled 40 years ago, <u>pre-cable</u>.

- Of the 91 major cable television networks each available in more than 16 million homes, more than 80 percent are owned or co-owned by just six media conglomerates – the same five giant media conglomerates plus Liberty Media.

- The same five giant media conglomerates now also produce the vast majority of programming for television. Of the 40 new series airing on the four major broadcast networks in the 2002 season, 77.5 percent were owned in whole or part by the same four networks, up from 56.3 percent the prior season – an increase of over 37 percent in just one year -- and up from just 12.5 percent in 1990.

Cable and satellite programming packages are inherently un-diverse, larded with networks unwanted by consumers that are in the package only because they are affiliated with broadcast media conglomerates or cable operators. These "bundles" are shaped not by consumer demand, but by the conglomerates' and operators' demands, thus distorting the marketplace. This distortion makes television's "marketplace of ideas" and viewpoints <u>less diverse</u>. Voluntary *a la carte* cable empowers consumers to create their own menu of diverse network options, without regard to network ownership. We believe this can only increase viewpoint diversity for the public.

In addition, as media artists passionately devoted to Constitutionally-protected free expression and fearful of government regulation of programming content, we see an added important benefit to *a la carte* cable and satellite. *A la carte* would allow consumers to not pay for and receive in their homes channels they deem "indecent," as they must presently when those offending cable networks are bundled on a take it or leave it basis. This is a far better structural solution to indecency concerns than government regulation of program content, which chills Constitutionally-protected free, original, creative expression – the very speech the Commission should encourage.

II. INTRODUCTION

The Center for Creative Voices in Media (CCVM) is a nonpartisan, nonprofit 501(c)(3) dedicated to preserving in America's media the original, independent, and diverse creative voices that enrich our nation's culture and safeguard its democracy. Many Oscar, Emmy, Peabody, Tony, and other prominent creative award winners are members of CCVM's Board of Advisors. Under its former name of "Center for the Creative Community," CCVM actively participated in the 2002 Biennial media ownership proceeding, filing Comments, Comments on the Initial Regulatory Flexibility Analysis, Reply Comments, and *ex parte* filings.[1] It is also participating in the "Second Periodic Review of the Commission's Rules and Policies Affecting the Conversion to Digital Television."[2] CCVM is also a founding member of the "Public Interest, Public Airwaves" Coalition which advocates that the Commission promulgate public interest obligations for broadcasters in the coming age of digital television, including an obligation to broadcast independently produced programming to promote the

[1] Comments of Center for the Creative Community, *In the Matter of 2002 Biennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996, Cross Ownership of Broadcast Stations and Newspapers, Rules and Policies Concerning Multiple Ownership of Radio Broadcast Stations in Local Markets, Definition of Radio Markets,* MB Docket No. 02-277, January 2, 2003 (CCVM 2002 Biennial Comments); Comments on the Initial Regulatory Flexibility Analysis, MB Docket No. 02-277, January 2, 2003; Reply Comments of Center for the Creative Community, MB Docket No. 02-277, February 3, 2003; Testimony of Jonathan Rintels, Executive Director of CCVM at FCC En Banc Hearing, Richmond, VA, February 27, 2003; *Ex Parte* submissions, MB Docket No. 02-277, filed April 14, 2003 (2), April 18, 2003, May 14, 2003.

[2] Comments of Center for the Creative Community, *Second Periodic Review of the Commission's Rules and Policies Affecting the Conversion to Digital Television,* MB Docket No. 03-15, December 12, 2003.

Commission's oft-stated goal of – and the public interest in – a wide diversity of viewpoints and voices in television.[3]

III. DIVERSITY OF VIEWPOINTS IN TELEVISION, A FUNDAMENTAL GOAL OF FCC POLICY, IS WOEFULLY INADEQUATE

We agree with the Commission that viewpoint diversity should remain a core policy objective in regulating media ownership.[4] We agree with the Commission that a "diverse and robust marketplace of ideas is the foundation of our democracy" and that "it has been a basic tenet of national communications policy that the widest possible dissemination of information from diverse and antagonistic sources is essential to the welfare of the public."[5]

We support the Commission's conclusion that "outlet ownership can be presumed to affect the viewpoints expressed on that outlet."[6] This is a sound and fundamental principle upon which to regulate television, and, more broadly, media ownership, well-supported by precedent and the record. After all, few would suggest that Chevrolet and Cadillac are separate automotive company "viewpoints." Rather, the "viewpoint" is that of their conglomerate owner, General Motors. The same principle holds true in television

---

[3] *Report and Order, In the Matter of 2002 Biennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996, Cross Ownership of Broadcast Stations and Newspapers, Rules and Policies Concerning Multiple Ownership of Radio Broadcast Stations in Local Markets, Definition of Radio Markets,* MB Docket No. 02-277, June 2, 2003, para. 18.

[4] Order, para. 18.

[5] Order, para. 19.

[6] Order, para. 27.

with regard to conglomerates that own multiple distribution outlets positioned to appeal to different segments of the viewing audience, just as Chevrolet and Cadillac are positioned by GM to appeal to different segments of the car market. The "viewpoint" is that of the owner – the conglomerate – and not of its subsidiary distribution outlet.

Unfortunately, however, while the Commission articulated this sound principle in its Biennial Report and Order, it failed to apply it in its analysis. Instead, throughout the Order, the Commission merely counts the number of distribution outlets and concludes viewpoint diversity is sufficient, <u>without any further inquiry into either the ownership of those outlets or the share of the audience those owners control</u>. Thus, applying the Commission's own principles, its conclusion that viewpoint diversity is sufficient in television is fundamentally flawed.[7]

As demonstrated by the millions of comments the Commission received – and the strong public and Congressional interest in – the 2002 Biennial, the public is extremely concerned about the absence of viewpoint diversity in television. This concern is justified by the grim statistics documenting extreme concentration of ownership in television distribution as well as in the production of primetime television programming. For example, an independent research study titled "Returning Oligopoly of Media Threatens Cable's Power" by respected Wall Street analyst Tom Wolzien finds, "Together, the five companies (Viacom/CBS/UPN/MTV/etc., Disney/ABC/ESPN/etc.,

---

[7] Petition for Reconsideration of the Center for the Creative Community and the Association of Independent Video and Filmmakers, *In the Matter of 2002 Biennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996, Cross Ownership of Broadcast Stations and Newspapers, Rules and Policies Concerning Multiple Ownership of Radio Broadcast Stations in Local Markets, Definition of Radio Markets,* MB Docket No. 02-277, September 4, 2003 (CCC Petition for Reconsideration).

GE/NBC/MSNBC/CNBC/Bravo/etc., News Corp./FOX/FX/Fox News/etc., and Time Warner/WB/CNN/TNT/TBS/etc.) controlled about a 75% share of prime-time viewing, not including their nonconsolidated partnerships like A&E, Court TV, and Comedy Central… roughly the same percentage of TV households in prime time as the three nets did 40 years ago. The programming oligopoly appears to be in a process of rebirth."[8]

The so-called "500 Channel Universe" provides no relief from this concentration and lack of diversity of viewpoints and voices. Evidence in the Biennial record shows that of the 91 major cable television networks each available in more than 16 million homes, fully 80 percent (73 networks) are outlets owned or co-owned by the same five giant media conglomerates that control a 75% share of the national audience, plus Liberty Media.[9] The recent takeover of Vivendi/Universal and its USA, Sci-Fi, and other cable networks by GE/NBC makes this concentration even worse. The proposed Comcast takeover of Disney, although now withdrawn, potentially would have made this absence of diverse voices in cable networks and distribution still worse, potentially turning the "500 channels" of cable into one voice – that of Comcast/Disney.[10]

---

[8] Tom Wolzien and Mark McKenzie, *"Returning Oligopoly of Media Threatens Cable's Power,"* Bernstein Research, Sanford C. Bernstein & Co., February 7, 2003, p. 3. This study was completed prior to the purchase by GE/NBC of Vivendi Universal Entertainment, which includes the USA and Sci-Fi Networks, as well as Universal's television production business. This consolidation raises the percentages of concentration of ownership and audience share significantly.

[9] Comments Of The Writers Guild Of America Regarding Harmful Vertical And Horizontal Integration In The Television Industry, Relating To: CS Docket 98-82: *Implementation of Section 11 of the Cable Television Consumer Protection and Competition Act of 1992*, Appendix A, pp. 17-21, January 4, 2002, cited in CCC Comments, pp. 10-11. Now that GE/NBC has taken over Vivendi/Universal, owner of USA and Sci-Fi Networks, the concentration of ownership of cable networks is now worse than these numbers indicate.

[10] "Independent Producers Wary of Proposed Deal," *The New York Times*, February 14, 2004.

Until the last decade, the broadcast of primetime network programming produced by independent production companies not affiliated with those same broadcast networks ensured that the American public received a wide diversity of viewpoints and voices on television, despite the concentration of distribution in a few networks' hands. However, the elimination of structural rules that prevented networks from leveraging their chokehold power of access to the nation's publicly-owned airwaves to take over program production have made the production of programming today just as concentrated as the distribution of programming. The same giant media conglomerates that own the lion's share of the broadcast and cable networks and control the lion's share of the American broadcast and cable television audience also now produce the lion's share of original television programming. For example, of the 40 new series airing on the four major broadcast networks in the 2002 season, 77.5 percent were owned in whole or part by the same four networks, up from 56.3 percent the prior season – an increase of over 37 percent in just one year -- and up from just 12.5 percent in 1990.[11]

As CCVM noted in its Petition for Reconsideration, using the principles the Commission laid down in the 2002 Biennial, the inescapable conclusion is that television today is excessively concentrated and viewpoint diversity is inadequate.[12]

---

[11] William T. Bielby and Denise D. Bielby, *"Controlling Primetime: Organizational Concentration And Network Television Programming Strategies," Journal of Broadcasting and Electronic Media*, Vol. 47, No. 4, pp. 573-596. GE/NBC's takeover of Vivendi/Universal, formerly one of the top non-network suppliers of programming to primetime television, including *Law and Order* and its several spin-offs, make these numbers even worse today.

[12] CCC Petition for Reconsideration, pp. 5-8.

IV. AN *A LA CARTE* OPTION FOR CONSUMERS WILL PROMOTE VIEWPOINT DIVERSITY IN TELEVISION

The Commission asks in its Request for Comment whether the voluntary offering of *a la carte* cable and satellite television would have any effect on diversity of viewpoints on television?

CCVM believes that if cable and satellite operators provide consumers with the voluntary option of ordering channels *a la carte*, the extreme concentration in television will be significantly ameliorated and the Commission's "retail" goal of viewpoint diversity will be substantially advanced.[13]

One of the primary tools that media conglomerates and cable operators use to maintain and strengthen their gatekeeper status is the mandatory requirement that consumers select from among only a few tiers, bundles, or packages of networks offered by the cable or satellite operator. Thus, a consumer who wants only BET, TV One, and Oxygen must either pay for a package containing a hundred or more channels or forego subscribing to those channels. A consumer who wishes to view networks not affiliated with either the cable operator or a media conglomerate with the muscle to force the cable operator to put its network in the bundle may not be able to get them at all, because the cable operator has little incentive to carry that non-affiliated channel in any package.

The media conglomerates' ability to leverage "must carry" of their broadcast networks to force cable operators to take their added – and unwanted -- cable networks or to place them in a preferred tier or channel position is well known. As Time Warner Cable complained to the FCC in its 2000 dispute with Disney/ABC:

---

[13] CCC 2002 Biennial Comments, pp. 27-31.

> *In addition, Disney and ABC have mounted an extensive public relations campaign against Time Warner to elicit more money and better channel positions for various Disney channels: ESPN, ESPN2, Lifetime, The Disney Channel, Toon Disney, and SoapNet, all linked to Time Warner's continued carriage of the ABC O&O Stations.*[14]

Satellite operators also are strong-armed into taking unwanted cable networks from the broadcast network media conglomerates and add them to their packages. In the Echostar dispute with Viacom earlier this year, Echostar wrote:

> *Among Viacom's strong-arm tactics is the demand that DISH Network carry Viacom-owned channels of little or no measurable appeal to viewers in exchange for the rights to carry the 16 owned-and-operated CBS stations. Viacom also threatened to withhold the Super Bowl from DISH Network customers until a federal judge intervened.*[15]

Thus, as the cable and satellite operators themselves admit, the cable networks these operators carry in their packages are not necessarily the networks the public demands, but the ones the media conglomerates demand they carry – or else. Clearly, not only does this distort the market by forcing cable operators to favor conglomerates' networks, it harms viewpoint diversity. While there may be more networks created, inevitably they are affiliated with the conglomerates who want to control as much "shelf space" as possible on the cable system. No new voices are created.[16]

The pernicious effect of this is that cable networks not affiliated with a conglomerate have a powerful incentive to sell all or part of themselves to either

---

[14] "Opposition to Emergency Petition For Declaratory Ruling," Filed by Time Warner Cable, *In the Matter of TIME WARNER CABLE…,* May 2, 2000.

[15] *"Viacom's Demands Create Impasse in Negotiations for Rights to Carry Channels: DISH Network to Lose CBS in 16 Markets,"* News Release of EchoStar Communications Corp., March 9, 2004

[16] As the Commission noted in its 2003 Biennial Report and Order, "outlet ownership can be presumed to affect the viewpoints expressed on that outlet." *Report and Order*, par. 27.

broadcast media conglomerates or cable operators such as Comcast to ensure they get cable carriage. GE/NBC's recent purchases of Bravo, USA, and Sci-Fi networks mean these networks not formerly affiliated with a broadcast network will have far more leverage to either gain cable and satellite carriage or move up to a preferred bundle or channel position. However, their independent voices and diverse viewpoints are gone. In the case of Bravo, NBC replaced much of Bravo's original programming with repeats of shows broadcast earlier on the NBC broadcast network – usually shows which failed on the NBC network -- thus disenfranchising Bravo's former audience and reducing viewpoint diversity.[17] As Leo Hindery, former head of AT&T Broadband says, "New channels owned by independents have little or no chance of success. It was inconceivable to me that that would happen. And I'm not a Pollyanna. I really believed in consolidation."[18]

Thus, even some seemingly "independent" networks that target underserved audiences such as minorities or women are forced to seek investment from media conglomerates to gain carriage on cable systems. BET is now owned by Viacom. When three different sets of African-American entrepreneurs tried to start competing channels to serve the African American audience, only TV One was able to get widespread cable distribution, gaining carriage on Comcast systems after it agreed to sell a substantial portion of itself to Comcast. As for the other two competing channels, New Urban

---

[17] "Master of the NBC Universal," *Broadcasting & Cable*, September 8, 2003.
[18] "Media Moguls have second thoughts," *USA Today*, June 2, 2003.

Entertainment is out of business, and Major Entertainment TV airs on only a few small local cable systems.[19]

Similarly, Oxygen, a cable network targeting women, attempted to secure carriage on major cable systems without great success. Now, with Time Warner and Paul Allen, both cable operator heavyweights, onboard as significant investors, Oxygen is getting more carriage. As Jeff Pryor, who represents the Anime Network, notes, "No money, no carriage [on cable and satellite providers]. No carriage, no money. It's a chicken and egg situation."[20]

As creative artists, we have the utmost respect for Oxygen, TV One, BET, and all other networks that program for underserved audiences. We applaud their achievement in gaining the limited carriage they have. We don't criticize the fact that they've had to sacrifice their independence in order to secure that carriage – that's just the price of doing business in order to gain access to an audience where cable operators are gatekeepers over access to their systems. We simply point out that in an *a la carte* system, there is far less need or incentive for an independent network to give up a significant portion of its ownership to a cable operator or media conglomerate in exchange for securing cable carriage or favorable position in a cable network bundle. *A la carte* empowers the consumer to decide what networks get carriage by taking away the mandatory bundle.

We believe *a la carte* offers an excellent way to get around the extreme gatekeeper power of the cable operators and the lack of diversity of viewpoints when media conglomerates force operators to take their affiliated channels at the expense of

---

[19] "Broadcast Partners to Provide New Black Cable Network," *Black Press International,"* January 26, 2003.

[20] "America, the cable channel," *Orlando Weekly*, July 17, 2003.

non-affiliated channels. Attached as Appendix A is a description of how Videotron of Montreal offers its customers the option of network packages or *a la carte* selection. Under this system, media conglomerate channels such as Viacom's MTV are on an equal footing with "BET" and "W Network," which describes itself as "a compelling and contemporary television network for Canadian women." Consumers who want those two networks that target underserved audiences do not have to pay for – and subsidize -- a premium package larded with channels that they are indifferent to or positively don't want.

Under the Videotron system, the consumer is empowered to choose a wide diversity of channels from a multiplicity of sources, if he so chooses. We believe this market-based approach is a far superior generator of viewpoint diversity in television than are the mandatory packages and bundles crafted behind closed doors by network and cable oligopolists. The latter have shown little interest in promoting viewpoint diversity. Indeed, as the corporate entities most responsible for the extreme vertical and horizontal integration that has so decimated viewpoint diversity in television, it's hard to take their newfound concerns about viewpoint diversity in a voluntary *a la carte* system seriously.

On the contrary, we believe that under an *a la carte* system, many new cable channels targeting underserved audiences and minority communities will start up. One of the biggest barriers to entry – getting into the gatekeeper cable operators' packages – will be ameliorated. The "chicken and egg" problem of "no carriage, no money," described above, will ease considerably, freeing up financing of new network ventures. With so few cable networks today targeting underserved and minority audiences in proportion to the numbers of underserved and minorities who watch television, today's status quo is unacceptable and indefensible. We believe many of new cable network ventures will target those underserved markets.

In addition, we also believe that *a la carte* will remove many consumers' "barrier to purchase" smaller unaffiliated already established networks, such as TV One and Oxygen, as they won't be forced to pay for a larded package full of unwanted channels to get them. Instead, they will be able to pick and choose the networks they want at a reasonable cost, as the Videotron example demonstrates.

While we understand that some incumbent cable networks now targeting underserved and minority audiences do not presently support *a la carte*, we believe the threats they foresee to their business models are overstated. Indeed, we believe *a la carte* could ultimately be good for their business, delivering to them and their advertisers a measurable audience that actively wants their programming. Indeed, we believe the threat to established networks such as TV One, BET, and Oxygen under *a la carte* will come from the new networks that spring up to compete with these incumbents in serving the same audiences. That competition is healthy and in the public interest.

V. VOLUNTARY *A LA CARTE* IS A BETTER STRUCTURAL SOLUTION TO "INDECENCY" IN TELEVISION THAN GOVERNMENT REGULATION OF PROGRAM CONTENT

As media artists passionately devoted to Constitutionally-protected free expression and fearful of government regulation of programming content, we see an additional important benefit to *a la carte* cable and satellite. It provides a smart, structural remedy to the problem of "indecency" on cable and satellite television. *A la* *carte* will allow consumers to not pay for and receive in their homes channels they deem "indecent," as they must presently when those offending cable networks are bundled on a take it or leave it basis with the networks they do want. This is a far better structural solution to the indecency problem than involving the government in regulating content. Government regulation of content chills Constitutionally-protected free, original, creative expression – the very speech the Commission should encourage.[21]

Requiring consumers to take cable networks they don't want creates a significant distortion of the marketplace. Consumers offended by MTV, for example, still contribute to MTV's bottom line because they must pay for a network bundle to view the networks they do want – and MTV is nearly always in that bundle. That market-distorting subsidy to MTV is still paid by the offended consumer even if he technologically blocks MTV on his television or chooses never to watch it. As a result, mandatory cable network bundles may promote the production of indecent content beyond what the marketplace actually demands.

A voluntary *a la carte* option would address this market distortion. *A la carte* thus represents a marketplace structural solution to the problem of indecency, while avoiding the Constitutional questions inherent in government regulation of cable network program content. The American public should not be forced to sacrifice its right and opportunity to watch Constitutionally-protected free, creative "unchilled" expression in order to protect the power of cable operators and media conglomerates to bundle their favored networks to that consumer on a take it or leave it basis.

---

[21] CCVM Letter to FCC Chairman Michael K. Powell, *In the Matter of COMPLAINTS AGAINST VARIOUS BROADCAST LICENSEES REGARDING THEIR AIRING OF THE "GOLDEN GLOBE AWARDS" PROGRAM -- File No. EB-03-IH-011*. "Eye on F.C.C., TV and Radio Watch Words," *The New York Times*, May 10, 2004.

VI. CONCLUSION

CCVM sees significant benefits to giving consumers the voluntary option of choosing *a la carte* the cable and satellite networks they want. *A la carte* will enhance viewpoint diversity. And *a la carte* promotes free, creative expression by empowering the consumer to not subscribe to offending content, enabling government to avoid the Constitutionally-worrisome regulation of cable network content.

For these important public policy reasons, we urge the Commission to support giving consumers the voluntary option of selecting "*a la carte*" the cable networks they care to subscribe to, in addition to maintaining their present option of selecting various packages, bundles, or tiers put together by their cable and satellite providers.

Respectfully submitted,

Jonathan Rintels
Executive Director
Center for Creative Voices in Media

1220 L Street, N.W., Suite 100-494
Washington, DC 20005

(202) 448-1517 (voice)
(202) 318-9183 (fax)

jonr@creativevoices.us

APPENDIX A

How Vidéotron Serves Cable*:

Cable in Canada -- Bundles, Theme Packages and à la Carte

Here's what you have to buy:

1) Basic Digital Cable *All the required channels*	2) Converter Box *Buy, Rent, or Lease*	4) Programming *Choice from 26 different bundles*
$8.24 includes:	Rent -- $9.00/month	iTelemax -- 38 channels -- $20.25
22 TV channels	Purchase -- $45 after credit	iUltra – 65 channels -- $27.75
30 Galaxie music channels		iMega -- 106 channels -- $40.50
14 radio channels Onscreen TV guide	**3) Network Access Fee** *Waived if cable modem user*	20 channels à la carte -- $16.49 30 channels à la carte -- $22.50
PPV and Viewer's Choice	$2.24/month	English or French Movies -- $7.51 *Plus French, English and 9 other specialty theme bundles --* $2-$6

What might the Nielsen Average consumer choose? (Nielsen reports that Americans on average watch up from 12 - 17 channels including local broadcast)

```
        Basic Digital Cable + network fee
    $10.49
        Rents one box (already purchased one other)
$9.00
        Picks 20 Channels of the 90+ offered      +
$16.49
        Total per month
    $35.98 US
```

If the average consumer could pick this kind of service, they'd pay only $36 US—all inclusive.

Create your bundle—or buy individually these 93 channels:

A&E	Discovery Health Channel	MusiMax	Speed Channel
ABC Burlington (WVNY)	Drive-in Classics	MusiquePlus	Spike TV – TV for Men
Animal Planet	ESPN Classic Canada	Mystery	Star – Canadian Showbiz
ARTV	EuroNews	National Geographic Channel	TBS Atlanta
BBC Canada	Family	NBC Plattsburgh (WPTZ)	TechTV Canada
BBC Kids	Fashion Television Channel	NHL Network	Telelatino
Black Entertainment (BET)	Food Network Canada	OLN (Outdoor Life Network)	Teletoon (English)
Book Television	Fox Sports World	ONE: Body, Mind & Spirit	Télétoon (French)
Bravo!	FOX Plattsburgh (WFFF)	PAX TV	The Biography Channel

Canal D	Game Show Network	PBS Plattsburgh (WCFE)	The Comedy Network
Canal Vie	Home & Garden Television	PBS Vermont (WETK)	The Documentary Channel
CBC Country Canada	i Channel – Documentaries	Planete	The Golf Channel
CBS Burlington (WCAX)	IFC -- Independent Films	Prime TV	The Learning Channel (TLC)
CLT -- Justice, Crime, Nature	Le Canal Nouvelles -- ___Quebec News	Report on Business ___Television	The Score – Stats and Scores
CNBC	Life Network	Réseau des sports (RDS)	The Sports Network (TSN)
CNN	Lonestar	Réseau France Outremer	Treehouse
CNN Headline News	Mentv	Rogers Sportsnet	TV Land
Country Music Television	Movieola – Short Films	SCREAM	TVOntario -- Educational TV
Court TV Canada	Mpix – "More movies"	Sextv: The Channel	Vision TV
CTV Newsnet	MSNBC	Showcase	Vrak.TV
CTV Travel	MTV Canada	Showcase Action	W Network
Déjà View – TV Favorites	MuchMoreMusic	Showcase Diva	XTreme Sports
Discovery Channel	MuchMusic	Space TV	YTV
Discovery Civilization			

If you choose a theme pack or a bundle, you can purchase additional channels:

Per channel $1.13/month — 10 extra channels $6/month
5 extra channels $3.75/month — 20 extra channels $10.51/month

Compare to Comcast in Arlington, VA:

Expanded Basic Cable + converter: $47.07 US
Digital Plus (the cheapest digital package): $65.01 US

Disclaimers:

1) Most cable channels are available on an a la carte basis—but some programmers require their channels be purchased as part of a bundle. So you can pick them for what Videotron calls the "a la carte" bundle, but they aren't available individually.

2) Canadian law requires half of the channels in any bundle you choose be "Canadian." Many, if not most, American channels, like TVLand, TechTV, MSNBC, Discovery, Food Network, and more, have undergone "Canadafication" to fit the requirements of the law and be considered "Canadian".

3) All conversions from CAD to USD obtained from http://finance.yahoo.com/currency, 07/01/2004.