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NATIONAL CABLE & TELECOMMUNICATIONS ASSOCIATION

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EX PARTE

January 26, 2005

The Honorable Michael K. Powell
Chairman
Federal Communications Commission
445 12th Street, S.W., Rm. 8-B201
Washington, D.C. 20554

Re: CS Docket No. 98-120, MB Docket No. 03-15

Dear Chairman Powell:

We would like to provide an update on the cable industry's efforts to assist in the digital transition.

The cable industry continues to make great strides in deploying high-definition television. As of January 1, 2005, cable operators in 184 (out of 210) TV markets offer a package of HDTV services. This figure includes all of the top 100 Designated Market Areas (DMAs). By comparison, HDTV was available in 143 markets in December 2003. In just over a year's time, the number of markets in which cable offers HDTV has increased 28 percent.

HDTV is being deployed by smaller cable operators as well as the major operators. For example, in Bend, Oregon (DMA rank #199), BendBroadband carries three broadcast stations (including one public television station) in addition to six popular cable HD services. In Cheyenne, Wyoming (DMA rank #196), Bresnan Communications today offers five cable HD channels and one local broadcast station's digital signal.

Despite claims to the contrary by broadcasters, this most recent data confirm that when local broadcasters offer HDTV or other compelling digital content, cable operators are willing and desirous of providing it to customers. As of January 1, 2005, 504 local digital broadcast stations were being carried by cable systems. This represents an increase of 50 stations from 454 in September 2004, and of 200 from 304 in December 2003. Such voluntary carriage by operators reflects real market demand, not government-mandated forced carriage. It illustrates beyond doubt the ability of broadcasters with desirable content to be carried on cable systems.

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In addition, 18 cable networks now offer HD programming during some or all of their network schedules, in broad genres including movies, sports and general interest.

Consumer availability of HDTV via cable has thus grown enormously since its commercial introduction by cable operators in 2002. Of the 108 million U.S. TV households today, 92 million are now passed by a cable system that offers a package of HDTV programming, an increase of more than 31 percent since December 2003.

These data show that additional government-imposed carriage obligations are not necessary to promote the digital transition. Cable will continue to provide signals customers want, including and especially highly valued digital content,

Sincerely,

/s/ Daniel L. Brenner

Daniel L. Brenner

cc: Marlene H. Dortch, Secretary, for inclusion in CS Docket No. 98-120, MB Docket No. 03-15
Commissioner Kevin J. Martin
Commissioner Michael J. Copps
Commissioner Jonathan S. Adelstein
Commissioner Kathleen Q. Abernathy