

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)
)
RFD Communications, Inc.) MB Docket No. 06-92
DBS Set-Aside Qualifications)
)

To: Office of the Secretary
Attn: Media Bureau

REPLY COMMENTS OF FARM JOURNAL, INC.

Farm Journal, Inc. (“Farm Journal”), by its attorneys, hereby submits these Reply Comments in response to the Comments filed in this docket by RFD Communications, Inc. (“RFD”), Free Press, America One Television Network, and others.¹

Virtually every Comment in this docket that was not written or solicited by RFD confirms that RFD has and continues to air blatantly commercial programming and, as a result, RFD is not eligible for carriage on any direct broadcast satellite (“DBS”) set-aside channel. Even RFD’s Comments – the insulting rhetoric and demonstrably false assertions notwithstanding – only confirm that RFD can point to no evidence demonstrating that it has ever attempted to satisfy the Congressional eligibility requirements.

Based on the uncontroverted record in this docket, the Commission must declare that RFD is not eligible for carriage on any DBS set-aside channel, and the Commission should take whatever enforcement actions it deems necessary to punish and deter the conduct that has cost the public the benefit of the *noncommercial* programming intended by Congress and the Commission.

¹ RFD styled its June 5, 2006 submission as “Opposition . . . to Farm Journal, Inc. Petition for Declaratory Ruling.” As an Opposition, RFD’s pleading is late filed by 179 days. *See* 47 C.F.R. § 1.45. In fact, RFD’s pleading is an early-filed set of Reply Comments because the pleading responds to the Comments in the record. In any event, Farm Journal hereafter refers to RFD’s pleading simply as “RFD’s Comments.”

I. The Commission Should Not Be Fooled by RFD's Smokescreen.

RFD's Comments are a transparent effort to distract the Commission from the issue at hand. The first twenty-two of the twenty-five pages that constitute RFD's Comments discuss certain educational and informational content broadcast on RFD-TV without a word about the commercials, infomercials, and shop-at-home programming that are the subject of this proceeding.

No commenter, of course, has questioned the value of the educational programming that RFD has aired. Farm Journal, in fact, acknowledged this in the Introduction to its Comments. Why then would RFD spend nearly 90% of its filing discussing educational programming unless it did not want the Commission to focus on the only issue before it? The Commission should look through RFD's smokescreen and focus on the real issue: whether RFD may continue to maintain that RFD's extensive commercial programming and activities are consistent with Congress' explicit requirement that DBS set-aside programming be *both* educational *and* noncommercial.²

Apparently, under RFD's analysis, it is sufficient that RFD (i) certified to the DBS operators that it is an eligible program supplier, and (ii) has aired at least some educational and infomercial programming directed at an underserved and deserving audience. This novel approach would have the Commission read the word "noncommercial" completely out of the statute (and rules and implementing orders). It follows from RFD's approach that the educational and informational commercial content on the following channels, to name just a few, also may be carried on the DBS set-aside channels: all of the various Discovery Channels, History Channel, Food Network, Animal Planet, Golf Channel, and (according to its defense of live, shop-at-home livestock auctions) even the Home Shopping Network and QVC. Under RFD's novel interpretation of the law, any of these

² Communications Act of 1934, 47 U.S.C.A. § 335(b)(1); 47 C.F.R. § 25.701; *Implementation of Section 25 of the Cable Television Consumer Protection and Competition Act of 1992, Direct Broadcast Satellite Public Interest Obligations*, Report and Order, 13 FCC Rcd 23254 (1998), *on recon.*, 19 FCC Rcd 5854 (2003), *vacated in limited part*, 19 FCC Rcd 5647 (2004) (replacing political broadcasting requirements and guidelines concerning commercialization of children's programming).

programmers could declare, without any support (or apparent desire to support) that they are eligible for carriage.³

RFD's position is specious at best. While some of RFD's programming may be educational or informational, at least a significant amount is patently commercial. Congress and the Commission require "all" DBS set-aside programming to be educational and noncommercial, not "most," "much," or "some." Farm Journal trusts that the Commission will not be distracted by RFD's smokescreen and instead will consider the detailed and uncontroverted facts in the record, all of which demonstrate unequivocally that RFD is not eligible for carriage on any DBS set-aside channel.

II. RFD's Live, Shop-At-Home Auctions Are Unquestionably Commercial Programming.

Farm Journal's Petition and Comments supplied the Commission with detailed transcripts and extensive video footage of just a handful of the countless live auctions that RFD has aired on behalf of a large for-profit livestock auction company (Superior Livestock Auctions, Inc.), some of which RFD aired even *after* it represented to the Media Bureau staff that it "has established a detailed plan to ensure compliance. . . ."⁴ According to RFD's own website, these auctions permit viewers to "sit in the convenience of their homes or offices to view, evaluate and make selections from cattle across the country," and then bid to purchase the products (cattle) offered by the program hosts.⁵ Could the Home Shopping Network or QVC represent to the Commission, under penalty of perjury,

³ See, e.g., RFD Comments at p. 4 ("All of the programming distributed on RFD is carried because RFD has concluded that service [sic] provides specific educational or informational value to its viewers." RFD's sole purpose is "providing educational programming to rural homes and fostering the viability of the farming community.").

⁴ Ex Parte Notice, RFD Communications, Inc. (May 18, 2006); Farm Journal Comments, Exhibit B.

⁵ See Farm Journal Comments, Exhibit D (RFD-TV Website, "Superior Livestock AUCTION," at <http://www.rfdtv.com/shows/superior.asp> (last visited May 18, 2006)).

that live, interactive telesales presentations to television viewers are anything but commercial activity?⁶

Incredibly, RFD does. It claims that the airing of shop-at-home auctions on the noncommercial DBS set-aside channels “is fully consistent with the network’s noncommercial educational objectives.”⁷ This preposterous assertion insults the intelligence of the parties participating here. Watching the auctions may provide some wrap-around educational benefit, just like any other shop-at-home program, yet educating the audience is hardly the purpose of these auctions. If RFD truly wanted only to educate viewers about the prices charged for cattle, why not produce a short recap program rather than air the entire eight-hour auction? Why not delay the auction by a few days, or even an hour, so as to prevent the broadcast from being shown “live”?

Why, indeed, does RFD air an auction preview program before the auction in which it highlights the cattle to be offered, provides the telephone number for viewers to call to become qualified bidders, and encourages active viewer participation? There can be no question that RFD airs for-profit shop-at-home cattle auctions for a commercial purpose.

RFD’s fantastic claims do not end here. Its Comments also misrepresent to the Commission that RFD “does not encourage or facilitate participation in an auction by viewers” and that “the ‘public’ can not and is not participating in the actual auction.”⁸ In truth, RFD provides viewers with on-air contact information and instructions on how to qualify as bidders, and it encourages active bidding by its viewers both during its preview show and on its website. For example, the one-hour May 4, 2006 auction preview show features Superior’s announcer urging:

⁶ Cf., *Implementation of Section 4(g) of the Cable Television Consumer Protection and Competition Act of 1992*, Report and Order, 8 FCC Rcd 5321, 5330 (1993) (determining that “broadcast stations that are predominantly utilized for the transmission of sales presentations or program length commercials” qualify as “commercial television stations” under the 1992 Cable Act).

⁷ RFD Comments at p. 17.

⁸ RFD Comments at p. 15.

Tune in to RFD TV Saturday, May 6th at 10:30 Central to catch the preview and catch the auction following at 11:00. For more information contact Superior Productions at 800-431-4452, or Superior-Livestock-dot-com. **Don't miss your opportunity to bid on the best quality cows in the industry.**⁹

RFD's website similarly encourages and facilitates viewer participation in Superior's for-profit auction transactions:

Many purebred cattle breeders have seen the advantage of broadcasting their bull and female production auctions via satellite. The increased exposure and new buyers have resulted in more successful auctions for the breeders. . . . **Individuals may register as a buyer by contacting the breeder or calling Superior. . . . If you want more information about buying or selling livestock on Superior you can call 817-624-3800, or log on to www.superiorlivestock.com.**¹⁰

Finally, the hosts of a recent Superior Productions horse auction make clear that RFD's auction programming has a predominantly, if not singular, commercial purpose:

[Ted Odle] **For those of you watching on RFD-TV, welcome. We're glad to have you. If you are a successful bidder today, Cody or Dawn, or somebody will be getting a hold of you.**

[Cody Cribbs] **We'll help you in any way, especially you people that are bidding on RFD-TV, we'll keep these horses for you here and try to help you make arrangements to get 'em hauled.**¹¹

RFD aggravates its false denials of encouraging or facilitating viewer participation in livestock auctions by representing that each auction broadcast, after processing, up-linking, and down-linking, "is no longer 'live.'"¹² This assertion is absurd. RFD broadcasts the auctions live – as they happen – and the RFD-TV feed appears in viewers' homes after a mere two- to three-second delay. The auctions are every bit as "live" as QVC's sale of diamond necklaces, CBS' coverage of

⁹ Farm Journal Comments, Exhibit B.

¹⁰ Farm Journal Comments, Exhibit D.

¹¹ *Superior Horse Auction* (broadcast by RFD on May 27, 2006) (attached here as Exhibit A).

¹² RFD Comments at p. 15, n. 19.

the Super Bowl Halftime Show, and ABC's coverage of the Academy Awards.¹³ The Commission should inquire how RFD, consistent with its duty of candor, represents to the Commission that the auctions are "no longer 'live'" while, at the same time, RFD advertises its broadcasts of Superior's livestock auctions as "live" during the auction preview programs, during the auctions themselves, and on its own website.¹⁴

Farm Journal submits that neither the Commission nor the DBS operators legitimately can trust the representations of a programmer who declares, under penalty of perjury, that its live, shop-at-home auctions are "fully consistent" with the reserved channels' noncommercial requirements.

III. RFD's Actions Demonstrate the Futility of the Commission and the DBS Operators Relying on Its Assertions.

RFD's demonstrably false assertions as to the noncommercial nature of its shop-at-home livestock auctions are but the tip of the iceberg with regard to RFD's non-compliance. In 2000, RFD certified to the IRS that it would operate a television network without commercials and, **unless it obtained prior FCC approval**, without live shop-at-home livestock auctions.¹⁵ At about the same time, it apparently represented to DirecTV and EchoStar that it fully qualified as a non-commercial programming supplier, with non-commercial programming eligible for one of their few DBS set-aside channels. When presented with Farm Journal's concerns over its pervasive commercial programming over one year ago, RFD dismissed Farm Journal's concerns. Likewise, RFD took no action to respond to Farm Journal's Petition after it received it in early December 2005.

¹³ The widespread use of five-second time-delays to prevent the broadcast of indecent content suggests that RFD's airing of Superior's livestock auctions may now experience even less delay than the "live" broadcasts of major sporting and other events.

¹⁴ Auction and Auction Preview transcripts, Farm Journal Comments, Exhibit B (video footage previously supplied to the FCC on DVD); RFD Website, About Us, *available at* <http://www.rfdtv.com/about.asp> (last visited June 7, 2006).

¹⁵ RFD Communications, Inc. Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code (IRS Form 1023), Part II, Lines 1 and 2 (Nov. 7, 2000) (attached here as Exhibit B).

In response to the Commission's Public Notice, RFD represented in a meeting with Media Bureau staff that RFD operates non-commercially and "has established a detailed plan to ensure compliance with FCC's relevant underwriting standards."¹⁶ All the while, RFD continued to air commercials, infomercials disguised as news programs, and, of course, live auctions.¹⁷ Indeed, despite representing in Comments, filed on June 5, 2006, that it had adopted a "stringent compliance program" and otherwise broadcasts only noncommercial programming,¹⁸ RFD's commercial activity continues to this day. On June 13, 14, 15, and 16, 2006, for example, RFD broadcast 30 *daytime* hours of *live*, shop-at-home livestock auctions.¹⁹ RFD's tardy and apparently insincere response to these very serious allegations makes any reliance on RFD's representations as to its future conduct wholly unreasonable and unjustifiable.

RFD's Comments provide additional bases for discounting RFD's pledges and promises. For example, it repeatedly dismisses Farm Journal's assertions as "unsubstantiated."²⁰ In truth, the only evidence in the record comes from Farm Journal and others who fully substantiated their assertions with transcripts, screen shots and DVDs of RFD's actual programming, and declarations of individuals with personal knowledge of the facts. In contrast, RFD's sole "support" for its assertions comes from the Declaration of Kevin J. Cloonan. It should come as no surprise that this Declaration

¹⁶ Ex Parte Notice, RFD Communications, Inc. (May 18, 2006).

¹⁷ *See generally*, Farm Journal Comments.

¹⁸ RFD Comments at p. 22.

¹⁹ RFD Website, "Program Schedule," available at <http://www.rfdtv.com/schedule.asp> (last visited June 12, 2006). Additionally, RFD produced and aired a further *RFD Live* Tractor Supply Company infomercial on May 22, 2006 (coincidentally, the original closing date of the Comment period in this proceeding)

²⁰ *E.g.*, RFD Comments at pp. 15, n. 24.

does not attest that the declarant has any actual or personal knowledge of the assertions in the pleading. Indeed, Mr. Cloonan joined RFD only recently.²¹

While all of the examples are too numerous to mention, the Commission in particular should consider these “myths” when assessing RFD’s representations:

- ◆ **Myth:** “Public Comment received to date demonstrates overwhelming support for the educational nature of RFD’s programming.”²²
Reality: RFD conveniently ignored Comments reporting that an RFD program host sent at least one mass email message soliciting email Comments. This RFD program host urged people on his email list to “copy the text below, replace your information and email to [the FCC].” The canned text said, in part, “it would be a huge mistake . . . to find that RFD is not providing a needed educational public service.” One DBS subscriber’s Comments described this email campaign as a “blatant attempt to influence people who have no idea as to the real purpose of educational television and get them to write letters to [the FCC].”²³
- ◆ **Myth:** RFD should not be held accountable because it does not insert or sell any commercial advertising spots and because the FCC does not impose a standard of strict liability.²⁴
Reality: As RFD surely knows, the FCC routinely sanctions regulated entities for programming supplied by others.²⁵ RFD’s attempt to shift the blame to its programming suppliers is therefore wholly lacking in merit.
- ◆ **Myth:** “[T]he IRS reaffirmed RFD’s classification as a ‘public charity’ exempt from taxation under Section 501(c)(3) of the tax code.”²⁶
Reality: RFD supplied an IRS form letter that merely notifies RFD that it would be classified as a public charity rather than a public foundation “[b]ased on the information you submitted.” The IRS did not conduct an audit or otherwise review the veracity of the representations that RFD made in its application. Nor did the IRS make a finding that RFD, in fact, operates as public charity consistent with applicable tax law.
- ◆ **Myth:** “Nearly one-third of RFD’s annual revenues are derived from \$30 individual donations.”²⁷

²¹ See RFD Comments at p. 23. The Commission might inquire why RFD’s founder and long-time president did not submit a declaration under penalty of perjury.

²² RFD Comments at p. 10 and n. 7, 8.

²³ Comments of Earl S. Smittcamp, Clovis, CA.

²⁴ See RFD Comments at p. 21.

²⁵ See, e.g., *Complaints Against Various Television Licensees Concerning Their December 31, 2004 Broadcast of the Program “Without a Trace,”* File No. EB-05-IH-0035, FCC 06-18 (rel. Mar. 15, 2006); *United Television, Inc. (KMSP-TV)*, 15 FCC Rcd 2794 (MB 2000) and cases cited therein.

²⁶ See RFD Comments at pp. 11-12.

²⁷ RFD Comments at p. 12 and n. 15 (emphasis added).

Reality: The facts prove otherwise. RFD bases its assertion on the \$30 subscription it charges for *RFD-TV: The Magazine*. Because subscribers may not take a charitable deduction for subscribing to the magazine, Treas. Reg. § 1.170A-1(h), the magazine subscription revenue must be treated as program service revenue, Treas. Reg. § 1.509(a)-3(f). Accordingly, RFD’s last available tax return (2003 Form 990) correctly lists all of RFD’s revenue from the magazine subscriptions as program service revenue and none of it as contribution revenue. RFD does not describe itself as a non-profit or characterize magazine subscriptions as “donations” or “contributions” on its website or in its magazine. Indeed, RFD pays the for-profit commercial postage rate when sending *RFD The Magazine* to subscribers rather than the discounted rate that the USPS provides to non-profits’ mailings.²⁸

- ◆ **Myth:** “Contrary to Farm Journal’s unsubstantiated allegations, RFD does not ‘sell’ any time for advertising, and does not receive any income from the sale of any product or service by any program supplier.”²⁹

Reality: The record refutes this RFD denial in great detail. Turner Media Group commented that several advertising clients can get a “lower rate for content distribution from RFD,” presumably because RFD has lower DBS access costs due to its set-aside status. In another Comment, America One Television Network, which has experience supplying programming to RFD, stated that “[RFD program suppliers] have been asked to essentially ‘buy time’ in order to promote their commercial video sales and other commercial products.” Moreover, Farm Journal’s Petition documented how RFD’s latest tax return reported considerable profit from selling air time.³⁰ Whether RFD takes a cut of commercial transaction profits from livestock auctions or viewer purchases resulting from live auctions, program-length infomercials, or advertising spots is irrelevant: broadcasting commercial entities’ advertisements for commercial products is clearly commercial programming.

- ◆ **Myth:** “Farm Journal also mislabels RFD Live as ‘pay-for-play programming.’”³¹

Reality: While RFD’s Comments bragged about the news and public affairs content covered in various *RFD Live* episodes, ignoring the hour-long *RFD Live* infomercials that Farm Journal detailed, its evidence proves too much.³² If viewers expect similar news and public affairs when they tune into *RFD Live*, airing an hour-long infomercial promoting a corporation’s products during random *RFD Live* episodes create further, not less, confusion. RFD’s claim is akin to CBS protesting that a handful of infomercials on Sunday evenings under the *60 Minutes* banner,

²⁸ E.g., RFD Website, available at <http://www.rfdtv.com/> and <http://www.rfdtv.com/about.asp> (last visited June 7, 2006); “RFD The Magazine” (excerpts attached here as Exhibit C).

²⁹ RFD Comments at p. 13.

³⁰ Farm Journal Petition, Attachment 1 at pp. 6-8. To date, RFD’s 2004 IRS Form 990 has not appeared in the Guidestar database. RFD has not provided a copy of the filing to Farm Journal in response to Farm Journal’s written demand under Section 6104(d) of the Internal Revenue Code.

³¹ RFD Comments at p. 4.

³² Farm Journal enclosed transcripts of these infomercials in Exhibit C of its Comments and provided video footage to the Commission on a DVD. Farm Journal is aware of at least seven *RFD Live*-branded corporate infomercials that aired in the past five months (*i.e.*, January 23, 2006; March 13, 2006; March 20, 2006; March 27, 2006; April 10, 2006; April 24, 2006; and May 22, 2006).

hosted by *60 Minutes*' regular hosts, are appropriate because numerous other *60 Minutes* episodes offer news and public affairs content.

- ◆ **Myth:** Farm Journal's claim that John Head, a Specialty Fertilizer Products dealer, was planted as a caller in its April 10, 2006 *RFD Live Specialty Fertilizer Products* infomercial was "unsubstantiated."³³

Reality: Exhibit C to the Farm Journal Comments, including the transcript, video footage, and declaration, provides ample substantiation for the fact that Mr. Head appeared as a caller to the show *before* RFD released the call-in number. The timing of his bogus call (not to mention his conversation) with the hosts confirms that RFD or the corporate sponsor gave Mr. Head, who Farm Journal confirmed is an SFP dealer, an inside studio line before inviting the public to call.

- ◆ **Myth:** "Beginning last winter . . . RFD voluntarily took numerous steps to bolster its review process to ensure that all programming distributed on the network satisfies the underwriting requirements."³⁴

Reality: If RFD took any action to comply with the Congressional and Commission requirements, it was by no means "voluntary," it was compelled by law as well as long overdue. The record here, however, is replete with transcripts and recordings of blatant commercial programming aired by RFD throughout the last several months.

IV. The Commission Should Return the DBS Channels to Qualified Programmers.

A *bona fide* noncommercial, educational programmer easily could have, and surely would have, provided ample evidence demonstrating its eligibility for a DBS set-aside channel should any question have arisen about this important government benefit. Such a programmer would not dismiss out-of-hand an extensive expert analysis of its last available tax return as "speculative." Instead, it would have rushed to remove any doubts by opening its financial records to an independent tax auditor who could attest to the programmer's compliance with the applicable requirements for non-profit entities. A *bona fide* programmer also could have mustered the support of actual donors and sponsors, submitted transcripts and DVDs of noncommercial programming, provided evidence that its air time sales did no result in improper profit, and offered a full accounting of its programming through logs and other records.

In contrast to a full, honest, decisive, and quick response to what may only be described as very serious facts, RFD ignored numerous opportunities to respond in any constructive manner for

³³ RFD Comments at p. 17, n. 24.

³⁴ RFD Comments at p. 5.

six months. It instead dismissed the rising calls of concern, helped orchestrate an email scare campaign, attempted to deflect attention away from the real issue, withheld financial data, and propounded false representations and countless self-serving denials..

Farm Journal submits that the truth can be determined simply enough by listening to what RFD is not saying. If neither the Commission, nor DirecTV, nor EchoStar reasonably can rely on RFD to be honest about the past, surely none can rely on RFD to comply with the Congressional mandates going forward.

V. Conclusion

Extensively detailed evidence provided by Farm Journal, as well as every Comment not authored or manufactured by RFD, compels the Commission to conclude that RFD is ineligible to provide programming on a DBS set-aside channel. Indeed, not even DirecTV or EchoStar Satellite Corporation have opposed Farm Journal's Petition. The Commission therefore should investigate fully RFD's representations to the Commission and the extent to which its actions and omissions are consistent with the unambiguous Congressional and Commission requirements. Under no circumstances should the Commission consider, through the use of a consent decree or other mechanism, entrusting RFD to come into compliance at some point in the future with the requirements that it has wantonly and deliberately disregarded for five years.

Respectfully submitted,

FARM JOURNAL, INC.

By: /s/ John R. Feore, Jr.

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June 16, 2006

Its Attorneys

Exhibit A

RFD-TV Auction Programming Transcript Excerpts

Superior Productions Horse Auction on RFD-TV May 27, 2006 total time 2 hours, 30 minutes

[Intro & Setup]

(voice of Ted Odle) ... Folks, these are the gentleman that we're working for today and their wives, as well. On behalf of myself, Ted Odle, from Brush Colorado representing Superior Productions, we're sure glad to be here. We've got a lot of good horses to show you. We're not going to waste a lot of time telling you a bunch of stories that we don't know anything about. We're going to move right through the sale. I know before we get going, we would like - I know Cody [has] got a few things he would like to tell ya about the horses. *For those of you watching on RFD-TV, welcome. We're glad to have you. If you are a successful bidder today, Cody or Dawn, or somebody will be getting a hold of you. Probably yet this afternoon or Monday or Tuesday on where to get your horses and things.* With no further ado, I'm gonna turn it over to Mr. Cody Cribbs and we're going to get going here in just a few minutes.

(Voice of Cody) Thanks Duke. Everybody, I appreciate you coming. I just want to to say a few things. We've had a lot of people call wondering about the freight and the hauling. I did call a guy in Oklahoma City that works out of the Heritage sale up there and he said if you bought one horse and you wanted to haul one horse, it'd be \$1.50 a mile. But if you could get a set of horses together, it could go down to .65¢ per mile. *We'll help you in any way, especially you people that are bidding on RFD-TV, we'll keep these horses for you here and try to help you make arrangements to get 'em hauled.* We'll keep 'em here for a week, 10 days till we can get you in a position so it doesn't cost as much, wherever there's a possibility we can make arrangements to cut that freight a lot ...

[Further intro]

[Auction]

Exhibit B

**RFD Communications, Inc. IRS Application for Recognition of Exemption Under
Section 501(c)(3) of the Internal Revenue Service Code (IRS Form 1023) (Nov. 11, 2000)**

1705332100104

Form **1023**
(Rev. September 1998)
Department of the Treasury
Internal Revenue Service

Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code

OMB No. 1545-0056

Note: If exempt status is approved, this application will be open for public inspection.

Read the instructions for each Part carefully.

A User Fee must be attached to this application.

If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to you.

Complete the Procedural Checklist on page 8 of the instructions.

Part I Identification of Applicant

1a Full name of organization (as shown in organizing document) <u>RFD Communications, Inc.</u>		2 Employer identification number (EIN) (If none, see page 3 of the Specific Instructions.) <u>Applied For 75-2916745</u>
1b c/o Name (if applicable) <u>Patrick Gottsch</u>		3 Name and telephone number of person to be contacted if additional information is needed <u>Patrick Gottsch (972) 745-2248</u>
1c Address (number and street) <u>144 Meadowglen Circle</u>	Room/Suite	4 Month the annual accounting period ends <u>December</u>
1d City, town, or post office, state, and ZIP + 4. If you have a foreign address, see Specific Instructions for Part I, page 3. <u>Coppell, Texas 75019</u>		5 Date incorporated or formed <u>May 19, 2000</u>
1e Web site address <u>None</u>	6 Check here if applying under section: a <input type="checkbox"/> 501(a) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k) d <input type="checkbox"/> 501(n)	
7 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.		
8 Is the organization required to file Form 990 (or Form 990-EZ)? <input type="checkbox"/> N/A <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach an explanation (see page 3 of the Specific Instructions).		
9 Has the organization filed Federal income tax returns? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.		

POSTMARK RECEIVED
NOV 9 '00 NOV 13 '00

CINCINNATI
SERVICE CENTER

10 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING. (See Specific Instructions for Part I, Line 10, on page 3.) See also Pub. 557 for examples of organizational documents.)

- a Corporation — Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also include a copy of the bylaws.
- b Trust — Attach a copy of the Trust indenture or Agreement, including all appropriate signatures and dates.
- c Association — Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of the bylaws.

If the organization is a corporation or an unincorporated association that has not yet adopted bylaws, check here

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please Sign Here

Patrick Gottsch
(Signature)

President
(Type or print name and title or authority of signer)

11/7/00
(Date)

For Paperwork Reduction Act Notice, see page 7 of the instructions.

ISA
STFFED2129F.1

Part II Activities and Operational Information

- 1 Provide a detailed narrative description of all the activities of the organization — past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

RFD Communications, Inc. ("RFD") is organized to produce and accumulate noncommercial Public Interest television programming of an educational or informational nature for distribution primarily through DBS (direct broadcast systems), cable, and other methods available. The network serves rural America, Land Grant Colleges & Universities, High Schools, and other interested parties with a variety of programming in compliance with the Public Service Requirements of the Communications Act, 47 U.S.C. Sections 154, 303, 335, 309, and 554 and the FCC Report and Order, FCC 98-307 and 99-367.

At this time, RFD has secured a contract to initiate broadcasting this service with Echostar Satellite Corporation beginning December 15, 2000. It is RFD's intention to make this programming available to all distribution methods offered to RFD in compliance with FCC guidelines, in order to serve as many homes and institutions with its unique, and previously unavailable, programming.

RFD's efforts will be funneled into organizing, and producing, television programming to fill a 24-hour, seven-days-a-week schedule. RFD will offer the opportunity to contribute programming to this schedule by other qualified, nonprofit rural associations and organizations such as Future Farmers of America and State Farm Bureaus, as well as, Land Grant Colleges and Universities located in all 50 states. In addition, RFD will produce programming on a daily basis that is information based, with a special focus on rural news and events not covered by any other broadcast entity.

RFD is prevented from selling traditional advertising spots in this programming per rules established by FCC mandates for Public Interest Programming. The channel will be offered at no charge to all Dish Network subscribers as per these same mandates.

- 2 What are or will be the organization's sources of financial support? List in order of size.
See Attachment.

- 3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative copies of solicitations for financial support.

RFD's fundraising will be by personal contact with prospective sponsors. For example, RFD will begin its fundraising program by attending the National Association of Farm Broadcasters Convention on November 7-10, 2000. At this convention, initial contacts will be made with a large number of agricultural related companies and organizations. Individual presentations will be made on a follow-up basis after this event, and throughout the coming year.

Form 1023, Part II, Line 2
RFD Communications, Inc.
144 Meadow Glen Circle
Coppell, Texas 75019
EIN: Applied For

Form 1023, Part II, Line 2

Sale of Promotional Products. RFD will promote the sale of products related to its broadcasts to provide on-going support for operations and the expansion of the programming fare offered. These items will initially include videotapes of requested programming, home-satellite systems, and related network promotional items.

Sponsorships & Donations. RFD will solicit the support of companies, associations, organizations, and individuals with rural interests to sponsor selective programming and to fund on-going operations of the network similar to PBS.

Broadcast of Live Cattle (or Other Livestock) Auctions. RFD would like to broadcast live cattle (or other livestock) auctions from around the country for two educational reasons: (1) it informs those involved in the cattle industry as to the going price of different kinds and weight of cattle in different parts of the country, and (2) it introduces livestock auctions to the general viewing public. It would also be of significant benefit financially because the producers of the auctions would pay RFD for airing the auctions. The auctions would also produce other incidental benefits. For example, one auction company has volunteered to have its camera crews take video footage for Farm Family and Ranch Family stories highlighting families from around the country which RFD would like to produce. RFD plans to request the Federal Communications Commission permit it to air the live auctions. If permission is granted, RFD will seek to add live auctions to its programming. The auctions will amount to less than 5% of yearly airtime and are expected to produce less revenue than the other two categories of support.

Part II Activities and Operational Information (Continued)

4 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation
Patrick Gottsch, Director, Chairman of the Board, President 144 Meadowglen Circle, Coppell, Texas 75019	\$60,000 *
* Compensation is for full-time job as General Manager John Gesek, Director, Treasurer 465 S. Denton Tap, Coppell, Texas 75019	\$0
Ray A. Burgess, Director, Secretary 2040 Loop 336 West, Suite 125, Conroe, Texas 77304	\$0

c Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? Yes No
If "Yes," name those persons and explain the basis of their selection or appointment.

d Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See Specific Instructions for Part II, Line 4d, on page 3.) Yes No
If "Yes," explain.

5 Does the organization control or is it controlled by any other organization? Yes No
Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship with another organization by reason of interlocking directorates or other factors? Yes No
If either of these questions is answered "Yes," explain.

6 Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than a 501(c)(3) organization): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees? Yes No
If "Yes," explain fully and identify the other organizations involved.

7 Is the organization financially accountable to any other organization? Yes No
If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

Part II Activities and Operational Information (Continued)

8 What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If none, indicate "N/A."

N/A

9 Will the organization be the beneficiary of tax-exempt bond financing within the next 2 years? Yes No

10a Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement? Yes No

b Is the organization a party to any leases? Yes No
If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties. Yes No

11 Is the organization a membership organization? Yes No
If "Yes," complete the following:

a Describe the organization's membership requirements and attach a schedule of membership fees and dues.

b Describe the organization's present and proposed efforts to attract members and attach a copy of any descriptive literature or promotional material used for this purpose.

c What benefits do (or will) the members receive in exchange for their payment of dues?

12a If the organization provides benefits, services, or products, are the recipients required, or will they be required, to pay for them? N/A Yes No
If "Yes," explain how the charges are determined and attach a copy of the current fee schedule.

b Does or will the organization limit its benefits, services, or products to specific individuals or classes of individuals? N/A Yes No
If "Yes," explain how the recipients or beneficiaries are or will be selected.

RFD's television programming will be capable of being seen by DISH Network subscribers at no additional charge. As other means of distribution arise, such as other satellite networks or cable systems, these will be added to reach as many households as possible.

13 Does or will the organization attempt to influence legislation? Yes No
If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds that it devotes or plans to devote to this activity.

14 Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements? Yes No
If "Yes," explain fully.

Form 1023, Part II, Line 10b
RFD Communications, Inc.
144 Meadowglen Circle
Coppell, Texas 75019
EIN: Applied For

Form 1023, Part II, Line 10b

RFD is not a party to a lease. However, before broadcasting starts in December 2000, RFD will contract with a for-profit company to use its facilities to edit and broadcast programming. This contract might be in the form of a lease of some of these production facilities.

Part III Technical Requirements

1 Are you filing Form 1023 within 15 months from the end of the month in which your organization was created or formed? Yes No

If you answer "Yes," do not answer questions on lines 2 through 6 below.

2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 7.

Exceptions — You are not required to file an exemption application within 15 months if the organization:

- a Is a church, interchurch organization of local units of a church, a convention or association of churches, or an integrated auxiliary of a church. See **Specific Instructions**, Line 2a, on page 4;
- b Is not a private foundation and normally has gross receipts of not more than \$5,000 in each tax year; or
- c Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

3 If the organization does not meet any of the exceptions on line 2 above, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed? Yes No

If "Yes," your organization qualifies under Regulation section 301.9100-2, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 6.

If "No," answer question 4.

4 If you answer "No" to question 3, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3? Yes No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 3. See **Specific Instructions**, Part III, Line 4, before completing this item. Do not answer questions 5 and 6.

If "No," answer questions 5 and 6.

5 If you answer "No" to question 4, your organization's qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed. Therefore, do you want us to consider the application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date the organization was created or formed? Yes No

6 If you answer "Yes" to question 5 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date the organization was formed and ending with the date the Form 1023 application was received (the effective date of the organization's section 501(c)(3) status), check here and attach a completed page 1 of Form 1024 to this application.

Part III Technical Requirements (Continued)

7. Is the organization a private foundation?
 Yes (Answer question 8.)
 No (Answer question 9 and proceed as instructed.)
8. If you answer "Yes" to question 7, does the organization claim to be a private operating foundation?
 Yes (Complete Schedule E.)
 No

After answering question 8 on this line, go to line 14 on page 7.

9. If you answer "no" to question 7, indicate the public charity classification the organization is requesting by checking the box below that most appropriately applies:

THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:

- | | | |
|---|---|--|
| a | <input type="checkbox"/> As a church or a convention or association of churches (CHURCHES MUST COMPLETE SCHEDULE A.) | Sections 509(a)(1) and 170(b)(1)(A)(i) |
| b | <input type="checkbox"/> As a school (MUST COMPLETE SCHEDULE B.) | Sections 509(a)(1) and 170(b)(1)(A)(ii) |
| c | <input type="checkbox"/> As a hospital or cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. (These organizations, except for hospital service organizations, MUST COMPLETE SCHEDULE C.) | Sections 509(a)(1) and 170(b)(1)(A)(iii) |
| d | <input type="checkbox"/> As a governmental unit described in section 170(c)(1). | Sections 509(a)(1) and 170(b)(1)(A)(v) |
| e | <input type="checkbox"/> As being operated solely for the benefit of, or in connection with, one or more of the organizations described in a through d, g, h, or i. (MUST COMPLETE SCHEDULE D.) | Section 509(a)(3) |
| f | <input type="checkbox"/> As being organized and operated exclusively for testing for public safety. | Section 509(a)(4) |
| g | <input type="checkbox"/> As being operated for the benefit of a college or university that is owned or operated by a governmental unit. | Sections 509(a)(1) and 170(b)(1)(A)(vi) |
| h | <input type="checkbox"/> As receiving a substantial part of its support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public. | Sections 509(a)(1) and 170(b)(1)(A)(vi) |
| i | <input checked="" type="checkbox"/> As normally receiving not more than one-third of its support from gross investment income and more than one-third of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions). | Section 509(a)(2) |
| j | <input type="checkbox"/> The organization is a publicly supported organization but is not sure whether it meets the public support test of h or i. The organization would like the IRS to decide the proper classification. | Sections 509(a)(1) and 170(b)(1)(A)(vi) or Section 509(a)(2) |

If you checked one of the boxes a through f in question 9, go to question 14. If you checked box g in question 9, go to questions 11 and 12. If you checked box h, i, or j, in question 9, go to question 10.

Part III Technical Requirements (Continued)

- 10 If you checked box h, i, or j in question 9, has the organization completed a tax year of at least 8 months?
- Yes — Indicate whether you are requesting:
 - A definitive ruling. (Answer questions 11 through 14.)
 - An advance ruling. (Answer questions 11 and 14 and attach two Forms 872-C completed and signed.)
 - No — You must request an advance ruling by completing and signing two Forms 872-C and attaching them to the Form 1023.

11 If the organization received any unusual grants during any of the tax years shown in Part IV-A, **Statement of Revenue and Expenses**, attach a list for each year showing the name of the contributor, the date and the amount of the grant, and a brief description of the nature of the grant.

12 If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here and:

- a Enter 2% of line 8, column (e), Total, of Part IV-A. _____
- b Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported organization") whose total gifts, grants, contributions, etc., were more than the amount entered on line 12a above.

13 If you are requesting a definitive ruling under section 509(a)(2), check here and:

- a For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each "disqualified person." (For a definition of "disqualified person," see **Specific Instructions**, Part II, Line 4d, on page 3.)
- b For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.

14 Indicate if your organization is one of the following. If so, complete the required schedule. (Submit only those schedules that apply to your organization. Do not submit blank schedules.)

	Yes	No	If "Yes," complete Schedule:
Is the organization a church?		X	A
Is the organization, or any part of it, a school?		X	B
Is the organization, or any part of it, a hospital or medical research organization?		X	C
Is the organization a section 509(a)(3) supporting organization?		X	D
Is the organization a private operating foundation?		X	E
Is the organization, or any part of it, a home for the aged or handicapped?		X	F
Is the organization, or any part of it, a child care organization?		X	G
Does the organization provide or administer any scholarship benefits, student aid, etc.?		X	H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution?		X	I

Part IV Financial Data

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A. Statement of Revenue and Expenses

	Current tax year	3 prior tax years or proposed budget for 2 years			(e) TOTAL
	(a) From 5/00 to 12/00	(b) 2001	(c) 2002	(d)	
Revenue					
1 Gifts, grants, and contributions received (not including unusual grants — see page 6 of the instructions).....	10,000	240,000	480,000		730,000.00
2 Membership fees received					
3 Gross investment income (see instructions for definition)					
4 Net income from organization's unrelated business activities not included on line 3					
5 Tax revenues levied for and either paid to or spent on behalf of the organization					
6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge)					
7 Other income (not including gain or loss from sale of capital assets) (attach schedule)		485,000	466,000		951,000.00
8 Total (add lines 1 through 7)	10,000.00	725,000.00	946,000.00		1,681,000.00
9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513. Include related cost of sales on line 22.					
10 Total (add lines 8 and 9)	10,000.00	725,000.00	946,000.00		1,681,000.00
11 Gain or loss from sale of capital assets (attach schedule)					
12 Unusual grants					
13 Total revenue (add lines 10 through 12)	10,000.00	725,000.00	946,000.00		1,681,000.00
Expenses					
14 Fundraising expenses					
15 Contributions, gifts, grants, and similar amounts paid (attach schedule)					
16 Disbursements to or for benefit of members (attach schedule)					
17 Compensation of officers, directors, and trustees (attach schedule)		60,000	60,000		
18 Other salaries and wages		220,800	441,600		
19 Interest					
20 Occupancy (rent, utilities, etc.)		120,000	120,000		
21 Depreciation and depletion					
22 Other (attach schedule)		324,000	324,000		
23 Total expenses (add lines 14 through 22)		724,800.00	945,600.00		
24 Excess of revenue over expenses (line 13 minus line 23)	10,000.00	200.00	400.00		

Form 1023, Part IV, Lines 7, 17 & 22
RFD Communications, Inc.
144 Meadowglen Circle
Coppell, Texas 75019
EIN: Applied For

Form 1023, Part IV, Lines 7, 17 & 22

Line 7 Other Income

The sale of home satellite dishes and DISH Network satellite subscriptions to rural families interested in RFD's programming will provide most of the "Other Income." Other sources will include sales of videotapes of RFD's programming and other products related to RFD's programming.

Line 17 Compensation of Officers

An estimated salary of \$60,000 will be paid to Patrick Gottsch in his capacity as General Manager of the RFD television channel, not in his capacity as an officer and director.

Line 22 Other Expenses

The only expense in this category is the cost to uplink and broadcast the programming.

Part IV Financial Data (Continued)

B. Balance Sheet (at the end of the period shown)

Current tax year
Date 10/31/00

Assets		
1	Cash	10,000.00
2	Accounts receivable, net	
3	Inventories	
4	Bonds and notes receivable (attach schedule)	
5	Corporate stocks (attach schedule)	
6	Mortgage loans (attach schedule)	
7	Other investments (attach schedule)	
8	Depreciable and depletable assets (attach schedule)	
9	Land	
10	Other assets (attach schedule)	
11	Total assets (add lines 1 through 10)	10,000.00
Liabilities		
12	Accounts payable	5,000.00
13	Contributions, gifts, grants, etc., payable	
14	Mortgages and notes payable (attach schedule)	
15	Other liabilities (attach schedule)	
16	Total liabilities (add lines 12 through 15)	5,000.00
Fund Balances or Net Assets		
17	Total fund balances or net assets	5,000.00
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	10,000.00

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation.

Exhibit C

March/April 2006 Edition of RFD-TV: The Magazine

**Magazine cover, inside cover,
schedule of Superior Auctions broadcasts on RFD, and mailing envelope**

March/April 2006

RED TV

Rural America's Most Important Network

Volume 4

Issue 4

Rural Association Issue



**RFD-TV Selected For
Family Programming Packages**

(see pages 2,4 &5)

Great news to viewers throughout the country.

RFD-TV recently signed brand new carriage agreements with Mediacom cable, DISH Network, & DIRECTV. These are the agreements necessary to bring this rural channel into your home through these various companies, and are very difficult to obtain.



Mediacom Cable – A new, 5-year extension was signed which will guarantee carriage of RFD-TV on basic cable on Mediacom cable systems through 2010. Mediacom serves Iowa, Minnesota, Wisconsin, Illinois, Missouri, and several other Midwest states.

RFD-TV proved to be very popular with Mediacom subscribers after a 3-year “test” of the channel which began in 2002.



DISH Network – Another extension, plus RFD-TV has been selected to be in the new DishFAMILY package of channels (see article – page 4).



DIRECTV – Another extension, plus RFD-TV has been selected to be in the new DIRECTV Total Choice Family package of channels (see article – page 5).

Bottom line – RFD-TV is truly here to stay. It is a real honor to be selected to be in both the DIRECTV and DISH Network new “family” package of channels. Not only does this guarantee distribution for RFD-TV in the lowest-priced, most widely-distributed option available from both of these satellite systems for years to come, but more importantly, it validates that our dedication to only put on “family-oriented” programming on RFD-TV over the past 5 years is finally proving to have been the best course to take, “popular” with homes throughout the country, and a wise decision. The “good guys” still win a few.

Welcome

RFD-TV The Magazine welcomes two, new folks to the staff of this publication to serve you better in the future. Jim Kanter joins RFD-TV The Magazine as Vice President, and Jenny Duke as Editor.



Rural America's Most Important Network

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www.rfdtv.com

Auction Schedule



		MARCH		Preview Start	Start	End*
Split Diamond Ranch	Dillon, MT	Wed	03/01/06	14:30:00	15:00:00	16:00:00
<small>Annual bull offering from Montana angus breeder</small>						
Express Ranches	Yukon, OK	Fri	03/03/06	10:00:00	11:00:00	17:00:00
<small>Top Oklahoma ranch offers Angus bulls</small>						
Wehrmann Angus	New Market, VA	Sat	03/04/06	10:30:00	11:00:00	13:30:00
<small>17th Annual Wehrmann Angus Bull Sale from renowned Virginia Angus Breeder</small>						
Lyons Angus	Manhattan, KS	Mon	03/06/06	13:00:00	13:30:00	15:30:00
<small>Lyons Ranch Superior Genetics Performance Sale</small>						
Thomas Angus	Baker City, OR	Tues	03/07/06	13:30:00	14:00:00	16:00:00
<small>Thomas Angus Ranch Spring "Gathering" auction from top Oregon Angus Breeder</small>						
Sitz Angus	Harrison, MT	Wed	03/08/06	14:00:00	14:30:00	18:00:00
<small>3rd Annual Spring Sale from one of the country's premiere Angus producers</small>						
Superior Livestock	Fort Worth, TX	Thur	03/09/06	8:00:00	9:00:00	13:30:00
Wehrmann-Donnell	Abilene, TX	Thur	03/09/06	13:30:00	14:00:00	16:30:00
<small>13th Wehrmann-Donnell auction brings bulls from two of the country's top angus programs</small>						
Superior Livestock Auction	Fort Worth, TX	Fri	03/10/06	8:00:00	9:00:00	18:00:00
Falcon Seaboard Ranches	Fredericksburg, TX	Sat	03/11/06	12:30:00	13:00:00	16:30:00
<small>Annual Spring auction from Texas angus breeder</small>						
Cattleman's Connection	Bliss, ID	Mon	3/13/06	13:30:00	14:00:00	16:00:00
<small>Annual sale includes cattle from ranch with 85 year history</small>						
Fansher Angus	Garden City, KS	Tues	3/14/06	13:30:00	14:00:00	16:00:00
<small>11th Annual Sale from Kansas Angus producer</small>						
Stevenson Basin	Hobson, MT	Wed	3/15/06	12:00:00	13:00:00	16:30:00
<small>The biggest and best Angus/Red Angus seedstock auction in the country</small>						
Stevenson Basin	Hobson, MT	Thu	3/16/06	11:30:00	13:00:00	19:00:00
<small>The biggest and best Angus/Red Angus seedstock auction in the country</small>						
Mountain Meadow Cattle Co.	Walden, CO	Fri	3/17/06	14:00:00	14:30:00	17:00:00
<small>MMCC offers high altitude, high performance, balanced Angus genetics in this auction</small>						
Circle A Angus	Iberia, MO	Sat	3/18/06	12:00:00	13:00:00	16:30:00
<small>Annual Beef Bull sale from reputation Angus and Red Angus breeder in Missouri</small>						
Summitcrest Angus	Broken Bow, NE	Mon	3/20/06	12:30:00	13:00:00	16:00:00
<small>Performance Angus sale from Broken Bow, NE</small>						
Mullendore Beef Program	Glendive, MT	Tue	3/21/06	13:30:00	14:00:00	15:30:00
<small>Top Red Angus bulls from Mullendore Beef Program of Glendive, MT</small>						
Sunny Valley Farms	Byers, CO	Wed	3/22/06	14:00:00	14:30:00	16:00:00
<small>Exciting offering from Colorado Angus breeder</small>						
Superior Livestock Auction	Faort Worth, TX	Thu	3/23/06	8:00:00	9:00:00	14:30:00
Gartner-Denowh Angus Ranch	Sidney, MT	Thu	3/23/06	14:30:00	15:00:00	17:30:00
<small>Efficient, Reliable, and Profitable genetics in this 40th Annual auction</small>						
Superior Livestock Auction	Fort Worth, TX	Fri	3/24/06	8:00:00	9:00:00	18:00:00
Figure 4 Cattle	Somerset, CO	Sat	3/25/06	13:00:00	13:30:00	16:00:00
<small>Ultimate Outcross Genetics auction</small>						
Rishel Angus	North Platte, NE	Mon	3/27/06	13:00:00	13:30:00	16:30:00
<small>Outstanding offering from 2005 Seedstock Producer of the Year</small>						
Leachman	Wellington, CO	Tues	3/28/06	NO Preview	12:00:00	19:00:00
<small>Top Red Angus, Angus and Composite Bull auction</small>						
Leachman	Wellington, CO	Wed	3/29/06	NO Preview	12:00:00	19:00:00
<small>Top Red Angus, Angus and Composite Bull auction</small>						
Fairview	Big Timber, MT	Fri	3/31/06	13:30:00	14:00:00	16:00:00
<small>Annual Spring Bull sale offering superior angus genetics</small>						
		APRIL		Preview Start	Start	End*
Brooks Chalky Butte Ranch	Bowman, ND	Sat	4/1/06	13:30:00	14:00:00	17:30:00
<small>Angus Offering from North Dakota Ranch</small>						
Mullendore Beef Program	Glendive, MT	Mon	4/3/06	13:30:00	14:00:00	16:00:00
<small>Top Angus bulls from Mullendore Beef Program of Glendive, MT</small>						
Breeders	Sidney, MT	Tues	4/4/06	12:30:00	14:00:00	18:30:00
<small>Annual Bull Sale by Montana Angus Breeders</small>						
Superior Livestock Auction	Fort Worth, TX	Thu	4/6/06	8:00:00	9:00:00	18:00:00
Superior Livestock Auction	Fort Worth, TX	Fri	4/7/06	8:00:00	9:00:00	18:00:00
LaGrand Angus	Freeman, SD	Sat	4/8/06	11:00:00	12:00:00	18:30:00
<small>Production sale from South Dakota's largest Angus breeder</small>						
Kallsen Wildcat Bucking Bulls	Brush, CO	Wed	4/12/06	10:30:00	11:00:00	15:30:00
<small>Exciting bucking bull auction from breeder Nick Kallsen</small>						
East Texas Spring Roundup	Crockett, TX	Sat	4/15/06	11:30:00	12:00:00	16:00:00
<small>6th Annual East Texas Spring Roundup Longhorn auction</small>						
Superior Livestock Auction	Fort Worth, TX	Thu	4/20/06	8:00:00	9:00:00	18:00:00
Superior Livestock Auction	Fort Worth, TX	Fri	4/21/06	8:00:00	9:00:00	18:00:00

More Info: www.superiorlivestock.com or call 800-422-2117

All Times Eastern.

RFD-TV The Magazine
P.O. Box 189
Elkhorn, NE 68022



**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)
)
RFD Communications, Inc.) MB Docket No. 06-92
DBS Set-Aside Qualifications)
)

DECLARATION OF JEFFREY A. PENCE

1. My name is Jeffrey A. Pence. I am the President of Farm Journal Electronic Media, Inc., a subsidiary of Farm Journal, Inc.
2. I have read the foregoing "Reply Comments of Farm Journal, Inc.," and I am familiar with the contents thereof.
3. The transcripts submitted as part of these Reply Comments of Farm Journal, Inc. include true and accurate transcriptions of programming appearing on RFD.
4. I declare under penalty of perjury that the factual matters stated herein, other than those assertions of which the Federal Communications Commission may take official notice, are true and correct to the best of my knowledge and belief.



Jeffrey A. Pence

June 16, 2006