

Before the
Federal Communications Commission
Washington, DC 20554

MB Docket No. 07-18

Comments of the Michigan Association of Broadcasters

The Michigan Association Broadcasters (MAB) supports the Petition to Deny filed by the North Dakota Broadcasters (NDB) in the matter of MB Docket No. 07-18 concerning the proposed transfer of 38 percent of News Corporation and the DirecTV Group to Liberty Media Corporation.

The MAB represents commercial and public television broadcasting stations in the state of Michigan and offers the following reasons for its support of the NBD petition:

In 2004, when News Corp acquired 34 percent of DirecTV, the company pledged to provide local-into-local carriage of local broadcasters' television signals in the Designated Market Areas (DMA) where local-into-local satellite coverage was not yet offered. The company committed to providing local stations in all 210 DMAs by 2008.

Despite the expanded capacity of DirecTV's satellite system, the company has not yet fulfilled its promise to extend local-into-local coverage in 68 small markets, including Marquette (180) and Alpena (208) in Michigan.

This willful denial of service to small and rural television markets by an FCC licensee is contrary to well established government policies that encourage or require universal service in areas such as electric power, telephone service, transportation and public education.

Universal local-into-local service, in addition to being consistent with government goals and policies supporting universal service, would enhance competition for subscription television service. Satellite television services benefit from higher subscription numbers in markets where they provide local-into-local service, compared to markets where no local-into-local service is offered. In addition, competition from satellite television services provides an economic constraint on subscription pricing for traditional cable television services offered in the same areas.

Since 2004 News Corp and DirecTV have used increased satellite system capacity to expand their offering of High Definition television content to subscribers but have not used the increased capacity to enable a corresponding increase in the number of small and rural television markets that would benefit from local-into-local service.

The MAB agrees with the NDB that the petition should be denied unless approval is conditioned on a specific requirement to achieve the goal of universal service for small and rural television markets within a reasonable period of time.

Respectfully submitted,

Michigan Association of Broadcasters

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A handwritten signature in cursive script that reads "Karole White". The signature is written in black ink and is positioned above the typed name and title.

Karole White

President and CEO