ALOHA SATELLITES
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July 13, 2007
Ms. Monica Desai
Media Bureau
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

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FCC - MAILROOM

Re: Response to Notice of Proposed Rule Making, FCC 07-32

Ms. Desai,

Please include this letter as part of the record for FCC 07-32, MB 07-51.

I have personally been involved in the business of providing video, voice and data services to residential and business customers for more than 25 years. During that time I have worked with large cable companies (MSO's), private cable companies (PCO's), and provided contract labor and consulting services to both MSO's and PCO's.

I am currently working with Aloha Satellites, Inc., a PCO that provides video and high-speed Internet access services to MDU's in Hawaii. We are one of the few competitors of Time Warner (Oceanic) in Hawaii. We typically negotiate exclusive contracts in the 10-year range. Due to the high initial capital expense associated with system build-outs, it can take up to five years to break-even on our investment. We may not even start to generate a profit until the latter half of our contract term. If exclusive contracts are eliminated and we are required to share our customer base with Time Warner, we would experience a greatly diminished return-on-investment or possibly none at all. If this were the case, we would no longer be able to compete and stay in business.

I can think of no greater blow to PCO's and other small-business competitors of the large cable / mega-phone companies than the elimination of exclusive contracts. Eliminate exclusive contracts and you will succeed in eliminating small businesses like Aloha Satellites.

Joseph R. Jarmusch

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Aloha Satellites, Inc.