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November 16, 2007

Marlene H. Dortch, Secretary
Federal Communications Commission
Washington, Dc 20554

Re: Report of Oral *Ex Parte* Communications
MB Docket No. **07-42**
Leased Commercial Access

Dear Ms. Dortch:

Pursuant to Section 1.1206(a)(2) of the Commission's Rules, this is to report that oral *ex parte* meetings were held on November 14, 2007, addressing the matters at issue in the above-captioned proceeding, and attended by the following persons:

Ronald J. Bruno, President of the **Community Broadcasters Association** and President of **The Bruno-Goodworth Network, Inc.**
Ronald J. Gordon, President of **ZGS Group, Inc.** and Board Member of the Community Broadcasters Association
Peter Tannenwald, Counsel to the Community Broadcasters Association
Carlos R. Barba, President of **Caribevisión, Inc.**[1]
Matthew Leibowitz, Counsel to Caribevisión, Inc.
Harold Feld, Senior Vice President, **Media Access Project**

Michelle Carey, Senior Legal Advisor, **Office of Chairman Martin**
Rick C. Chessen, Senior Legal Advisor/Media Advisor, **Office of Commissioner Copps**
Rudy Brioché, Legal Advisor for Media Issues, **Office of Commissioner Adelstein**
Amy Blankenship, Legal Advisor, **Office of Commissioner Tate**
Christina Chou Pauzé, Legal Advisor, Media Issues, **Office of Commissioner McDowell**

[1] Caribevisión has filed its own separate written report summarizing the *ex parte* meetings.

The Bruno-Woodworth Network, Inc., ZGS Group, Inc., and Caribevisión, Inc. are licensees and operators of Class A and Low Power Television ("LPTV") Stations. The Community Broadcasters Association ("CBA") is the trade association of those stations. The vast majority of Class A and LPTV stations do not enjoy mandatory cable carriage rights under Section 614 of the Communications Act. Few lease access to cable channels because of prohibitive cost and terms and obstructionist behavior by cable operators. CBA noted that cable television systems almost always charge Class A and LPTV stations more than home shopping and other commercial entities for leased channel access. These stations would be more likely to lease cable channels if regulatory relief were provided in this proceeding.

The Bruno-Goodworth Network leases channel capacity from Comcast in the Pittsburgh area. Its programming includes significant local content, including popular high school football games. While Adelphia systems carried Bruno-Goodworth's programming without charge, and AT&T systems charged an affordable rate, when Comcast acquired those systems, the cost was increased to an unaffordable level. Later, Comcast raised the rate even higher to $2.4 million dollars per year, which it claimed was the highest allowable rate under the Commission's current rules but was some 10 times the rate charged by prior owners of the cable systems.[2] Mr. Bruno's Class A and LPTV business has essentially been destroyed as a result of his inability to secure cable distribution on reasonable terms.

Mr. Bruno further noted that cable systems refuse to list the name of the channel lessee in their electronic program guides and in information provided to audience rating services, thus depriving Class A and LPTV stations of ratings credit they need to sell advertising.

The visitors urged the Commission to take the following actions:

1. Limit leased access rates to reasonable levels, one suggestion being five percent of the lessee's gross revenue with a minimum of two cents per subscriber per month for an analog channel and eight cents per subscriber per year for a digital channel.[3]

2. Ensure access to leased channels by local independent program producers (for example, those who comply with Class A television local program origination requirements), perhaps by specifying a preferential rate and/priority access for such entities.

3. Prohibit confidentiality clauses that prevent channel lessees from discussing the terms of their leases with regulatory authorities and private parties.

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[2] Comcast also pressured Mr. Bruno to change testimony he planned to deliver (and did deliver) at a House of Representatives hearing on October 30, 2007.

[3] In contrast, Caribevisión reported that it currently has to pay from 13 to 42 cents per month per subscriber for cable access.

4. Require cable operators to list the broadcast call sign of an LPTV or Class A channel lessee in their electronic program guides and information provided to rating services.

5. Prohibit frequent changes in channel positioning for leased access channels and require adequate advance notice before a channel is repositioned.

CBA urged that newcomers, such as Verizon and AT&T, not be exempt, as Section 612 of the Communications Act does not distinguish between incumbent and new entrant cable operators, and new entrants are likely to have more than ample channel capacity in their up-to-date distribution plant. CBA noted, however, that at least Verizon has had an open door policy with respect to negotiating carriage of Class A and LPTV channels; and CBA does not mean to be critical of Verizon or of AT&T, based on their behavior to date.

Respectfully submitted,

Peter Tannenwald
Counsel for the Community Broadcasters Association

cc: All meeting participants named above