



**Via US Mail and Filed Electronically**

Re: FCC 07-51

Access Media 3 (“AM3”) is a PCO that provides high speed Internet, TV and voice services to 8,500 units in more than 100 MDUs throughout metropolitan Chicago. Our strength is that we are able to provide “triple play” services with a level of flexibility, reliability, accessibility, and value that larger, incumbent providers simply cannot. The presence of small companies like ours in the market helps foster competition, resulting in better pricing, products and services for consumers. Our ability to compete directly with the large incumbent providers is due in large part to our ability to obtain exclusive contracts with MDUs. Eliminating such exclusive arrangements would have a severe, negative impact on PCOs, inhibiting competition in this emerging area and ultimately hurting consumers.

It takes significant capital and infrastructure to provide triple play services in any building, and MDUs have particular challenges. Small companies cannot invest in capital-intensive cabling and electronics without some assurance that a revenue opportunity exists which will provide an adequate return on the investment. Exclusive contracts provide some assurance that our up-front investment can be recovered via the exclusive opportunity to provide services to residents.

In addition, large companies can offer significant “door fees” to MDUs while small companies don’t have the ability to offer such large up front incentives, particularly when significant capital must still be invested to begin providing services. The ability to have an exclusive contract with a building levels the playing field and allows competitive providers like AM3 to avoid large door fees.

Companies like AM3 offer consumers a flexible, reliable, cost-effective alternative for their technology needs. Moreover, our presence ensures the continuation of competition in the triple play arena. Barring PCOs from employing exclusive contracts would ultimately hurt the very consumers the FCC is charged with protecting. In a market where cabling and infrastructure is different from property to property, and services the MDU’s wish to provide would be severely hampered by restrictions placed on a PCO and ability to offer flexible packages, which the large incumbents are unwilling to.

On behalf of AM3 and similarly situated companies, we respectfully request the FCC refrain from precluding PCOs use of exclusive contracts in MDUs. Please feel free to contact me at 630.230.0555 if you have questions or would like additional information.



Sincerely,

Scott Rediger  
Chief Executive Officer