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February 7, 2008

Marlene H. Dortch, Secretary
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Response to Staff Inquiry, MB Docket No. 07-213

Dear Ms. Dortch:

On behalf of BTNC, Inc., which filed the Request for Temporary Waiver in the above-referenced matter, this responds to inquiries by Rosalee Chiara and Maureen McCarthy of the Commission's staff regarding issues raised by the waiver request and in related comments and replies. BTNC, Inc., seeks a temporary waiver to help establish the nation's first national black news and information service for delivery to an historically underserved black audience.

First, with regard to the small business status of BTNC, Inc., its revenues are below the Small Business Administration's small business size thresholds applicable to "Cable and Other Satellite Subscription Services." *See* 13 C.F.R. 121.201.

Second, we hereby respond to assertions made by Free Press suggesting that BTNC has sought carriage on DBS systems under "false pretenses." *See* Comments of Free Press, MB Docket No. 07-213, filed Oct. 26, 2007, at 10-11. The BTNC, LLC organization that Free Press discusses at page 10 and note 29 of its comments is the production company which will build and operate the news studio feeding news content to BTNC, Inc. The rules of non-profit organizations under which BTNC, Inc., operates require, and independent board members will assure, that BTNC, Inc., will not make a profit, and that any dealings with related party vendors are entirely above-board. BTNC, LLC also has been seeking cable carriage, as clearly described in BTNC's letter of August 30, 2007 in MB Docket No. 07-42. The fact that Mr. Watts entered "LLC" rather than "Inc." after his title did not alter any of these arrangements. Nor is there anything improper in BTNC, Inc., receiving services from BTNC, LLC. This Commission

Marlene H. Dortch, Secretary
February 7, 2008
Page 2



rejected long ago any notion that non-profit organizations and for-profit entities – even those with principals in common – are barred from contractual relations. *See, e.g., Int'l Expo Info. Broad., Inc.*, 89 FCC.2d 1374, ¶¶ 26-29 (1982).

With regard to the agreements between BTNC, Inc., and satellite providers, we submit Free Press must misunderstand the arrangements, or (we trust) they would not have made such an egregious charge. BTNC, Inc., has contracted for satellite carriage on the express contractual condition of the temporary waiver requested of the Commission herein, to permit BTNC, Inc. to include commercials. BTNC, Inc. lodged the request in order to make it feasible for a non-profit corporation controlled by African Americans to provide the first national black news and information service. Rather than attempt to stretch the rules of enhanced underwriting, *compare, e.g., Farm Journal, Inc. Petition for Declaratory Ruling*, 21 FCC Rcd 14265 (2006), BTNC, Inc. has been absolutely open with satellite distributors and with the FCC in seeking advance approval of this necessary waiver. There have been no “false pretenses.”

If there are any other questions regarding this matters, please contact us.

Very truly yours,

Davis Wright Tremaine LLP

A handwritten signature in black ink, consisting of a large, stylized 'P' followed by a horizontal line and a large, stylized 'G'.

Paul Glist

cc: Attached service list
Rosalee Chiara
Maureen McCarthy

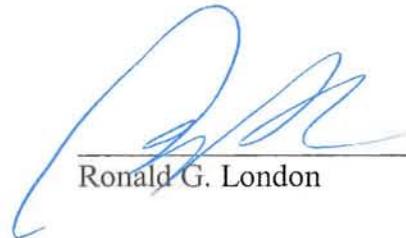
CERTIFICATE OF SERVICE

I hereby certify that on 7th day of February, 2008, a copy of the foregoing Response to Staff Inquiry was served First-Class U.S. Mail, postage prepaid, to counsel of record, at the following addresses:

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