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May 21, 2008

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

**Re: MB Docket Nos. 07-29; 07-198
Notice of *Ex Parte* Meeting**

Dear Ms. Dortch:

On May 20, 2008, Keith Oliver of Home Telephone Company (“Home”), Ben Spearman and Glenn Martin of PBT, Inc. (“PBT”) and John Kuykendall of John Staurulakis, Inc. (“JSI”) met with Elizabeth Andrion in the Office of FCC Chairman Kevin J. Martin to discuss issues on which the Commission seeks comment in its *Program Tying Arrangement NPRM*.¹ Home and PBT are rural telephone companies that provide video services to rural areas in South Carolina.

The Home, PBT and JSI representatives demonstrated that in many cases, programmers “tie” desired programming with undesired programming, are able to adopt a take-it-or-leave-it approach in negotiating retransmission and other programming agreements with small and rural video providers and impose unreasonable conditions for access to their content. The representatives explained that in the context of retransmission agreement negotiations, broadcasters are successfully negotiating higher and higher per subscriber per month fees and are able to impose egregious terms and conditions which negatively impact small and rural video providers and the subscribers that they serve. The participants then discussed possible changes to the FCC’s rules which govern the negotiation of retransmission agreements including a petition filed by the American Cable Association on which comment was sought in the *Program Tying Arrangement NPRM*.² Also during the

¹ *Implementation of the Cable Television Consumer Protection and Competition Act of 1992 Development of Competition and Diversity in Video Programming Distribution: Section 628(c)(5) of the Communications Act: Sunset of Exclusive Contract Prohibition Review of the Commission’s Program Access Rules and Examination of Programming Tying Arrangements*, MB Docket Nos. 07-29; 07-198; Report and Order and Notice of Proposed Rulemaking, FCC 07-169 (rel. Oct. 1, 2007) (“*Program Tying Arrangement NPRM*”).

² See *Program Tying Arrangement NPRM* at paras. 124-125 citing American Cable Association’s Petition for Inquiry into Retransmission Consent Practices (filed October 1, 2002).

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meeting, copies of Reply Comments and a notice of an *ex parte* meeting held in October 2007, both of which were filed by JSI in the above-referenced proceeding, were discussed.³

Please contact the undersigned with any questions.

Respectfully submitted,

/s/ John Kuykendall

John Kuykendall
Director – Regulatory Affairs

cc: Elizabeth Andrion

³ See Reply Comments of JSI, MB Docket Nos. 07-29; 07-198 (filed Feb. 12, 2008); Letter from John Kuykendall, Director – Regulatory Affairs, JSI, to Marlene H. Dortch, Secretary, FCC, MB Docket Nos. 07-29, 07-198 (filed Oct. 5, 2007).