

1001 G Street, N.W.
Suite 500 West
Washington, D.C. 20001
tel. 202.434.4100
fax 202.434.4646

Writer's Direct Access
C. Douglas Jarrett
(202) 434-4180
jarrett@khlaw.com

January 15, 2010

Via Electronic Filing

Marlene H. Dortch
Secretary
Federal Communications Commission
445-12th Street, S.W.
Washington, D.C. 20554

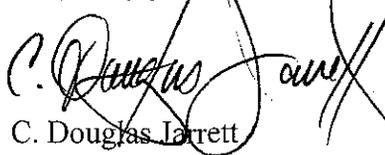
Re: Notice of Ex Parte Communications; MB Docket No. 07-51, Exclusive Service
Contracts for Provision of Video Services in Multiple Dwelling Units and Other
Real Estate Developments--Further Notice of Proposed Rulemaking

Dear Ms. Dortch::

On January 15, 2010, Linda Willey of Camden Property Trust and the undersigned met with Rosemary Harold (Media Advisor to Commissioner Robert M. McDowell), Joshua Cinelli (Media Advisor to Commissioner Michael J. Copps) and Rick Kaplan (Acting Chief of Staff for Commissioner Mignon Clyburn) regarding Further Notice of Proposed Rulemaking in the referenced proceeding. The substance of the points addressed are summarized in the enclosed.

Please contact the undersigned with any questions.

Very truly yours,


C. Douglas Jarrett

Enclosure

cc (w/encl): Rosemary Harold
Joshua Cinelli
Rick Kaplan

Camden Property Trust
Talking Points for Discussion
MB Docket No. 07-51--Further Notice of Proposed Rulemaking

Recommended Resolution

- Permit continued use of video bulk billing arrangements and exclusive marketing agreements in MDUs

Overview of Comments on Bulk Billing Arrangements—filed in FNPRM

- Camden, other MDU owners, Verizon, NCTA, majority of private cable operators (“PCOs”) and IMCC agree FCC should not restrict bulk services arrangements

Statutory Support for Bulk Billing Arrangements

- Bulk billing arrangements are authorized under § 623(d) of the Act (47 USC § 543(d)) as exception to uniform rate requirement

Background on Camden Property Trust

- Develop, construct, own and manage residential rental communities—MDUs
 - Long term property ownership and management
 - 60,000 units, approx. 180 residential rental communities
- Residential churn rates in Camden communities---50% to 120% per year
- Rental revenue is primary revenue stream
 - Dependent on maintaining high levels of occupancy
 - Desired services and amenities drive resident satisfaction and occupancy
 - Swimming pools, concierge services, exercise facilities and high quality voice, data and video offerings etc. are part of the bundle of amenities offered to attract and retain residents.

Features of Bulk Arrangements Highly Desired by Residents

- Cable is “Always On”
 - Highly valued service for residents that move annually or more frequently
- Other benefits for MDU residents
 - No scheduling installations
 - No credit qualification with cable operator
 - No security deposit with cable operator

Bulk Video Arrangements are Very-Well Received in Camden's Communities, particularly Lower Demographic Communities

- Bulk billing arrangement is a major market differentiator for Camden
- Existing residents often modify leases to receive bulk service as introduced in a community; some residents request transfers to communities with bulk service
- Bulk billing arrangement is a major selling point for prospective residents

Substantially Lower Rates for Desirable Programming Packages

- On average 22% savings over retail rate for same programming tier
- Sometimes discounted premium service is included
- Bulk service arrangements provide real cost savings vis-a-vis constantly rising rates of cable operators and major facilities-based competitors

Bulk Billing Arrangements – Residents and Prospective Residents Have a Choice

- During rollouts, residents are not required to accept bulk service arrangement
 - Existing leases are not modified unilaterally
- At time of lease or lease renewal, bulk service is itemized
 - As with balance of services and amenities, residents and prospective residents have option to enter into a lease or elect another community

Lack of Competitive Terrestrial MVPD Offerings is Reality for Many New and Existing Camden Communities

- In metropolitan areas in which ILEC has not rolled MVPD offering comparable to cable service
 - Phoenix, Denver and Las Vegas
- Competitive, facilities-based MVPD offerings not available at all communities even within so-called “competitive markets”

In some Camden Communities, Verizon and AT&T Deploy FiOS and U-Verse at Camden Properties w/ Bulk Arrangements w/ Franchised Cable Operators

Sample Cable Rate Increases From 2009

Location	Provider	Rate Increase	Date
Albany, NY	Time Warner	"Basic" up \$3.50 per mo. "Digital" up \$4 per mo.	February 2009
Boston, MA	RCN	Up \$8 per mo. \$3 rental fee for cable boxes	May 2009
Bristol, VA	Bristol Va. Utilities	"Basic" up \$4.40 up per mo.	July 2009
Buffalo, NY	Time Warner	"Standard Basic" up \$3.45 per mo. "Digital Basic" up \$4 per mo.	January 2009
Denver, CO	Comcast	"Basic Cable" up 6.5% "Standard Cable" up 6.9% "Starter Digital" up 4.9% "Premier Digital" up 6.7%	February 2009
Fayetteville, AR	Time Warner	"Basic" up \$1.99 per mo. "Digital" up \$3.95 per mo.	January 2009
Flint, MI	Charter	"Basic" \$5 per mo. "Expanded Basic" \$3 per mo.	December 2009
Minneapolis, MN	Comcast	Up between 2.9% and 6.5%	February 2009
Ocean City, MD	Comcast	Up 4.5 % (Standard cable rate is \$53.50, up from \$29.90 in 2004)	April 2009
Omaha, NE	Cox	Up \$2.70 per mo. (8.8%)	June 2009
Oregon	Comcast	Up \$1.96 per mo. (3.4%)	November 2009
Orlando, FL	Bright House	"Standard" up \$2.50 per mo. (4.7%) "Digital" up \$3.50 per mo. (5.8%)	March 2009
San Francisco, CA	Comcast	Up 1.6% (after increases of 4.5% in 2008 and 5% in 2007)	October 2009
San Jose, CA	Comcast	"Basic" up \$1.46 (9.5%) "Digital" up \$2.04 (3.4%)	October 2009
Springfield, IL	Comcast	"Digital Classic" up \$0.96 per mo. "Expanded Basic" up \$1.99 per mo.	November 2009
Tampa, FL	Bright House	Up to \$3 per mo. Increase	March 2009
Utica, NY	Time Warner	7% increase for standard service	March 2009

*Frequently cited reasons for increasing the cable rate include increased programming costs and technological upgrades. Information gleaned from local media reports.