Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Amendment of the Commission's Rules Related to Retransmission Consent	)	MB Docket No. 10-71
	)	
	)	

REPLY COMMENTS OF AT&T

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I. INTRODUCTION AND SUMMARY.

Virtually every party to this proceeding – with the exception of broadcasters – agrees that the existing retransmission consent regime is fundamentally broken. Commenters from across the communications industry (including cable operators, DBS providers, and wireline video service providers), consumer groups (like Consumer Action and the Sports Fans Coalition), the public sector (including Citizens against Government Waste, Americans for Tax Reform, National Taxpayers Union, Precursor, Public Knowledge, the National Black Caucus of State Legislators, and the Indiana Utilities Commission), and competing programming providers all concur that, rather than protecting consumers, the regulatorily-enabled mechanisms that currently govern retransmission consent negotiations have actually led to the very consumer and market harms (including service disruptions and rapidly increasing consumer prices) they were intended to prevent. They further agree that, with the growth in competition for multichannel video programming distribution, broadcast stations can and do use the leverage they derive from the retransmission consent rules to extract ever higher retransmission consent fees (as well as highly coveted – but increasingly limited – space on MVPDs' channel line-ups for affiliated content) from video programming distributors that have no alternative but to negotiate with those stations for the must-have network and syndicated programming they carry because of the regulatory barriers created by the Commission's syndicated exclusivity and network non-duplication rules. And they agree that the broadcasters' conduct threatens to drive up consumers' rates for video programming, undermine video competition (in addition to deployment and adoption of broadband), as well as to undermine programming diversity by forcing MVPDs to allocate space on their channel line-ups to programming provided by the broadcasters' programming affiliates rather than independent programmers.

Notwithstanding these well-documented abuses and harms (to consumers, competition, and the public interest), the broadcasters maintain that the retransmission consent regime is working as intended, and has created an efficient "market-based" mechanism through which broadcasters and MVPDs can arrange for the delivery of broadcast signals to MVPD subscribers.[1] They further assert, despite clear evidence to the contrary, not only that has there been no shift in the competitive balance between local broadcast stations and MVPDs[2] but also that MVPDs actually "have increased their leverage against broadcasters" through cable clustering.[3] They argue that, as a consequence, none of the proposed reforms applicable to broadcasters (including proposals for interim carriage, reform of the network non-duplication and syndicated exclusivity rules, broadcaster notice requirements, additional *per se* good faith negotiation violations, and limitations on networks negotiating retransmission consent on behalf of affiliates) are necessary or should be adopted. Instead, they maintain the Commission should limit any reforms only to MVPDs – expanding MVPDs' obligation to provide notice to

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[1] National Ass'n of Broadcasters (NAB) Comments at 3.

[2] *Id.* at 25-26.

[3] *Id.* at 27-28.

subscribers of potential deletions of broadcast signals from their line-ups if they reach an impasse in retransmission consent negotiations with a broadcast station,[4] and prohibiting MVPDs from imposing an early termination fee (ETF) on any consumer that wishes to terminate service due to the potential deletion of a broadcast signal as a result of a retransmission consent dispute.[5]

None of these claims has any merit. As AT&T and others have repeatedly shown, in today's increasingly competitive video distribution marketplace, the current retransmission consent regime, which always tilted in favor of broadcasters, has allowed broadcast stations to whipsaw competing MVPDs by credibly threatening to withhold their signals – and thus must-have network and syndicated programming – to extract ever larger cash payments (in addition to space on MVPD systems for affiliated programming networks) in return for retransmission consent. Plainly, they could not do so if, as they claim, they lacked leverage in retransmission consent negotiations with MVPDs. Moreover, far from remedying the harm to consumers caused by the service disruptions that occur when broadcasters carry out their threats to withhold retransmission consent, the expanded notice obligations they seek to impose on MVPDs would only exacerbate the problem by sowing confusion among subscribers and increasing broadcasters' leverage in negotiations. Nor, finally, is there any merit to the broadcasters' suggestion that the Commission should prohibit MVPDs from applying early termination fees on consumers of bundled service offerings that seek to terminate service due to the possible deletion of a broadcast signal due to a retransmission consent dispute. Here again, the broadcasters'

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[4] *See id.* at 11-12.

[5] Broadcasters also challenge the Commission's authority to provide for interim carriage of a broadcaster's signal in the event of an impasse in retransmission consent negotiations, as well as its authority to adopt proposals relating to good faith negotiations, mediation, and limits on retransmission consent fees. They also raise a number of arguments as to why the Commission should not eliminate or modify its network non-duplication and syndicated exclusivity rules. AT&T and other commenters already have refuted these arguments in prior filings in this docket, and AT&T thus does not address these arguments here.

proposal would increase broadcasters' leverage in negotiations with MVPDs and thus exacerbate the consumer harms caused by the existing regime. Accordingly, the Commission should reject the broadcasters' claims and eliminate the artificial advantages afforded to broadcasters in retransmission consent negotiations under the current rules.

II. DISCUSSION.

1. The Retransmission Consent Regime is an Artificial Regulatory Construct that Harms Consumers.

In their opening comments, broadcasters contend that the retransmission consent rules have created a market-based mechanism that is working as intended and efficiently enables broadcasters and MVPDs to arrange delivery of broadcast station signals to MVPD subscribers. The National Association of Broadcasters (NAB), for example, ironically claims that the current retransmission consent system, constructed from a set of rules designed specifically to advantage broadcasters, is a "market-based" regime that provides "an economically efficient and effective vehicle" for negotiating retransmission consent and benefits consumers.[6] It further claims that advocates of retransmission consent reform have failed to establish that increasing competition in the multichannel video programming distribution space has altered the competitive balance between broadcast stations and MVPDs, and provided broadcasters undue leverage in retransmission consent negotiations.[7] Indeed, it implausibly argues that, rather than tipping the balance in broadcasters favor, marketplace developments (in particular, clustering by incumbent cable operators) have increased MVPDs' bargaining power relative to broadcasters, and forced

[6] NAB Comments at 3.

[7] *Id.* at 26.

broadcasters to accept "less favorable terms and conditions in retransmission consent negotiations in order to avoid a negotiating impasse to the detriment of their viewers."[8]

Likewise, CBS claims that nothing is wrong with the existing retransmission consent regime, and thus the Commission should not alter the retransmission consent and network nonduplication and syndicated exclusivity (together, "territorial exclusivity") rules, except for requiring MVPDs to provide notice to subscribers of the possibility of a service disruption if retransmission consent negotiations fail.[9] Although CBS (unlike the NAB) at least acknowledges that there have been changes in the marketplace (*i.e.*, "[t]he emergence of meaningful competition to cable operators from satellite providers and telco entrants") affecting retransmission consent negotiations, it claims that those changes have merely "pressed once-dominant MSOs to compensate broadcasters fairly, including with cash" for retransmission consent.[10] It further maintains that, because retransmission consent "is negotiated between private businesses in a free market" the Commission lacks authority "to insulate consumers from the consequences of those parties' failure to reach timely agreement."[11]

Similarly, The Walt Disney Company ("Disney") contends that the growth in competition among video programming distributors, and the subsequent increase in retransmission consent

[8] *Id.* at 29-31 (claiming that the advent of clustering, the increase in non-broadcast programming, increasing concentration in the national MVPD market, and increasing competition between broadcasters and other content providers have reduced broadcasters bargaining power relative to MVPDs in retransmission consent negotiations). *See also* Sinclair Broadcasting Group, Inc. Comments at 11-12 (arguing that, because broadcasters purportedly receive less compensation relative to non-broadcast networks that have lower programming costs and lower ratings, broadcasters either do not have market power or do not use it).

[9] CBS Corp. Comments at 5 (claiming the retransmission consent rules are not broken), 19 (arguing that, "if the FCC desires to make *any* changes to a retransmission consent regime that is already working well, it might consider bolstering the existing notice requirement to provide that MVPDs notify their subscribers of a potential interruption of service at some point in advance of an existing agreement's expiration if renewal terms have not been agreed on").

[10] *Id.* at 2.

[11] *Id.* at 3, 11.

payments, is not a sign of market failure or that the retransmission consent regime is broken.[12] Rather, it claims, "it is a sign that the market is *working better*, now that cable companies are less capable of exploiting market power to deprive broadcasters of any monetary compensation for their programming."[13] And, like NAB, it claims that clustering and the growth in MVPD subscribership has "increase[d] MVPD bargaining leverage in negotiations with broadcasters," and thus, it argues, it would be incorrect for the Commission to assume that the increase in the number of broadcasters seeking cash compensation is due to a shift in bargaining power to broadcasters (as compared to MVPDs) and to modify its retransmission consent rules based on that assumption.[14]

These claims are nonsense. As an initial matter, contrary to broadcasters' claims, the existing retransmission consent system is anything but market-based and the retransmission consent agreements that result from that system are not the product of free market negotiations. As Time Warner Cable ("TWC") has aptly pointed out, retransmission consent is an "artificial regulatory construct" created by Congress in the 1992 Cable Act.[15] Prior to that date, the Supreme Court held that cable operators were not required to obtain a station's consent before retransmitting its signal to subscribers.[16] In the 1992 Cable Act, Congress conferred on broadcasters a new right to require cable operators and other MVPDs to obtain their consent before retransmitting their signals to subscribers. But, far from establishing a market-based mechanism, the retransmission consent regime came with a panoply of other regulatory privileges and restrictive conditions (including the

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[12] The Walt Disney Company Comments at 9.

[13] *Id.*

[14] *Id.* at 7-8 (noting that "because MVPD subscribership has increased steadily since 1992 – from less than 60% of television households to nearly 90% today – 'the importance of multichannel distribution as a means of retransmitting broadcasting signals to a broad audience is substantially greater than it was when Congress enacted retransmission consent") (citations omitted).

[15] Time Warner Cable, Inc. Comments at 2-3.

[16] *Id.* at 2.

right to demand must-carry and favorable tier and channel placement conditions, as well as network non-duplication and syndicated exclusivity requirements) that effectively placed all of the bargaining chips in the hands of broadcasters and ensured that retransmission consent negotiations would not take place in a "free market."[17]

For so long as incumbent cable operators lacked meaningful competition in the provision of multichannel video programming services, the government's thumb did not tip the retransmission consent scale entirely in broadcasters' favor because any broadcaster that denied retransmission consent to the cable incumbent risked losing access to the significant portion of its audience subscribing to cable. But since competition began to emerge (and the counterweight of cable's effective monopoly on multichannel video programming distribution was lifted), broadcasters have lacked any meaningful marketplace or regulatory constraint on their government-granted and protected leverage over MVPDs in retransmission consent negotiations. In a true free market, MVPDs confronting unreasonable demands for retransmission consent payments and/or for carriage of affiliated programming networks would be able to negotiate with out-of-market stations to import must-have network and syndicated programming. But the Commission's network non-duplication and syndicated exclusivity rules prevent MVPDs from doing so – even if the local station carrying such programming has denied retransmission consent. The end-result, as has been well- and repeatedly documented in this proceeding, is a market that is "unfree," and negotiations marked by regulatory distortions that have allowed broadcasters to demand ever-increasing payments and disrupt service to the detriment of consumers.[18]

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[17] *Id.* at 3; Free State Foundation Comments at 2-4.

[18] *See* National Taxpayers Union Comments at 2-3 (observing that the retransmission consent regime grants enormous leverage to broadcasters, and that the territorial exclusivity rules distort "so-called 'market' negotiation" and should be eliminated in the context of a broad free-market reform of retransmission consent strictures").

Nor is there any merit to broadcasters' claims that the retransmission consent rules do not tilt the playing field in favor of broadcast stations and that MVPDs, rather than broadcasters, have leverage in retransmission consent negotiations. If such claims were true, one would expect that retransmission consent payments would be falling – or at least remaining in equilibrium. But, the overwhelming evidence in the record confirms that the retransmission consent regime has given broadcasters leverage to demand payments that have spiraled (and continue to spiral) out of control – reaching $1.1 billion in 2010 (more than four times what they were only four years earlier), with projections that they will more than triple from their current lofty height to $3.61 billion in 2017.[19] And, broadcasters themselves routinely tout their growing retransmission consent revenues in presentations to investors and analyst conferences.[20] And that's not all. Broadcasters continue to demand in-kind compensation in the form of carriage of dozens of affiliated cable programming networks, the costs of which also continue to rise. These increases in content acquisition costs go directly to MVPDs' bottom lines, and thus inevitably get passed through to consumers.[21] As the Gator Nation (representing fans of the University of Florida) observed, "[b]roadcast licensees theoretically make their programming available to the public at no charge, but something has gone very wrong when broadcasters impose hefty retransmission consent fees on the vast majority of the viewing public (who watch television programming through cable or satellite)."[22]

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[19] *See* AT&T Comments at 2-3.

[20] *See* http://www.mediabistro.com/tvspy/category/earnings (last visited June 27, 2011) (reporting that CBS had reported that it had boosted revenues in the first quarter, driven largely by higher retransmission revenues and ad sales; reporting that LIN Broadcasting had posted higher earnings driven largely by retransmission fees; reporting that, although Gray Television's overall revenues declined 1% in the first quarter, its retransmission consent revenues were up by 9%; Reporting that Nexstar Broadcasting had boasted that it had record first quarter earnings, driven in part by "on-going robust . . . retransmission fee revenue growth").

[21] *See* Consumer Action Comments (noting that retransmission consent fees have caused consumer prices to rise year after year).

[22] Gator Nation Comments.

The harm to consumers resulting from the existing retransmission consent regime is not limited solely to increased subscriber fees due to higher content acquisition costs; it also threatens the Commission's video competition and broadband deployment and adoption objectives. That is because the current rules allow broadcasters to discriminate and impose higher fees on new entrants, like AT&T, making it more difficult for them to offer consumers a competitive alternative to cable. Moreover, the higher subscription fees that result from the rise in retransmission consent payments have forced millions of consumers to forego subscription to multichannel video services. Given the strong link between broadband and investment in video services and facilities, the loss in video subscribers caused by the rise in retransmission consent fees inevitably will depress demand for broadband services offered over the same network and facilities.[23]

Broadcasters argue that, despite the market distortions and consumer harms caused by the existing retransmission consent regime, the Commission should retain the existing rules (including the territorial exclusivity rules) because, they claim, those rules are necessary to promote localism and programming diversity. But the retransmission consent regime actually has undermined programming diversity by allowing broadcasters to tie retransmission consent to carriage of affiliated non-broadcast networks. As Discovery cogently explains, such practices hamper the ability of MVPDs to carry programming that may be in greater demand or would offer greater diversity of perspectives by consuming both channel capacity and programming budgets.[24] Likewise, Starz points out that cable networks owned by broadcast interests exploit the added leverage granted to them through governmentally-enforced retransmission consent to gain an unfair competitive

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[23] AT&T Comments at 9-10.

[24] Discovery Comments at 10-11 (noting that MVPDs have no realistic ability to resist tying demands because of the risk of losing access to must-have broadcast programming).

advantage over independent cable programming networks.[25] And, just a few weeks ago, CBS CEO Les Moonves openly and brazenly admitted in a presentation at an investors' conference that smaller, independent programming networks could be squeezed out of MVPD channel line-ups and "face extinction" in the face of rising retransmission consent fees.[26]

Moreover, as Cablevision aptly observes, repeal of the territorial exclusivity rules would promote, rather than undermine, localism. That is because MVPDs generally would prefer to carry the signal of the local affiliate of a particular broadcast network, and thus would be willing to pay a premium in order to retransmit the signal of that affiliate, but the amount of that premium would depend on the value of the locally-generated content.[27] Repealing the territorial exclusivity rules thus would promote the creation of more and better local content.[28]

Based on the foregoing, it should come as no surprise that virtually all commenters other than broadcasters agree that the growth in competition among MVPDs has radically shifted the balance of power in favor of broadcasters in retransmission consent negotiations, to the detriment of consumers, competition and the public interest.[29] And, for these reasons, all parties (except broadcasters) agree

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[25] Starz Comments at 5-7. *See also* Joint Center for Political and Economic Studies Comments at 2 (the practice of requiring carriage of non-broadcast programming may also serve as a market entry barrier for minority-owned programmers seeking access to pay television channels); The Leadership Conference on Civil and Human Rights (noting that independent programmers have been left on the sidelines while large cable programmers and broadcasters obtain nationwide distribution for programming that fails to serve the full diversity of the audience).

[26] http://www.multichannel.com/article/469115-Dauman_Higher_Fees_Could_Squeeze_Smaller_Nets.php (last checked June 27, 2011) (noting that CBS has predicted that it alone would attract as much as $1 billion in retransmission consent and reverse compensation fees within five years).

[27] Cablevision Comments at 23-24.

[28] *Id.*

[29] *See, e.g.*, Consumer Action Comments (noting that rules that give broadcasters the upper hand in negotiations are no longer needed); Discovery Communications Comments at 3 (noting that the current retransmission consent regime adversely affects the ability of independent programmers to contribute diverse programming to MVPD service offerings); Gator Nation Comments (noting that broadcast stations leverage their control over must-have programming against cable and other distributors to the detriment of consumers and the public interest); The Leadership Conference on Civil and Human Rights Comments (expressing concern that the existing regime has left independent programming on the sidelines); the National Black Caucus of State Legislators Comments at 1-2

that consumers and the public interest would be better served by comprehensive reform to remove the artificial advantages afforded to broadcasters in retransmission consent negotiations under the existing rules. In particular, as discussed in AT&T's opening comments, the Commission should eliminate its territorial exclusivity rules and thus ensure that MVPDs can turn to alternative sources of must-have network and syndicated programming in the event a broadcaster seeks unreasonable rates, terms, and conditions for retransmission consent.[30] It also should adopt rules establishing a formal process to provide for interim carriage of a station's signal pending resolution of retransmission consent negotiations and/or disputes. And it should strengthen its good faith negotiation requirements by: (1) prohibiting broadcasters from demanding both cash compensation and carriage of affiliated non-broadcast network programming for retransmission consent; (2) prohibiting broadcasters from terminating retransmission consent shortly in advance of significant and popular cultural or sporting events (such as the Super Bowl, Academy Awards, College Football Bowl Games, or March Madness); (3) establishing a uniform cycle for retransmission consent elections and negotiations to prevent whip-sawing; and (4) adopting a presumption that demands for discriminatory retransmission consent payments violates the obligation to negotiate in good faith unless a broadcaster can show that such discrimination is justified by competitive marketplace conditions.

2. The Commission Should Not Impose Additional Notice Requirements on MVPDs or Prohibit MVPDs from Assessing Early Termination Fees.

As discussed above, broadcasters argue that the Commission should limit any reforms it adopts in this proceeding to MVPDs. Specifically, they argue the Commission should require

(encouraging the Commission to undertake comprehensive retransmission consent reform because the current rules are broken and do not serve the public interest); Starz Entertainment Comments at 4 (arguing that the existing rules give broadcasters an unfair advantage over MVPDs), and at5-7 (noting that cable networks owned by broadcasters exploit the added leverage granted to them through the retransmission consent regime to gain an advantage over independent programmers).

[30] AT&T Comments at 16.

MVPDs (but not broadcasters) to provide increased notice to subscribers of potential deletions of broadcast signals from their line-ups if they reach an impasse in retransmission consent negotiations with a broadcast station.[31] They claim that such a requirement would benefit consumers by providing them sufficient time to consider their options for viewing any broadcast programming that might be impacted by an impasse,[32] and would reduce the number of notices that need to be sent by providing MVPDs with an incentive to conclude negotiations before such notices need to be sent.[33] They also encourage the Commission to prohibit MVPDs from imposing an early termination fee (ETF) on any consumer that wishes to terminate service due to the potential deletion of a broadcast signal as a result of a retransmission consent dispute to ensure that consumers are not deterred from switching service providers or terminating service in favor of over-the-air viewing in the event of such a dispute.[34]

The Commission should adopt neither of these proposals. Both are transparent attempts by broadcasters to increase their regulatorily-enabled leverage over MVPDs in retransmission consent negotiations, and would harm rather than benefit consumers. As Discovery explained in its opening comments, requiring an MVPD to notify consumers that they might lose a broadcast signal if it has not reached a retransmission consent agreement 30 days before an existing agreement expires would "only serve to exacerbate the already substantial imbalance in negotiating power between broadcasters and MVPDs," and "make[] it *more* likely that MVPDs must overpay broadcasters – and so have less programming funds available to independent

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[31] *See* NAB Comments at 11-12; CBS Corp. Comments at 19; Fox Entertainment Group Comments at 10-11; Sinclair Broadcast Group Comments at 27-29; The Walt Disney Company Comments at 19.

[32] The Walt Disney Company Comments at19; NAB Comments at 9-10.

[33] Sinclair Comments at 28-29.

[34] NAB Comments at 13-15; Sinclair Comments at 29.

programming networks, leading to a decrease in quality and innovation."[35] Such a requirement also could significantly increase consumers' confusion and uncertainty, without corresponding benefits.[36] The Commission therefore should reject proposals to expand its existing notification requirements.

The Commission also should reject the broadcasters' proposal to prohibit an MVPD from imposing an ETF on any consumer that seeks to terminate service due to the potential deletion of a broadcast signal due to a retransmission consent dispute. Such a prohibition would harm, rather than benefit, consumers and the public interest. In particular, it would further boost broadcasters' already disproportionate leverage in retransmission consent disputes, enabling them to continue to force MVPDs to pay escalating and already over-priced retransmission consent fees, with all the attendant harms to consumers described above and in AT&T's initial comments.

Prohibiting MVPDs from including ETFs in their service contracts also would limit their ability to offer consumers attractive and beneficial promotions and bundled packages of services. AT&T notes in this regard that the vast majority of its U-verse customers purchase service pursuant to contracts without any term limit or ETF. In a very small number of cases, AT&T has offered consumers a promotional benefit (such as a credit at an AT&T Mobility Store) for customers that agree to purchase U-verse for a minimum term (such as for two years). Even in those cases, however, rather than requiring the customer to fulfill their contractual obligation to purchase service for the full-term, AT&T permits customers to terminate early if they pay a

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[35] Dicovery Comments at 15. *See also* Americans for Tax Reform at 1 (urging the Commission not to expand on its current notification requirements because doing so could derail retransmission consent negotiations and increase the chances of an outage).

[36] AT&T Comments at 20; Discovery Comments at 15; SureWest Communications Comments at 17; Morgan Murphy Media Comments at 8.

termination fee, which is pro rated down over the course of the term. Such promotions are procompetitive and offer both consumers and service providers substantial benefits: they provide consumers lower prices and other benefits, even as they provide service providers greater revenue certainty. Without such certainty, service providers could not provide consumers the lower prices and other significant benefits offered through term plans. The prohibition on ETFs proposed by broadcasters thus would inhibit competition and harm, rather than benefit, consumers.

Moreover, the Commission has no authority to impose such a prohibition – particularly with respect to competitive MVPDs like AT&T. Under the Cable Act, neither the Commission nor a franchise authority may regulate the rates, terms and conditions under which an MVPD provides video services except as specifically provided in section 623 of the Communications Act.[37] And that provision specifically and expressly permits the Commission or a franchising authority to regulate the rates only of a cable system that is not subject to effective competition.[38] Competitive MVPDs, like AT&T, plainly are subject to effective competition – both from the incumbent cable operator, other well-established providers, and even other new entrants. As such, the Commission has no authority to regulate competitive MVPDs rates, and thus to prohibit such MVPDs from imposing ETFs on subscribers that seek to terminate service prior to the expiration of any term commitment in their service agreements.

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[37] 47 U.S.C. § 544(f) ("Any Federal agency, State, or franchising authority may not impose requirements regarding the provision or content of cable services, *except as expressly provided in this subchapter*.") (emphasis added); 47 U.S.C. § 543(a) (prohibiting any federal or state agency from regulating the rates of a cable service except as expressly provided in section 543).

[38] 47 U.S.C. § 543(a) ("If the Commission finds that a cable system is subject to effective competition, the rates for the provision of cable service by such system shall not be subject to regulation by the Commission or by a State or franchising authority under this section.").

III. Conclusion.

The Commission should reject broadcasters' proposals to require MVPDs to provide increased notice to subscribers of potential deletions of broadcast signals from their line-ups if they reach an impasse in retransmission consent negotiations with a broadcast station, and to prohibit MVPDs from imposing an early termination fee (ETF) on any consumer that wishes to terminate service due to the potential deletion of a broadcast signal as a result of a retransmission consent dispute. Such proposals would only increase broadcasters' already substantial and disproportionate leverage to extort excessive retransmission consent payments from MVPDs to the detriment of consumers, competition and the public interest. Rather, the Commission should adopt AT&T's proposals for modifying the Commission's retransmission consent regime to remove the regulations that grant broadcasters artificial negotiating leverage and return retransmission consent negotiations to a more market-based process. Given the potential impact of rapidly rising retransmission consent fees on MVPDs' rates, and the potential spillover effects on video subscription rates and, concomitantly, on the nation's broadband deployment and adoption goals, prompt Commission action is necessary to reform its retransmission consent rules to ensure that they protect consumers and prevent further service disruptions.

Respectfully submitted,

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