

Brandon Burgess
Chairman and Chief Executive Officer

June 5, 2012



Commissioner Ajit Pai
Federal Communications Commission
445 12th St., NW
Washington D.C. 20554

Re: Continuation of Cable Viewability Requirements for Digital
Must-Carry Television Stations
CS Docket No. 98-120

Dear Commissioner Pai:

I am writing to provide data you and your team expressed an interest in during our meeting on May 30, 2012, which demonstrates the disproportionate effect a premature sunset of the FCC's Viewability Rule would have on minority and elderly viewers. ION Media Networks ("ION") reviewed Nielsen ratings data for all stations and for ION stations specifically to quantify the impact on minorities and the elderly. The three tables in Attachment 1 illustrate these disproportionate effects.

First, with respect to all cable television viewing, Table 1 shows that minority households – particularly African-American households – rely on analog cable significantly more than non-minority households. Minority analog cable households watch nearly two hours more television daily than average, and African-American analog cable households watch nearly 50% more television than average (nearly 12 hours per household vs. 8+ hours for the US cable average). Furthermore, minority analog cable households watch over 10% more television than digital cable households. Thus, sunseting the Viewability Rule will fall much more heavily on minority and especially African-American viewers than on non-minorities.

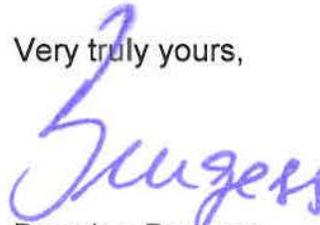
Second, Tables 2 and 3 demonstrate that sunseting the rule will have a disproportionate effect on independent broadcasters like ION that have a large number of viewers (such as minority and elderly viewers) that continue to rely on analog cable. ION's analog cable viewers are 39% minority, 29% African-American, and 24% over-the-age of 65, whereas all U.S. TV homes are only 29% minority, 13% African-American, and 14% over 65. Because these audience groups tend to watch more TV, Nielsen

data shows that analog cable households make up 13% of ION's actual viewership, even though only 7% of the total homes ION reaches are analog-only. Given its popularity with these audiences, sunsetting the Viewability Rule would cause significant audience losses for ION. And these underserved households also are the most economically stressed and those least likely to be able to afford additional fees for cable services or equipment.

In summary, the data in Attachment 1 confirms the FCC's longstanding recognition that the must-carry rules generally, and the Viewability Rule specifically, constitute important protections for the most vulnerable TV viewers. The FCC explicitly recognized this fact in the *2007 Viewability Order*,¹ and repeated it in the February 10 *Notice*.² There is no basis in the record for removing these important protections.

ION urges the FCC to adopt its February 10th proposal to extend the Viewability Rule for the next three years. Any other outcome would harm those underserved television viewers the FCC has historically protected. Please contact me if I can provide further information on this issue.

Very truly yours,



Brandon Burgess
CEO
ION Media Networks

cc: Matthew Berry
Gene Fullano

¹ See Carriage of Digital Television Broadcast Signals, CS Docket No 98-120, *Third Report and Order and Third Further Notice of Proposed Rulemaking*, 22 FCC Rcd 21064 para. 15, 16 (2007) ("*2007 Viewability Order*").

² See Carriage of Digital Television Broadcast Signals: Amendment to Part 76 of the Commission's Rules, *Fourth Further Notice of Proposed Rulemaking and Declaratory Order*, CS Docket No. 98-120, FCC 12-18 (rel. Feb. 10, 2012) (the "*Notice*").

ATTACHMENT

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ANALOG CABLE VIEWERSHIP DATA

Table 1: Viewership Per Day Per Home, Analog Cable vs. Digital Cable HH

<i>hours:minutes per day per HH*</i>	<u>Analog Cable Homes</u>	<u>Digital Cable Homes</u>	<u>Analog/Digital Viewing</u>
African American Households	11:48	10:43	110%
Minority Households**	10:14	9:19	110%
All Households	8:25	8:02	105%

*Excludes premium pay channels, which are not available to 91% of analog cable homes

**African-American and Hispanic households, as Nielsen does not break out data for other minority groups

Source: Nielsen Q1 2012, Live+SD viewing

Table 2: Analog Cable Share of ION Television Distribution and Viewership

	<u>ION Analog Cable Homes</u>	<u>All ION Homes</u>	<u>Analog Cable % of total</u>
Distribution (MM Homes)	7	100	7%
000 Household Impressions	102	786	13%

Source: Nielsen, 2011/12 Season-to-date as of June 1, 2012 Q1 2012, Primetime Live+SD viewing

Table 3: Demographics: ION Analog Cable Homes vs. All US TV Homes

	<u>% Minority*</u>	<u>% African-American</u>	<u>% Over 65</u>
ION Analog Cable Viewers	39%	29%	24%
All US Viewers	29%	13%	14%

*African-American and Hispanic viewers, as Nielsen does not break out data for other minority groups

Source: Nielsen, 2011/12 Season-to-date as of June 1, 2012 Q1 2012, Live+SD viewing