

Institute for Public Representation
Georgetown Law
600 New Jersey Ave. NW
Washington, DC 20001
202.662.9535 (phone)
202.662.9634 (fax)



November 26, 2012

via hand delivery

Marlene H. Dortch, Secretary
Office of the Secretary
Federal Communications Commission
445 12th Street, SW, Room TW-A325
Washington, DC 20554

FILED/ACCEPTED

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Federal Communications Commission
Office of the Secretary

Attn: CGB Room 3-B431

**Re: Ken Hobbs Petition for Exemption from the
Commission's Closed Captioning Rules
Case No. CGB-CC-1249
CG Docket No. 06-181**

Dear Ms. Dortch:

Pursuant to the Commission's Request for Comment, Telecommunications for the Deaf and Hard of Hearing Inc. (TDI), the National Association of the Deaf (NAD), the Deaf and Hard of Hearing Consumer Advocacy Network (DHHCAN), the Association of Late-Deafened Adults (ALDA), California Coalition of Agencies Serving the Deaf and Hard of Hearing (CCASDHH), and the Cerebral Palsy and Deaf Organization (CPADO), collectively, "Consumer Groups," respectfully submit this opposition to the petition of Ken Hobbs Productions ("Hobbs") to exempt its program *All the Way Live TV* from the Commission's closed captioning rules, 47 C.F.R. § 79.1.¹ Consumer Groups

¹ *Public Notice, Request for Comment: Request for Exemption from Commission's Closed Captioning Rules*, CG Docket No. 06-181 (October 26, 2012), http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-12-1729A1.pdf; *Hobbs Petition for Exemption*, Case No. CGB-CC-1249, CG Docket No. 06-181 (June 12, 2012), <http://apps.fcc.gov/ecfs/document/view?id=7021991076> ("*Hobbs Petition*"). The Consumer and Governmental Affairs Bureau initially determined that the *Hobbs Petition* was deficient. *Letter from the Consumer and Governmental Affairs Bureau*, Case No. CGB-

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oppose the petition because it does not sufficiently demonstrate that Hobbs sought out the most reasonable rate for captioning or that it cannot afford to caption its programming.

Consumer Groups acknowledge Hobbs' efforts to "have a positive impact on the community."² Hobbs' requested exemption, however, would deny equal access to its programming to community members who are deaf or hard of hearing. Maximizing accessibility through the comprehensive use of closed captions is critical to ensuring that all viewers can experience the important benefits of video programming on equal terms.

Because the stakes are so high for the millions of Americans who are deaf or hard of hearing, it is essential that the Commission grant petitions for exemptions from captioning rules only in the rare case that a petitioner conclusively demonstrates that captioning its programming would impose a truly untenable economic burden. To make such a demonstration, a petitioner must present detailed, verifiable, and specific documentation that it cannot afford to caption its programming, either with its own revenue or with alternative sources.

Under section 713(d)(3) of the Communications Act of 1934 ("1934 Act"), as added by the Telecommunications Act of 1996 Act ("1996 Act")³ and amended by section 202(c) of the 21st Century Communication and Video Accessibility Act of 2010 ("CVAA"),⁴ "a provider of video programming or program owner may petition the Commission for an exemption from the [closed captioning] requirements of [the 1934 Act], and the Commission may grant such petition upon a showing that the

CC-1249, CG Docket No. 06-181 (August 29, 2012), <http://apps.fcc.gov/ecfs/document/view?id=7022009750> ("CGB Letter"). Hobbs then filed a supplement. *Hobbs Supplement*, Case No. CGB-CC-1249 (September 26, 2012), <http://apps.fcc.gov/ecfs/document/view?id=7022032957>.

² *Hobbs Petition* at 1.

³ Pub. L. 104-104, 110 Stat. 56 (codified as amended at 47 U.S.C. § 613(d)(3)).

⁴ Pub. L. 111-260, 124 Stat. 2751 (codified at 47 U.S.C. § 613(d)(3)).

requirements . . . would be economically burdensome.” In its July 20, 2012 Report and Order, the Commission formally adopted the analysis set forth in its October 20, 2011 Interim Standard Order and Notice of Proposed Rulemaking.⁵ In doing so, the Commission interpreted the term “economically burdensome” as being synonymous with the term “undue burden” as defined in section 713(e) of the 1934 Act and ordered the Consumer and Governmental Affairs Bureau to continue to evaluate all exemption petitions using the “undue burden” standard pursuant to the Commission’s amended rules in 47 C.F.R. § 79.1(f)(2)-(3).⁶

To satisfy the requirements of section 713(e), a petitioner must first demonstrate its inability to afford providing closed captions for its programming.⁷ If a petitioner sufficiently demonstrates an inability to afford captioning, it must also demonstrate that it has exhausted alternative avenues for obtaining assistance with captioning.⁸ Where a petition fails to make either of those showings, it fails to demonstrate that providing

⁵ The *Interim Standard Order* and the *NPRM* were part of a multi-part Commission decision. See *Anglers for Christ Ministries, Inc., New Beginning Ministries, Petitioners Identified in Appendix A, Interpretation of Economically Burdensome Standard; Amendment of Section 79.1(f) of the Commission’s Rules; Video Programming Accessibility*, Memorandum Opinion and Order, Order, and Notice of Proposed Rulemaking, CG Docket Nos. 06-181 and 11-175, 26 FCC. Rcd. 14941 (Oct. 20, 2011) (“*Anglers 2011*”).

⁶ *Report and Order, Interpretation of Economically Burdensome Standard; Amendment of Section 79.1(f) of the Commission’s Rules; Video Programming Accessibility*, CG Docket No. 11-175, ¶ 8 (July 20, 2012) (“*Economically Burdensome Standard Order*”). In some early adjudications, the Commission specifically analyzed exemption petitions under the four-factor rubric in section 713(e), analyzing whether each of the four factors weighed for or against granting a particular petition. *E.g.*, *Home Shopping Club L.P.*, Case No. CSR 5459, 15 FCC Rcd. 10,790, 10,792-94 ¶¶ 6-9 (CSB 2000). Over the past decade, however, this factor-based analysis has evolved into several specific evidentiary requirements that must be satisfied to support a conclusion that a petitioner has demonstrated an undue economic burden sufficient to satisfy the requirements of section 713(e). See *Anglers 2011*, 26 FCC Rcd. at 14,955-56, ¶ 28.

⁷ See *Anglers 2011*, 26 FCC Rcd. at 14,955-56, ¶ 28.

⁸ See *id.*

captions would be economically burdensome, and the Commission must dismiss the petition.⁹

I. Hobbs's Ability to Afford Captioning

To sufficiently demonstrate that a petitioner cannot afford to caption its programming, a petition must provide both verification that the petitioner has diligently sought out and received accurate, reasonable information regarding the costs of captioning its programming, such as competitive rate quotes from established providers, and detailed information regarding the petitioner's financial status.¹⁰ Both showings must demonstrate that the petitioner in fact cannot afford to caption its programming and eliminate the possibility that captioning would be possible if the petitioner reallocated its resources or obtained more reasonable price quotes for captioning its programming.

A. The Cost of Captioning Hobbs's Programming

To successfully demonstrate that captioning would be economically burdensome, a petitioner must demonstrate a concerted effort to determine "the most reasonable price" for captioning its programming.¹¹ To allow the Commission and the public to evaluate whether a petitioner's cost estimates are reasonable, it is essential that a petition provide, at a bare minimum, detailed information about the basis and validity of cost estimates for captioning, such as competitive hourly rate quotes and associated correspondence from several established captioning providers.¹²

⁹ *See id.*

¹⁰ *See id.*

¹¹ *See The Wild Outdoors*, Case No. CSR 5444, 16 FCC Rcd. 13,611, 13,613-14 ¶ 7 (CSB 2001), cited with approval in *Anglers 2011*, 26 FCC Rcd. at 14,956, ¶ 28 n.101.

¹² *Compare, e.g., Outland Sports, Inc.*, Case No. CSR 5443, 16 FCC Rcd. 13,605, 13,607, ¶ 7 (CSB 2001) (approving of a petitioner's inclusion of rate quotes and associated correspondence from at least three captioning providers in its petition) with *The Wild Outdoors*, 16 FCC Rcd. at 13,613-14, ¶ 7 (disapproving of a petitioner's bald assertion of the cost to caption a program without supporting evidence).

Hobbs claims captioning its programming would cost a minimum of \$235 per half-hour episode, but does not explain its basis for this estimate.¹³ In addition, one provider quotes Hobbs a price of \$4.08 per minute, or \$122.40.¹⁴ Finally, Hobbs provides no evidence of any attempt to negotiate for a more affordable price with any provider.

B. Hobbs' Financial Status

A successful petition requires, at a bare minimum, detailed information regarding the petitioner's finances and assets, gross or net proceeds, and other documentation "from which its financial condition can be assessed" that demonstrates captioning would present an undue economic burden.¹⁵

Hobbs contends that it "simply cannot afford" the cost of captioning, but provides no explanation of why this is the case.¹⁶ Hobbs provides several bank statements covering months between May and July of 2012, but does not explain how they relate to Hobbs's overall financial status or offer any concise explanation of Hobbs's overall assets or annual revenue and expenses.¹⁷ It is impossible for the public or the Commission to even begin assessing Hobbs's financial status on the basis of only three months of incomplete information, much less to conclude that Hobbs cannot afford to caption its programming.

II. Conclusion

Hobbs's petition and supplement lack sufficient information to demonstrate that Hobbs has sought out the most reasonable rate for captioning its programming or that it cannot afford captioning. Accordingly, we respectfully urge the Commission to dismiss

¹³ *Hobbs Petition* at 1.

¹⁴ *Id.* at 9.

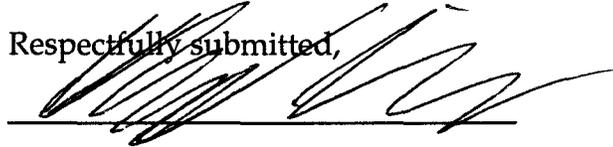
¹⁵ *E.g., Survivors of Assault Recovery*, Case No. CSR 6358, 20 FCC Rcd. 10,031, 10,032, ¶ 3 (MB 2005), *cited with approval in Anglers 2011*, 26 FCC Rcd. at 14,956, ¶ 28 n.100.

¹⁶ *Hobbs Petition* at 1.

¹⁷ *Hobbs Supplement* at 7-17.

the petition without prejudice, giving Hobbs leave to either submit more information or require *All the Way Live TV* to come into compliance with the closed captioning rules.

Respectfully submitted,



Blake E. Reid†
November 26, 2012

*Counsel for Telecommunications for the
Deaf and Hard of Hearing, Inc.*

Institute for Public Representation
Georgetown Law
600 New Jersey Ave. NW
Washington, DC 20001
202.662.9545
blake.reid@law.georgetown.edu

cc: Roger Holberg, Consumer &
Governmental Affairs Bureau
Traci Randolph, Consumer &
Governmental Affairs Bureau

† Counsel thanks Georgetown Law student Jessica Lee for her assistance in preparing these comments.

Telecommunications for the Deaf and Hard of Hearing, Inc. (TDI)

_____/s/_____

Claude Stout, Executive Director • cstout@TDIforAccess.org
Contact: Jim House, Director of Public Relations • jhouse@TDIforAccess.org
8630 Fenton Street, Suite 121, Silver Spring, MD 20910
www.TDIforAccess.org

National Association of the Deaf (NAD)

_____/s/_____

Howard Rosenblum, Chief Executive Officer • howard.rosenblum@nad.org
Contact: Shane Feldman, Chief Operating Officer • shane.feldman@nad.org
8630 Fenton Street, Suite 820, Silver Spring, MD 20910
301.587.1788
www.nad.org

Deaf and Hard of Hearing Consumer Advocacy Network (DHHCAN)

_____/s/_____

Cheryl Heppner, Vice Chair • CHEppner@nvrc.org
3951 Pender Drive, Suite 130, Fairfax, VA 22030

Association of Late-Deafened Adults (ALDA)

_____/s/_____

Contact: Brenda Estes, President • bestes@endependence.org
8038 Macintosh Lane, Suite 2, Rockford, IL 61107

California Coalition of Agencies Serving the Deaf and Hard of Hearing (CCASDHH)

_____/s/_____

Contact: Sheri A. Farinha, Vice Chair • SFarinha@norcalcenter.org
4708 Roseville Rd, Ste. 111, North Highlands, CA 95670
916.349.7500

Cerebral Palsy and Deaf Organization (CPADO)

_____/s/_____

Contact: Mark Hill, President • deafhill@gmail.com
1219 NE 6th Street #219, Gresham, OR 97030
503.468.1219

CERTIFICATION

Pursuant to 47 C.F.R. §§ 1.16 and 79.1(f)(9), I, Claude Stout, Executive Director, Telecommunications for the Deaf and Hard of Hearing, Inc. (TDI), hereby certify under penalty of perjury that to the extent there are any facts or considerations not already in the public domain which have been relied on in the foregoing document, these facts and considerations are true and correct to the best of my knowledge.

Claude L. Stout

Claude Stout
November 26, 2012

CERTIFICATE OF SERVICE

I, Niko Perazich, Office Manager, Institute for Public Representation, do hereby certify that, on November 26, 2012, pursuant to the Commission's aforementioned Request for Comment, a copy of the foregoing document was served by first class U.S. mail, postage prepaid, upon the petitioner:

Ken Hobbs
P.O. Box 561
Monroe, LA 71210



Niko Perazich
November 26, 2012