

CGB-CC-1288

Docket # 06-181

DOCKET FILE COPY ORIGINAL

HILL SHADOW PICTURES

Received & Inspected

NOV 24 2013

FCC Mail Room

January 28, 2013

Re: PETITION FOR EXEMPTION TO THE CLOSED CAPTIONING  
REQUIREMENTS ON THE BASIS OF UNDUE BURDEN

To Whom It May Concern:

I am writing to petition for the exemption to the closed captioning requirements on the basis of undue burden. The show title in question is: "Gary Lewis' Adventure Journal," a regionally broadcast half-hour show in the Pacific Northwest. There are 26 episodes on air at this moment, and 39 come July. I am petitioning the FCC requirements for the following reasons.

The impact on the operation of the provider or program owner in providing closed captioning would be detrimental and, in this case, would completely inhibit the production of the show. We are currently working with a closed captioning service named VITAC and have received a quote for the closed captioning of our regional program. In order to get our program completely captioned and encoded, it would cost more than I as an independent producer, am guaranteed to make on one season of the production. After the two seasons that are airing at the moment are captioned, it will cost at least half of what I am guaranteed to make on the production every season. Please take this and other specifics into consideration, as this captioning would cause the cancellation of our show.

I have contacted our six program distributors across the Northwest, and have requested assistance for funding for closed captioning of the TV show Gary Lewis Adventure Journal. No station will assist in funding closed captioning, considering our show falls under the barter show realm. This means that program distributors do not pay us for the show, and we do not pay them to have the show on the air. Our income comes solely from our advertisers. Along with this letter are copies of the program distributor responses to the request for assistance for closed captioning.

After seeking additional funding for closed captioning for our television program Gary Lewis Adventure Journal it is clear that businesses and companies have little interest in financially supporting the closed captioning of our program. After speaking with Tony Meyer, the owner of Xpress Printing Inc. and a fan of our show in Sisters Oregon, Jeff Wester, owner of Ponderosa Forge & Iron Works Inc. in Sisters Oregon, and Don Leber, Director of Advertising and Marketing at Bi-Mart Corp, it has become clear that funding for closed captioning of our program is unavailable. I have also contacted

Cliff Tepper, a key contact at the Hearing Loss Association of Oregon. He has informed me that there is no money available for funding such closed captioning.

This show is being distributed as a barter show. As such, our compensation for production comes from advertising sales.

With all the information provided, it is clear that Hill Shadow Pictures cannot pay for closed captioning because the cost of it would cut more than 50% of earnings that the show generates. As a whole in 2012, Hill Shadow Pictures brought in a total of \$24,817.90, \$11,971.50 of expenses, and 5041 business miles. After adjustments for 2012 Hill Shadow Pictures as a whole made \$12,846.40. If I were required to caption and encode this series, I will have made \$1,121.40 for 2012, not including the 13 upcoming episodes for 2013, which would cost an additional \$5,862.50, or the business miles that account for \$2,520.50. Not including the 3013 episode captioning, but accounting for the business miles of 2012, I would have made a total of -\$1,399.50. This is why the production would be cancelled if required to provide closed captioning. Please take into consideration that Hill Shadow Pictures is a one-person production crew that shoots, edits, produces, and distributes programs on a small scale. I am trying to build a business that is easily inhibited by rules and regulations that are placed on production crews that are backed with millions of dollars and crews that number 25 or more personnel. It is simply not reasonable to not delineate between studios from LA that produce programming from a one-person small business production crew.

Thank you for considering my appeal and petition. Please contact me if there are any further questions.

Best regards,

Samuel Pyke

Owner

Hill Shadow Pictures

17495 Ivy Ln Sisters, OR 97759 (541) 678-2018 hillshadowpictures@gmail.com

***aAffiliate Responses to Funding For Closed Captioning***

Hi Sam,

Greg Fair forwarded your request for a letter from us regarding closed captioning support for KBNZ.

As per FCC Closed Captioning exemptions found in CFR Title 47, vol 4., 79.1, KBNZ is not required to provide closed captioning.

Please let me know if you need anything else from me.

Have a great weekend.

-Dave

Dave Jones

Director of Creative Services

[cid:image003.png@01CB2E48.3354A760]

Representing BendBroadband, Crestview Cable, KBNZ-CBS & COTV11

63090 Sherman Rd., Bend, OR 97701

F: 541.385.3271 P: 541.312.6453

W: < >

Hi Sam. Financial assistance from KOB/KOTI for your closed captioning is not available. As you are aware, we already insert your commercials into the show, which airs at 1:30am Sunday night/Monday morning. That barter time is our payment to you for providing the program to us. It would not be a sound business decision to contribute financially as well.

Please keep us in the loop as your petition for closed captioning exemption moves forward.

Best regards,

Donna Rodriguez

Programming & Traffic Mgr.

KOB/KOTI-TV

541-779-5555

Direct Dial: 541-282-1208

Dear Program Provider,

After careful research, we have discovered a temporary solution to the closed captioning dilemma ... keep in mind that this information below will not work when you decide to be on our other station, KLSR-TV/Fox ... it will only suffice on KEVU-TV.

The "self-implementing Exemption" that we are using states: ***"No video programming provider shall be required to expend any money to caption any channel of video programming producing annual gross revenues of less than \$3,000,000 during the previous calendar year other than the obligation to pass through video programming already captioned when received."***

Sam

I think you have it right they fail to understand barter that aside...since no monies is exchanged between your production company and our stations we would not and will not compensate the production company for such closed captioning. Since our faculties annual income is well below the threshold to require captioning ourselves it is not a requirement as we understand it. If a production company does supply closed captioning we can and do pass it through the facility however.

\*\*\*\*\*

Ken Lewetag - General Manager/co-owner  
Northwest Television, LLC

**"From Longview to Eugene and everywhere in between"**

\*\*\*\*\*

Received & Inspected

OCT 29 2013

FCC Mail Room

## Hill Shadow Pictures

Owner: Samuel Pyke

Concerning FCC Petition for Closed Captioning on the basis of undue burden for the  
Television Show (Gary Lewis Adventure Journal)

### **Additional Information Requested by the FCC for Case Identifier: CGB-CC-1288**

10/21/13

Respected Communications Commission,

Within this envelope I am providing the affidavit for the additional information that was delivered to the office of the Secretary, disability Rights Office Room 3- C438 by overnight mail on the 24<sup>th</sup> of this month. I simply forgot to send an affidavit with the additional information. Please note, that I have provided the information requested that illustrates my company's inability to afford to pay for closed captioning for the program (Gary Lewis Adventure Journal). I do apologize that this affidavit came separate, and 6 days after the additional information, but please do not let this simple fault on my part determine the technical legitimacy of this case.

Best Regards,

Samuel Pyke, Hill Shadow Pictures

OCT 29 2013

FCC Mail Room

**GENERAL AFFIDAVIT**

STATE OF Oregon

COUNTY OF Deschutes

PERSONALLY came and appeared before me, the undersigned Notary, the within named Samuel Pyke, who is a resident of Deschutes County, State of Oregon, and makes this his/her statement and General Affidavit upon oath and affirmation of belief and personal knowledge that the following matters, facts and things set forth are true and correct to the best of his/her knowledge:

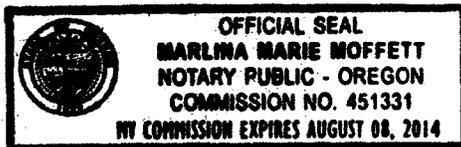
(Insert Statement)

Samuel Pyke, owner of Hill Shadow Pictures swears to the best of his knowledge that the additional information provided to the FCC for Case Identifier CGB-CC-1288, postmarked on the 23<sup>rd</sup> of October 2013 is accurate and true.

DATED this the 28 day of October, 2013

[Signature]  
Signature of Affiant

SWORN to subscribed before me, this 28 day October, 2013



[Signature]  
NOTARY PUBLIC

My Commission Expires:

08/08/2014

Received & Inspected  
OCT 24 2013  
FCC Mail Room

# Hill Shadow Pictures

Owner: Samuel Pyke

Concerning FCC Petition for Closed Captioning on the basis of undue burden for the  
Television Show (Gary Lewis Adventure Journal)

## **Additional Information Requested by the FCC for Case**

**Identifier: CGB-CC-1288**

10/21/13

Respected Communications Commission,

Within this envelope I am providing more information that was requested. Please consider the information in its entirety as it illustrates a small company's lifeline. I am not petitioning because I as a producer do not want to pay for closed captioning. I am simply providing the information that clearly, beyond any doubt, illustrates my company's inability to afford to pay for closed captioning.

The information provided also reflects peoples and businesses unwillingness to help fund closed captioning for a program that is not relevant to their business. Please study this additional information, and consider it when determining the legitimacy of this case.

Best Regards,

Samuel Pyke, Hill Shadow Pictures

**Name of the program for which an exemption is requested:**

(Gary Lewis Adventure Journal)

Channels: KOB15 Medford, KWVT Salem, KLSR Eugene, COTV Bend

**The nature and cost of the closed captions for the programming:**



VITAC Order Acknowledgement

Reason: <b>New Client</b>	Client PO: _____
Date: <b>11/5/2012</b>	
Client: <b>Hill Shadow Pictures Samuel Pyke 17495 Ivy Ln Sisters, OR 97759 United States (Uses Credit Card)</b>	Invoice #1: <b>Gary Lewis Adventure Journal Gary Lewis  (Uses Credit Card)</b>
Phone: <b>541-678-2018</b>	Acct #1: _____
Email: <b>hillshadowpictures@gmail.com</b>	Phone: _____
	Email: _____
Program: <b>Gary Lewis Adventure Journal</b>	
Net Air: <b>Unknown</b>	

VITAC hereby agrees to caption the above project as described below:

City	Description	Run Time	Rate	Rate Units	Start Date	Required Delivery Date	Estimated Detail Invoice
26	Offline; Roll Caption; CAP	30	150	Episode			\$3900.00
Ship Via: Email:							
From Language: English - US				To Language: English - US			
Rush Rate Detail: No Rush Rates							
Funding Credit: *** None ***							
VITAC Credit: Yes				VITAC URL: Yes			
Content approved by client: No				Content changes permissible: No			
City	Description	Run Time	Rate	Rate Units	Start Date	Required Delivery Date	Estimated Detail Invoice
26	Encoding; Caption Encode (Closed); MOV; MOV	30	100	Episode			\$2600.00
Ship Via: (Unspecified)							
Rush Rate Detail: No Rush Rates							
Detail Instruction: encode to Apple Prores 720p							
City	Description	Run Time	Rate	Rate Units	Start Date	Required Delivery Date	Estimated Detail Invoice
26	Encoding; Caption Encode (Closed); MPEG-2; Mpeg 2 (	30	100	Episode			\$2600.00
Ship Via: (Unspecified)							
Rush Rate Detail: No Rush Rates							
Detail Instruction: encode to M2T 16:9							
City	Description	Run Time	Rate	Rate Units	Start Date	Required Delivery Date	Estimated Detail Invoice
26	Encoding; Caption Encode (Closed); MPEG-2; Mpeg 2 (	30	100	Episode			\$2600.00
Ship Via: (Unspecified)							
Rush Rate Detail: No Rush Rates							
Detail Instruction: encode to mpeg 4:3							
Estimated Total:							\$11725.00

Signature

Date

This closed captioning provider will provide closed captioning, encode, and deliver final offline captioned episodes. As you can see, each video codec that we deliver to our

affiliates must be captioned separately making the cost of captioning multiply as our 4 different affiliates throughout Oregon air the episodes in 3 different Codecs. If we get more affiliates, or areas in which our show is aired, which we are constantly trying to do in order to get our show in more homes throughout the northwest, then most likely we will have to spend another captioning fee per episode codec, multiplying the cost yet again. The number of episodes, but also the number of different codecs, which varies greatly from channel to channel and affiliate to affiliate, does not only determine the cost of captioning. Note, that this VITAC estimate is only for 26 episodes. By the end of next year we will have 52 episodes in at least three different codecs. After the math is done, each episode in its one codec is \$100 to encode, meaning that each episode with the affiliates we now have with three different codecs will cost \$300 to encode, and \$150 per codec to caption, making the total, \$450/episode, making each season \$5,850. After this next year we will have a total of 52 episodes on the air totaling up to \$23,450 of captioning fees. I as an independent producer will make no more than \$13,000 per season. If we used this captioning service, and pickup up no more affiliates, which doesn't allow for growth, 45% of what I make producing this show would go to captioning services. Last year I paid nearly 29% in taxes as a self employed producer. These numbers don't support any kind of small business growth.

After speaking with Steve Homs at Aberdeen Broadcast services, I was able to get another quote for closed captioning, encoding, and delivering our show as it is now. Unfortunately he was not able to send the quote via email in time to send this letter. The prices ranged from \$450-\$550 per episode for captioning, encoding, and delivering.

The logo for Aberdeen Broadcast Services features the word "aberdeen" in a lowercase, sans-serif font. Above the letter 'e' in "aberdeen", there is a stylized graphic of a signal tower or antenna with several horizontal lines radiating from the top, suggesting broadcast signals. Below the word "aberdeen", the tagline "from edit to air...we'll get you there" is written in a smaller, lowercase, sans-serif font.

aberdeen  
from edit to air...we'll get you there

**Aberdeen Broadcast Services**

22362 Gilberto, Suite 120  
Rancho Santa Margarita, CA 92688  
abercap.com 800-688-6621

**Price Quote**

**Account** Hill Shadow Pictures

**Quote ID** 02042  
**Status** Open  
**Quote Good until:** 11/22/2013

**Project Name:** Captioning & AberFast Digital File Delivery

**Specifications:** **SERVICE & WORKFLOW OVERVIEW:** Aberdeen to provide Hill Shadow Pictures (client) with closed captioning, down-conversion, and AberFast digital file delivery services for weekly 30-minute, HD programming with SD deliverables. Client master source files to be uploaded via AberFast electronic file transfer system (please see below for note on storage fee to be assessed, only if storage service requested) in Apple Pro-Res 422 LT (HD) file format or comparable specifications per Aberdeen guidelines. Files to adhere to Aberdeen file specifications ([http://abercap.com/pdf/Aberdeen\\_DFD\\_Broadcast\\_Standards.pdf](http://abercap.com/pdf/Aberdeen_DFD_Broadcast_Standards.pdf)) and in conjunction with station requirements (leader elements, aspect ratio, center cut considerations, etc.). Minimum 5 business day turn around to be expected, unless otherwise arranged and verified in writing.

**ADDITIONAL FEE(S) NOTE (VIDEO/AUDIO/CAPTIONING):** A full or partial charge may apply on top of charges detailed in line items below should Aberdeen be required to re-transcode any files due to issues stemming from provision of non-airable or unacceptable master video or caption files provided by client. Non-airable or unacceptable files may include, but are not limited to, master video and/or audio that does not meet TV broadcast standards or Aberdeen standards (see above specs link). Editing, quality assurance and alteration or restoration charges may apply also if required. If stations require tape back-up until station verifies that file only delivery approved, then the client will need to organize delivery of tape(s) and cover such additional expenses during such a tape/file overlap. Please note that additional charges also may apply should client resubmit/upload files due to producer preference changes to original master files previously uploaded to Aberdeen. Each upload to Aberdeen is considered an order for services and appropriate fees to apply as defined above and below.

**IMPORTANT FILE STORAGE FEE NOTE:** This service NOT currently being provided. If client orders this service, it must be at the time of file submission or retro-active storage fees to apply. Client to pay storage fee for keeping content on Aberdeen system for fulfilling future distribution orders. File storage rate is \$.45 per GB per month. Please note that, if service added, the total fees will need to be added to this quote, which have yet to be calculated. Also noteworthy, each individual file size rounded up to the nearest GB when calculating billable cost.

**STATION SET-UP FEES:** Please see separate quote for one-time station set-up fees that corresponds to with this work. Testing and coordination with stations will begin once the station set-up fees have been paid in full via credit card prior to commencement of any testing or services being rendered.

**Comments:** Thank you!

**Effective Date:** 10/23/2013

**Acct. Exec.:** STEVE

**Ship Via:** AberFast DFD

**Payment Policy**

**One-time projects:** Prepayment Required

**Daily/Weekly/Continuous work contracts:** Prepayment required for two complete invoicing periods, after which clients who meet a certain criteria may be switched to monthly invoice/billing (NET15) on the first business day of the following month

**Accepted forms of payment:** Check thru ACH (physical check or ask for Aberdeen electronic form), Credit Card, Cash or Cashier's Check.

**TRT/Pricing Guidelines:** As per industry standards, TRT of each individual file will be rounded up to the next full minute for billing purposes. If TRT changes amount to more than a 10% increase in price over quote, Client will receive order confirmation with updated price total and Client approval is needed to move forward. If TRT changes result in less than a 10% increase in price over quote, project will automatically be moved into production and client will see final price on order confirmation.



Description	Qty	Unit	Unit Price	Line Total
<b>Roll-Up Live-Style 30 min</b> Live-Style roll-up captioning done in real-time by a live captioner with no additional reviews or quality control. Captions are done in all uppercase text and are placed in one position on the screen throughout the program. Captions are generally delayed 1 to 4 seconds. The quality will be 98% accuracy or better for speech spoken at 200 WPM or less with no overlapping speakers. For more detail: <a href="http://knowledgebase.abercap.com/index.php?/article/AA-00437">http://knowledgebase.abercap.com/index.php?/article/AA-00437</a>	1	EA	175.00	175.00
<b>AberFast File Delivery HD Source (client source)</b> Client to upload their master video file to Aberdeen via our AberFast HotFolder. Aberdeen will QC, transcode video to individual TV station specifications (inserting closed captions if necessary) and deliver video file to specified station via the AberFast managed transfer system that will also provide email confirmation to you.	1	EA	0.00	0.00
<b>AberFast Conversion HD to SD</b>	1	EA	20.00	20.00
<b>AberFast 30 min Delivery HD-COTV</b> Client to upload their master video file to Aberdeen via our AberFast HotFolder. Aberdeen will QC, transcode video to individual TV station specifications (inserting closed captions if necessary) and deliver video file to specified station via the AberFast managed transfer system that will also provide email confirmation to you.	1	EA	78.00	78.00
<b>AberFast 30 min Delivery SD-KOBI</b> Client to upload their master video file to Aberdeen via our AberFast HotFolder. Aberdeen will QC, transcode video to individual TV station specifications (inserting closed captions if necessary) and deliver video file to specified station via the AberFast managed transfer system that will also provide email confirmation to you.	1	EA	38.00	38.00
<b>AberFast 30 min Delivery SD-KWVT</b> Client to upload their master video file to Aberdeen via our AberFast HotFolder. Aberdeen will QC, transcode video to individual TV station specifications (inserting closed captions if necessary) and deliver video file to specified station via the AberFast managed transfer system that will also provide email confirmation to you.	1	EA	38.00	38.00
<b>AberFast 30 min Delivery SD-KLSR</b> Client to upload their master video file to Aberdeen via our AberFast HotFolder. Aberdeen will QC, transcode video to individual TV station specifications (inserting closed captions if necessary) and deliver video file to specified station via the AberFast managed transfer system that will also provide email confirmation to you.	1	EA	38.00	38.00
<b>Convenience Fee (3%)</b> There is a 3% convenience fee for credit card transactions. Only major (AMEX, VISA, or MasterCard) credit cards accepted. Credit card information is still required with ACH (electronic check/"check by phone") option and will be authorized (hold placed on card for total project amount) until ACH payment has processed. Regardless of payment preference, payment to be processed upon submission of each program for an introductory period of two complete invoicing periods. Monthly invoice/billing (NET15) will be an option extended to clients who meet a certain criteria after the introductory period is over. All clients who are switched to monthly invoicing/billing (NET15) will be switched on the first business day of the month following their introductory period.	1	EA	11.61	11.61
<b>Quote Total:</b>				<b>398.61</b>

Last Name	First Name	Title	Business	Mobile	EMAIL_ADDR
Pyke	Samuel	Producer of TV/Media	(541) 678-2018		hillshadowpictures@gmail.com

<b>Payment Policy</b>
<p><b>One-time projects:</b> Prepayment Required</p> <p><b>Daily/Weekly/Continuous work contracts:</b> Prepayment required for two complete invoicing periods, after which clients who meet a certain criteria may be switched to monthly invoice/billing (NET15) on the first business day of the following month</p> <p><b>Accepted forms of payment:</b> Check thru ACH (physical check or ask for Aberdeen electronic form), Credit Card, Cash or Cashier's Check.</p> <p><b>TRT/Pricing Guidelines:</b> As per industry standards, TRT of each individual file will be rounded up to the next full minute for billing purposes. If TRT changes amount to more than a 10% increase in price over quote, Client will receive order confirmation with updated price total and Client approval is needed to move forward. If TRT changes result in less than a 10% increase in price over quote, project will automatically be moved into production and client will see final price on order confirmation.</p>

As you can see in the Aberdeen Quote, as our show is now set up with its particular affiliates, it would cost us near \$400 per episode to caption and encode in the codecs we currently are working with. Keep in mind if our show lands more affiliates, the cost will go up. With this being a cheaper option than VITAC, it will still cost us \$5,200/season, which is still 40% of what I am guaranteed to make producing this program.

**Aberdeen Broadcast Services**  
 22362 Gilberto, Suite 120  
 Rancho Santa Margarita, CA 92688  
 abercap.com 800-688-6621

# Price Quote

**Account** Hill Shadow Pictures

**Quote ID** 02044  
**Status** Open  
**Quote Good until:** 11/22/2013

**Project Name:** One-time Station Set-ups  
**Specifications:** SERVICE & WORKFLOW OVERVIEW: Aberdeen to provide Hill Shadow Pictures (client) with closed captioning, down-conversion, and AberFast digital file delivery services for weekly 30 minute, HD programming with SD deliverables. This quote details out one-time costs for testing and coordination with stations, which will begin once the station set-up fees have been paid in full via credit card prior to commencement of any testing or services being rendered. Please see separate corresponding quote for ongoing weekly closed captioning, and AberFast Digital file delivery rates and parameters.  
**Comments:** Thank you!  
**Effective Date:** 10/23/2013  
**Acct. Exec.:** STEVE  
**Ship Via:** AberFast DFD

Description	Qty	Unit	Unit Price	Line Total
<b>Setting Up New DFD with Stations-HD-COTV</b>	1	EA	150.00	150.00
<b>Setting Up New DFD with Stations-SD-KOBI</b> Client to upload their master video file to Aberdeen via our AberFast HotFolder. Aberdeen will QC, transcode video to individual TV station specifications (inserting closed captions if necessary) and deliver video file to specified station via the AberFast managed transfer system that will also provide email confirmation to you.	1	EA	150.00	150.00
<b>Setting Up New DFD with Stations-KWVT</b> Client to upload their master video file to Aberdeen via our AberFast HotFolder. Aberdeen will QC, transcode video to individual TV station specifications (inserting closed captions if necessary) and deliver video file to specified station via the AberFast managed transfer system that will also provide email confirmation to you.	1	EA	150.00	150.00
<b>Setting Up New DFD with Stations-KLSR</b> Client to upload their master video file to Aberdeen via our AberFast HotFolder. Aberdeen will QC, transcode video to individual TV station specifications (inserting closed captions if necessary) and deliver video file to specified station via the AberFast managed transfer system that will also provide email confirmation to you.	1	EA	150.00	150.00
<b>Convenience Fee (3%)</b>	1	EA	18.00	18.00

There is a 3% convenience fee for credit card transactions. Only major (AMEX, VISA, or MasterCard) credit cards accepted. Credit card information is still required with ACH (electronic check/"check by phone") option and will be authorized (hold placed on card for total project amount) until ACH payment has processed. Regardless of payment preference, payment to be processed upon submission of each program for an introductory period of two complete invoicing periods. Monthly

### Payment Policy

**One-time projects:** Prepayment Required  
**Daily/Weekly/Continuous work contracts:** : Prepayment required for two complete invoicing periods, after which clients who meet a certain criteria may be switched to monthly invoice/billing (NET15) on the first business day of the following month  
**Accepted forms of payment:** Check thru ACH (physical check or ask for Aberdeen electronic form), Credit Card, Cash or Cashier's Check.  
**TRT/Pricing Guidelines:** As per industry standards, TRT of each individual file will be rounded up to the next full minute for billing purposes. If TRT changes amount to more than a 10% increase in price over quote, Client will receive order confirmation with updated price total and Client approval is needed to move forward. If TRT changes result in less than a 10% increase in price over quote, project will automatically be moved into production and client will see final price on order confirmation.



invoice/billing (NET15) will be an option extended to clients who meet a certain criteria after the introductory period is over.  
All clients who are switched to monthly invoicing/billing (NET15) will be switched on the first business day of the month following their introductory period.

Quote Total: 618.00

<u>Last Name</u>	<u>First Name</u>	<u>Title</u>	<u>Business</u>	<u>Mobile</u>	<u>EMAIL_ADDR</u>
Pyke	Samuel	Producer of TV/Media	(541) 678-2018		hillshadowpictures@gmail.com

**Payment Policy**

**One-time projects:** Prepayment Required

**Daily/Weekly/Continuous work contracts:** Prepayment required for two complete invoicing periods, after which clients who meet a certain criteria may be switched to monthly invoice/billing (NET15) on the first business day of the following month

**Accepted forms of payment:** Check thru ACH (physical check or ask for Aberdeen electronic form), Credit Card, Cash or Cashier's Check.

**TRT/Pricing Guidelines:** As per industry standards, TRT of each individual file will be rounded up to the next full minute for billing purposes. If TRT changes amount to more than a 10% increase in price over quote, Client will receive order confirmation with updated price total and Client approval is needed to move forward. If TRT changes result in less than a 10% increase in price over quote, project will automatically be moved into production and client will see final price on order confirmation.

As far as investing in captioning equipment myself, or hiring personnel to operate such equipment for the episodes of our show, I have not considered this. It would most certainly limit me from doing my job as a video producer, as the time spent to caption and encode would swallow up the time I have to shoot, edit, produce, and deliver my work. Time away from shooting editing, producing, developing, and delivering quality video content is money lost.

**The impact of captioning on your programming activities:**

The numbers speak for themselves... If I were required to spend 45% of what I make producing this program, there would be no reason to continue producing the show. I would be making \$7,150 per year of production, 20% at least of which would go to the cost to produce the show, as far as lodging, equipment, food, and transportation. There is absolutely no way I would continue producing a show that would make my company \$450/episode after cost. I am trying to grow a small business, and that won't allow for any growth.

**Your financial resources:**

Below are tax forms from 2011, 2012, and the financial sheets for Hill Shadow Pictures for 2013. Along with this additional information are complete tax documents from the last two years.

**SCHEDULE C** Profit or Loss From Business (Sole Proprietorship)

OMB No. 1545-0047  
2011 Attachment Sequence No. 09

For information on Schedule C and its instructions, go to [www.irs.gov/schedulec](http://www.irs.gov/schedulec)  
Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor: **SAMUEL J PYKE** Social security number (SSN): [REDACTED]

A Principal business or profession, including product or service (see instructions): **VIDEO PRODUCTION : VIDEO PRODUCTS** B Enter code from instructions: **515000**

C Business name. If no separate business name, leave blank: **HILL SHADOW PICTURES** D Employer ID number (EIN), (see instr.):

E Business address (including suite or room no.): **17495 IVY LAWE**  
City, town or post office, state, and ZIP code: **SISTERS, OR 97759**

F Accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) \_\_\_\_\_

G Did you "materially participate" in the operation of this business during 2011? If "No," see instructions for limit on losses:  Yes  No

H If you started or acquired this business during 2011, check here:  Yes  No

I Did you make any payments in 2011 that would require you to file Form(s) 1099? (see instructions):  Yes  No

J If "Yes," did you or will you file all required Forms 1099?:  Yes  No

Income		1a	1b	1c	1d
1a	Merchant card and third party payments. For 2011, enter -0-				
1b	Gross receipts or sales not entered on line 1a (see instructions)		4,264.		ATTACHMENT
1c	Income reported to you on Form W-2 if the "Statutory Employee" box on that form was checked. Caution. See instr. before completing this line				
1d	Total gross receipts. Add lines 1a through 1c				4,264.
2	Returns and allowances plus any other adjustments (see instructions)				2
3	Subtract line 2 from line 1d				4,264.
4	Cost of goods sold (from line 42)				4
5	Gross profit. Subtract line 4 from line 3				4,264.
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)				6
7	Gross income. Add lines 5 and 6				4,264.

Expenses		Enter expenses for business use of your home only on line 30.	
8	Advertising	8	
9	Car and truck expenses (see instructions)	9	506.
10	Commissions and fees	10	
11	Contract labor (see instructions)	11	
12	Depletion	12	
13	Depreciation and section 179 expense deduction (not included in Part III) (see instr.)	13	1,639.
14	Employee benefit programs (other than on line 19)	14	
15	Insurance (other than health)	15	
16	Interest:		
a	Mortgage (paid to banks, etc.)	16a	
b	Other	16b	231.
17	Legal and professional services	17	
18	Office expense (see instructions)	18	22.
19	Pension and profit-sharing plans	19	
20	Rent or lease (see instructions):		
a	Vehicles, machinery, and equipment	20a	
b	Other business property	20b	
21	Repairs and maintenance	21	
22	Supplies (not included in Part III)	22	705.
23	Taxes and licenses	23	
24	Travel, meals, and entertainment:		
a	Travel	24a	155.
b	Deductible meals and entertainment (see instructions)	24b	5.
25	Utilities	25	
26	Wages (less employment credits)	26	
27a	Other expenses (from line 48)	27a	78.
b	Reserved for future use	27b	
28	Total expenses before expenses for business use of home. Add lines 8 through 27a	28	3,341.
29	Tentative profit or (loss). Subtract line 28 from line 7	29	923.
30	Expenses for business use of your home. Attach Form 8829. Do not report such expenses elsewhere	30	
31	Net profit or (loss). Subtract line 30 from line 29. <ul style="list-style-type: none"> <li>If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. If you entered an amount on line 1c, see instr. Estates and trusts, enter on Form 1041, line 3.</li> <li>If a loss, you must go to line 32.</li> </ul>	31	923.
32	If you have a loss, check the box that describes your investment in this activity (see instructions). <ul style="list-style-type: none"> <li>If you checked 32a, enter the loss on both Form 1040, line 12, (or Form 1040NR, line 13) and on Schedule SE, line 2. If you entered an amount on line 1c, see the instructions for line 31. Estates and trusts, enter on Form 1041, line 3.</li> <li>If you checked 32b, you must attach Form 6198. Your loss may be limited.</li> </ul>	32a	<input type="checkbox"/> All investment is at risk.
		32b	<input type="checkbox"/> Some investment is not at risk.

KBA For Paperwork Reduction Act Notice, see your tax return instructions. Schedule C (Form 1040) 2011

1040-SC-C (2011) FDC-1V.1.9

As you can see in the "Profit or Loss From Business, Schedule C tax form" from 2011, my company earned a net profit of \$923. Below you will notice the "Profit or Loss From

Business, Schedule C tax form for 2012. Here you can see my Company Hill Shadow Pictures earned a net profit of \$13,585, of which \$2,573 was paid to federal and state taxes. After taxes my company profitted \$11,012. This is not the proffit I gained from the program being called into question concerning the lagitimacy of its status to petition the closed captioning requirement on the basis of undue burden, but inseed it is the net income my company as a whole earned in 2012.

SCHEDULE C (Form 1040)		Profit or Loss From Business (Sole Proprietorship)		OMB No. 1545-0074	
Department of the Treasury Internal Revenue Service (99)		▶ For information on Schedule C and its instructions, go to <a href="http://www.irs.gov/schedulec">www.irs.gov/schedulec</a> . ▶ Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1085.		2012 Attachment Sequence No. 09	
Name of proprietor Samuel J Pyke				Social security number (SSN) [REDACTED]	
A Principal business or profession, including product or service (see instructions) Video Production				B Enter code from instructions ▶ 5 1 2 1 0 0	
C Business name, if no separate business name, leave blank. Hill Shadow Pictures				D Employer ID number (EIN), (see instr.)	
E Business address (including suite or room no.) ▶ 17495 Ivy Ln City, town or post office, state, and ZIP code Sisters, OR 97759					
F Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶					
G Did you "materially participate" in the operation of this business during 2012? If "No," see instructions for limit on losses				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
H If you started or acquired this business during 2012, check here				<input type="checkbox"/>	
I Did you make any payments in 2012 that would require you to file Form(s) 1099? (see instructions)				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
J If "Yes," did you or will you file required Forms 1099?				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Part I Income</b>					
1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked		▶ <input type="checkbox"/>		1 24,818.	
2 Returns and allowances (see instructions)				2	
3 Subtract line 2 from line 1				3 24,818.	
4 Cost of goods sold (from line 42)				4	
5 Gross profit. Subtract line 4 from line 3				5 24,818.	
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)				6	
7 Gross income. Add lines 5 and 6		▶		7 24,818.	
<b>Part II Expenses</b> Enter expenses for business use of your home only on line 30.					
8 Advertising		8 33.		18 Office expense (see instructions)	
9 Car and truck expenses (see instructions)		9 2,798.		19 Pension and profit-sharing plans	
10 Commissions and fees		10 60.		20 Rent or lease (see instructions):	
11 Contract labor (see instructions)		11 1,070.		a Vehicles, machinery, and equipment	
12 Depreciation		12		20b Other business property	
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)		13 1,639.		21 Repairs and maintenance	
14 Employee benefit programs (other than on line 19)		14		22 Supplies (not included in Part III)	
15 Insurance (other than health)		15		23 Taxes and licenses	
16 Interest:				24 Travel, meals, and entertainment:	
a Mortgage (paid to banks, etc.)		16a		a Travel	
b Other		16b 244.		b Deductible meals and entertainment (see instructions)	
17 Legal and professional services		17 382.		24b 150.	
				25 Utilities	
				26 Wages (less employment credits)	
				27a Other expenses (from line 48)	
				27b Reserved for future use	
28 Total expenses before expenses for business use of home. Add lines 8 through 27a		▶		28 11,233.	
29 Tentative profit or (loss). Subtract line 28 from line 7				29 13,585.	
30 Expenses for business use of your home. Attach Form 8829. Do not report such expenses elsewhere				30	
31 Net profit or (loss). Subtract line 30 from line 29.				31 13,585.	
<ul style="list-style-type: none"> <li>• If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3.</li> <li>• If a loss, you must go to line 32.</li> </ul>				32a <input type="checkbox"/> All investment is at risk.	
32 If you have a loss, check the box that describes your investment in this activity (see instructions).				32b <input type="checkbox"/> Some investment is not at risk.	
<ul style="list-style-type: none"> <li>• If you checked 32a, enter the loss on both Form 1040, line 12, (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3.</li> <li>• If you checked 32b, you must attach Form 6196. Your loss may be limited.</li> </ul>					
For Paperwork Reduction Act Notice, see your tax return instructions. BAA REV 01/04/13 TTMec Schedule C (Form 1040) 2012					

Along with the Schedule C's I will send complete tax records. Below is a summary of the profit and cost for 2013 up until October 21 2013.



## Assets and Liabilities

Below is a list of assets I have invested in within the past three years, in order to build a small business that can compete in the video production field.

### ***Hill Shadow Pictures Equipment List 2013 Updated 10/21/13***

Samuel Pyke

#### **HMC Camera Package**

Panasonic HMC 150 Video Camera	2960
Lithium Ion HMC Batteries SSL-VBG50 Pro Series x 2	266
Sennheiser ew 100 G3 Series Lavalier Microphone (Transmitter & Receiver)	599
Audio Technica Shotgun Microphone AT875R	189.95
Rycote Softie 19/22	115.35
Pearstone 1.5' XLR Cable	19.99
Tiffen 72 mm 3 piece Filter Set	109.99
Impact 22" Reflector	20.3
3 piece hot shoe	11.99
Petrol Camera bag	131.85
Rain Cover for HMC	20.98
Sandisk Extreme Class 10 32 GB SD Cardx2	220
Sandisk Extreme Class 10 16 GB SD Card	30
Sandisk Extreme Class 10 8 GB SD Card	15
Rycote LAV MIC FOAM WINDSCREEN- BK - (5-PACK)	25.64

#### **T2i Camera Package**

Canon t2i/550d	700
Tokina Lens 11-16 mm 2.8 (IF)	600
Polarizer Filter	50
Canon 28-135 mm EF Lens	479
Canon L series 180 mm Macro lens	1579
Canon 2x Extender	450
Canon L series 35 mm 1.4 Lens	1329
Hoya 72 mm polarizer Filter	78.9
Canon 50 mm efs Lens	140.32
Pixel TC-252 Camera hand remote	44.98
Rain Cover for t2i	15.97

LP-E8 Batter x2	12.85
LP-E8 rapid battery charger	22.94
Senso Cleaning Kit	32.37
Case Logic Camera Bag	48.34
Delkin Snug-it pro protective case	25.73
DSLR Follow Focus	83.99
Canon L series 35 mm lens	1350

### **Gopro Camera Package**

Gopro Hero 2 Camera	300
Gopro Hero 3 Camera Black Edition	400
Sandisk Ultra 32 GB Mini SD Card Class 10	35.7
Eye Of Mine Gopro Hero 2 Underwater Flat Screen Case	104.35
Gopro lens replacement kit	17.99
Pelican hard case 1200	40

### **Studio**

Cowboy studio Fancier FT-717 Tripod	140
Cowboy studio Fancier FT-717 AH Tripod	150.48
Fancier 717 AH Fluid Tripod Head	75
Fancier 717 tripod boot x2	72
Fancier 717 replacement plate	19.08
Flashpoint Softbox Lighting Kit	118.75
Adorama Soft Box	64
Flashpoint Digital Matte Box	36.1
Flycam 500 Camera Stabilizer system	217
Flycam Nano stabilizer system	190
E-photo 47" bearing camera slider	293.64
Welded camera shoulder mount	85
Aluminum Camera crane/jib	150
Zoom H4 Audio Recorder	258.7
Camera Crane Stand	59
160 LED On-Board Light x2	80
LED Light Charger	8.32
LED Light Battery	11.31

### **Office**

iMac 27" Computer 2011 2.7 GHz intel i5 12 GB Ram	1599
My Studio Firewire 800 WD 3 TB External Hard Drive x 6	1111.94
WD 1 TB external Hard Drive x 2	189

WD 500 GB External Hard Drive	80
WD 3 TB External Hard Drive	119
WD 2 TB External Hard Drive	90
Kingston Variable Card Reader	22
Macbook 2008 Computer	1100
Final Cut Studio 7	995
iPhone 4	459

**Sony NEX ea50 uh Camera package**

Sony NEX ea50uh Camera	3425
Sony NP-F970 Lithium Ion Battery	109.9
Tiffen 67 mm Polarizer Filter	22.95
Tiffen 67 mm UV Filter	7.5
Metabones Canon-Sony E Mount Lens Adapter	400
15 mm rod mounting plate Amazon 5/16/13	39.9
64 gb class 10 sony 40mb/s SD Card 5/16/13 Buydig	52.70
77 mm Variable ND Filter Tiffen B&H	149.00
Matt Box Rig Amazon	215.00

Pelican 1600 camera case Amazon	125.00
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**Total monetary value of assets** **\$25,017.74**

My company's current liabilities include Student Loans from attending Oregon State University to earn my Bachelors degree, and equipment loans that I have taken out for my business. Below you will see an overview of my current student loans.

# View Loan Details

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## Main Content

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### Print All Loan Details

#### *Direct Sub Stafford Loan - 11/24/09*

##### Loan Status

- **Loan Status:** REPAYMENT

##### Disbursement Information

- **Disbursement Date:** 11/24/09
- **Loan Program:** DIRECT SUB STAFFORD LOAN
- **Owner:** DEPT OF EDUCATION
- **Guarantor:** FEDERAL
- **School:** OREGON STATE UNIVERS
- Out of School Date:

Out of School Date is the date provided by your school that typically represents when you will/did graduate or when you were no longer enrolled at least half time.

Below are some common reasons why this date may not reflect your current or actual status:

- You previously left school and have since returned. Therefore, your out of school date represents the original date you graduated or ceased to be enrolled at least half time.
- Your school only reports the current academic year or term; not the full length of your program.
- You have a private loan that allows for a maximum amount of time for an In School Status. Therefore, the Out of School Date represents when you have reached this maximum.

No Out of School Date listed? Some loan programs do not use an Out of School Date for determining when repayment begins, including: PLUS, Graduate PLUS, Consolidation, and many private loans.

Please contact your school if you have questions about your Out of School Date.

03/23/2012

**Interest Rate Information**

- **Interest Rate:** 5.6%
- **Interest Rate Type:** FIXED RATE
- **Subsidy:** SUBSIDIZED

**Loan Balance**

- **Original Balance:** \$4,500.00
- **Late Fees:** \$0.00
- **Unpaid Interest:** \$10.69
- **Current Balance:** \$4,098.89

**Payment Information**

- **Monthly Payment:** \$50.00
- **Repayment Term:** 131 Months
- **Expected Payoff Date:** 09/23/2022

**Due Date Information**

- **Next Due Date:** 10/28/2013
- **Days Delinquent:** 0

**Loan Benefits:**

Description	Status	Payments Until Active
Rebate	--	

**Last Payment on this Loan:**

Date	Payment	Principal	Interest	Late Fee
10/04/13	\$50.00	\$35.42	\$14.58	\$0.00

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# Payments & Billing

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## Print All Payment Details

[Back to Overview](#) [Print for Your Records](#)

### 10/04/2013 - Borrower Payment of \$50.00

This payment was applied to the following loans:

Disb. Date	Loan Type	Principal	Interest	Late Fee
11/24/2009	DIRECT SUB STAFFORD LOAN	\$35.42	\$14.58	\$0.00
Totals:		\$35.42	\$14.58	\$0.00

### 09/11/2013 - Borrower Payment of \$50.00

This payment was applied to the following loans:

Disb. Date	Loan Type	Principal	Interest	Late Fee
11/24/2009	DIRECT SUB STAFFORD LOAN	\$26.39	\$23.61	\$0.00
Totals:		\$26.39	\$23.61	\$0.00

### 08/05/2013 - Borrower Payment of \$50.00

This payment was applied to the following loans:

Disb. Date	Loan Type	Principal	Interest	Late Fee
11/24/2009	DIRECT SUB STAFFORD LOAN	\$28.15	\$21.85	\$0.00
Totals:		\$28.15	\$21.85	\$0.00

### 07/02/2013 - Borrower Payment of \$50.00

# Payments & Billing

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## Print All Payment Details

[Click here to print this page.](#)

### **10/04/2013 - Borrower Payment of \$50.00**

This payment was applied to the following loans:

Disb. Date	Loan Type	Principal	Interest	Late Fee
11/24/2009	DIRECT SUB STAFFORD LOAN	\$35.42	\$14.58	\$0.00
Totals:		\$35.42	\$14.58	\$0.00

### **09/11/2013 - Borrower Payment of \$50.00**

This payment was applied to the following loans:

Disb. Date	Loan Type	Principal	Interest	Late Fee
11/24/2009	DIRECT SUB STAFFORD LOAN	\$26.39	\$23.61	\$0.00
Totals:		\$26.39	\$23.61	\$0.00

### **08/05/2013 - Borrower Payment of \$50.00**

This payment was applied to the following loans:

Disb. Date	Loan Type	Principal	Interest	Late Fee
11/24/2009	DIRECT SUB STAFFORD LOAN	\$28.15	\$21.85	\$0.00
Totals:		\$28.15	\$21.85	\$0.00

### **07/02/2013 - Borrower Payment of \$50.00**