



March 25, 2014

Ex Parte

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Dear Ms. Dortch:

Re: Amendment of the Commission's Rules Related to
Retransmission Consent; MB Docket No. 10-71

On Friday, March 21, 2014, Jeb Benedict (CenturyLink) and I met with Courtney Reinhard of Commissioner O'Rielly's office to discuss the above referenced Commission proceeding regarding reforms to the current retransmission consent framework. Kevin Kastor and Rob Koester (Consolidated Communications), and Chris Kyle (Shentel) participated in the meeting via conference call.

We expressed support for a proposal to prohibit two or more of the big four local broadcasters from banding together to jointly negotiate retransmission consent agreements and to adopt a rebuttable presumption that other station combinations within a market violate the FCC's good faith negotiating requirement. We emphasized the record evidence in this proceeding demonstrating the prevalence of such agreements, as well as their negative impact on consumers and competition, particularly by grossly inflating the cost of local broadcast content.¹ While USTelecom has taken no formal position on the broader aspects of Shared Services Agreements and Joint Sales Agreements, we encouraged the Commission to address the significant problems that occur when multichannel video program distributors (MVPDs) are required to negotiate retransmission consent rights for multiple local stations as a single package.

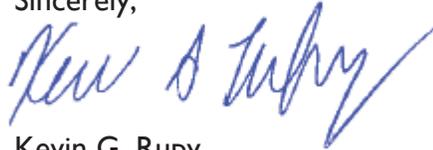
We also discussed the problems for consumers and competition posed by broadcasters' insisting on network exclusivity, preventing access to distant local stations, and imposing unreasonable or mismatched DMA assignments. Finally, we expressed support for further actions by the Commission to address current imbalances in the current retransmission consent process, and move toward true, free-market negotiations between broadcasters and MVPDs.

¹ See e.g., American Cable Association Comments, MB 10-71, pp. 5 – 22 (May 27, 2011); see also, Ex Parte Notice, DIRECTV, MB 10-71 (December 6, 2013).

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Pursuant to Commission rules, please include this ex parte letter in the above-identified proceeding.

Sincerely,



Kevin G. Rupy
Vice President, Law & Policy

cc: Courtney Reinhard