



Federal Communications Commission  
Washington, D.C. 20554  
April 2, 2014

Carolina Hoofbeats TV LLC  
c/o Rose Cushing  
121 W. Nash St. Suite 200  
Wilson, NC 27893

Re: Case Identifier: CGB-CC-1326  
CG Docket No. 06-181  
Petition for Closed Captioning Exemption  
Dismissal of Petition

Dear Ms. Cushing:

This letter concerns your Petition for Exemption from the Federal Communications Commission's (FCC's) closed captioning rules. The FCC's Consumer and Governmental Affairs Bureau (Bureau) advises you that, for the reasons stated below, your above-referenced petition for exemption from the FCC's closed captioning rules has been dismissed as incomplete and you must begin providing closed captions for the programming that is the subject of your Petition within ninety (90) days of the date of this letter.

Pursuant to Section 79.1(f)(11) of the FCC's rules,<sup>1</sup> the programming that is the subject of your Petition has been exempt from the Commission's closed captioning requirements since it was first filed, while your Petition was pending. After reviewing your Petition, the Bureau determined that it required additional and updated information to enable it to determine whether your programming should be exempted from the FCC's closed captioning requirements because captioning such programming would be economically burdensome to your organization. Accordingly, on January 15, 2014, the Bureau sent you a letter requesting additional and updated information regarding your Petition. The letter stated that, unless you submitted the required information and materials outlined in the Bureau's letter, by February 14, 2014, the Bureau would dismiss your petition.<sup>2</sup>

As cautioned in the Bureau's letter, your Petition is dismissed without prejudice because you submitted some but not all of the information requested by the Bureau's January 15, 2014 letter. Specifically, you did not submit:

- **The nature and cost of the closed captions for the programming.** Information about your organization's costs associated with closed captioning each specific program for which you are requesting an exemption, and your efforts to find companies that can provide captioning at a reasonable cost.

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<sup>1</sup> 47 C.F.R. § 79.1(f)(11).

<sup>2</sup> All the information and materials noted in the Bureau's letter is required in order for the Commission to consider a petition for exemption. *Anglers for Christ Ministries, Inc.*, Memorandum Opinion and Order, Order, and Notice of Proposed Rulemaking, FCC 11-159, 26 FCC Rcd 14941, 14955-6, ¶ 28 (2011).

- Documentation for two or more recent quotes you received from closed captioning services to provide closed captioning specifically for each program. “Recent” means a quote you obtained within one year of the date of this letter. *Although you stated that you have received quotes via telephone that range from \$500 to \$250 per episode, we note that you did not provide documentation of the closed captioning quotes that you provided. In addition, you did not specify or demonstrate that the captioning quotes you provided were recent, meaning a quote obtained within one year of the Commission’s January 15, 2014 letter, or specific to the program for which the exemption is requested.*
- For each of the quotes received, an estimate of your annual cost to caption your program(s). For example, multiply the cost to caption each of your program episodes by the number of program episodes to be produced in one year. *We note that you did not provide at least two estimates of your annual costs to caption your program.*
- Your financial resources.
  - Information about all income and all expenses for your organization, as follows:
    - A statement of all income (cash receipts) and all expenses (cash disbursements) for the two most recent completed calendar or fiscal years. Cash receipts include money received from all sources for your entire organization, not just the video program(s). Cash disbursements include money paid for purchases, expenses, and settlement of obligations throughout the year for your entire organization, not just the video program(s). List, describe, and provide the dollar amount for each type of cash receipt and cash disbursement for the two most recent completed calendar or fiscal years. Cash receipts and cash disbursements may each be subtotaled. You must provide a total net dollar amount (sometimes called a surplus or deficit, or profit or loss) for all cash receipts and all cash disbursements. *We understand that your program began in August 2013. However, we note that you did not provide a statement of all income and all expenses, including a list of the dollar amount for each type of cash receipt and cash disbursement, from August 2013 through the most recent completed month prior to your February 19, 2014 letter providing supplemental information regarding your Petition. You also did not provide a total net dollar amount for all cash receipts and all cash disbursements.*
    - Audited financial statements or an accountant’s compilation of financial statements for the two most recent completed calendar or fiscal years. If such statements are not available, provide complete federal income tax returns, including all attachments, for your organization for the two most recent completed calendar or fiscal years. If your organization is a sole

proprietorship, provide personal tax returns for the two most recent completed calendar or fiscal years. Redact (black out) sensitive information, such as account numbers and social security numbers, before submitting personal tax returns or other documentation. *While we understand that you had not yet filed any tax returns for your business as of the date of your February 19, 2014 letter, you did not provide an audited financial statement or an accountant's compilation of financial statements through the most recent completed month prior to your February 19, 2014 letter.*

- Information about the current assets and current liabilities of your overall organization, as follows:
  - A statement of all current assets and current liabilities of the overall organization as of the last day of the two most recent completed calendar or fiscal years. List, describe, and provide the dollar amount for each type of current asset and current liability so listed. This requirement may be satisfied by providing complete balance sheets as of the last days of the two most recent completed calendar or fiscal years. *We understand that your program began in August 2013. However, we note that you did not provide a statement of all current assets and current liabilities of the overall organization as of the most recent completed month prior to your February 19, 2014 letter.*
    - Current assets are any asset (or resource) as of the last day of the calendar or fiscal year that can be converted into cash within the following year.
      - Examples of current assets for an individual or sole proprietor: cash; checking accounts; savings accounts; investment accounts including money market accounts; certificates of deposit and bonds that will mature within one year; stocks; and trust/endowment account amounts available for that year.
      - Examples of current assets for a corporation: cash; accounts receivable; inventory; marketable securities; and prepaid expenses.
    - Current liabilities are obligations (or debts) as of the last day of the calendar or fiscal year that must be paid within the following year.
      - Examples of current liabilities for an individual or sole proprietor: any loans (principal and interest) and mortgage payments (principal, interest, taxes, and insurance) due to be paid within one year; the balance of any credit cards as of the last day of the year; and unpaid bills as of the last day of the year (utility bills, and medical bills).

- Examples of current liabilities for a corporation: accounts payable; accrued liabilities; notes payable; current portion of long-term debt; and taxes payable.
- Additional sponsorships. Verification that you have sought additional sponsorships (other than from your program distributor) or other sources of revenue. State your efforts to obtain such revenue, and whether these requests were accepted or rejected. If rejected, state whether you do not otherwise have the means to provide captioning. If accepted, describe the assistance that each sponsor has offered to provide. If your organization is precluded from seeking outside assistance or you cannot solicit and/or accept such sponsorships, provide the reason why you are unable to do so. *We note that although you stated that you currently have one customer purchasing advertising at a rate of \$600 per month, you did not verify that you have sought additional sponsorships or other sources of revenue.*

Accordingly, your Petition is dismissed without prejudice as of the date of this letter.

As noted above, beginning with the date that your Petition was received by the Commission, the programming that is the subject of your Petition has been exempt from the FCC's closed captioning requirements. However, we remind you that, with this dismissal, you must begin providing closed captioning for the programming that was the subject of your petition within ninety (90) days of the date of this letter. Specifically, you must begin providing closed captioning by **July 1, 2014**.

Because your Petition is dismissed without prejudice, you may file a new petition for exemption from the FCC's captioning requirements. If you file a new petition, the programming that is the subject matter of the new petition will again be exempt from the FCC's closed captioning requirements while the new petition is pending. The Bureau will assign a new case identifier number to any new petition that you file. For more information on filing a new petition, please visit this link: <http://www.fcc.gov/encyclopedia/economically-burdensome-exemption-closed-captioning-requirements>. **Please note that your new petition must provide the FCC with up-to-date and complete information and must contain all of the information, materials, or documents necessary to support your request.** Your new petition may not incorporate by reference any information, materials, or documents that you have previously submitted to the FCC.

If you have additional questions pertaining to this letter or to the filing of an exemption request, please contact the FCC's Disability Rights Office at [captioningexemption@fcc.gov](mailto:captioningexemption@fcc.gov).



**Caitlin Vogus**  
Attorney, Disability Rights Office  
Consumer and Governmental Affairs Bureau