

# Baseline Broadcasting Company

September 11, 2014

Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554  
Via email: [captioningexemption@fcc.gov](mailto:captioningexemption@fcc.gov)

## **Re: Request for Exemption—Closed Captioning Requirement For Local E/I Program**

Dear Sir or Madam,

Baseline Broadcasting Company is a start-up multi-media company engaged in the development, production and distribution of local Educational/ Informational television programming, including the series, "Smarter Money TV," which airs in the Eugene, OR Designated Market Area (DMA) on the following stations:

- KLSR-TV FOX (full power), Saturdays, 7:00-7:30 AM
- KEVU-TV IND, (low power), Saturdays, 7:30-8:00 AM

Per FCC regulation, we are required to provide closed captioning for our KLSR-TV broadcasts. The costs associated with compliance are presently burdensome and would result in forcing us out of business. To our regret, we were unaware of the closed captioning requirement and its associated cost when we undertook our venture as a first-time television production company.

Online links to our first two programs can be viewed here:

Episode 101: <https://www.youtube.com/watch?v=jnhPllk5kYo>

Episode 102: <https://www.youtube.com/watch?v=8IbRGg97MxU>

We have solicited bids from multiple court reporting firms supplying captioning services (transcription and creation of the SCC files), including:

- CC Reporting of Eugene, OR
- LNS Court Reporting of Portland, OR

We have found the cost to be quite prohibitive—between 25-35% of our total budget: \$350-\$600 per half-hour episode. For the 26 episodes in Season One, the cost would be \$9,100-\$15,600, versus a total year one budget of \$45,00. At that rate, it is a major economic hardship for us to afford the cost at this stage of our production. We continue to

explore various options for meeting the FCC requirements, but request an exemption so we can air our programming locally and develop the kind of commercial support that will enable us to afford captioning.

In order to comply with the regulation for airing on our full power station KLSR, we attempted to do it in-house. As non-professional transcriptionists it took us 14 hours to transcribe Episode 101 and an additional 5 hours to create the SCC file and complete the episode for broadcast. We realized that it's a much better idea to hire professionals, but when we factored in the bids, we determined the cost of this unbudgeted item is too burdensome for us at this time.

Episode 101 was aired on both stations because it was captioned, but Episode 102 was only allowed by station management to air on their low power station, KEVU. When we did our initial financial projections, we factored in the cumulative viewing audience of both stations, KLSR, a Fox Television affiliate, and KEVU an independent, and determined that it was economically feasible due to the overall audience of the two stations. Eliminating the Fox affiliate from our distribution plan is a budget-buster for us at present.

Baseline Broadcasting Company has several other programs in active development, so it's quite possible to amortize the cost of acquiring technology for captioning. One potential partial solution is to purchase software programs, but the estimated cost of those products is \$1,500-\$3,000, a cost that is not presently in our budget, but we hope to be able to acquire the software in the next year.

Baseline Broadcasting is a start-up. The company was formed in 2013, but did not begin active operations until April 2014. As such, we have limited financial results to submit. We are, however, submitting our first-year budget projections we delivered to our business bank, Columbia Bank of Eugene, Oregon through the Small Business Administration as part of a \$50,000 loan request, but our loan has not yet been approved, which dampens our financial capabilities at this time. We have made inquiries for sponsors of closed captioning from the Eugene Hearing and Speech Center, which has funded captioning in the past, and we have established a partnership with the Oregon Resource Guide, a commercial marketing company with access to dozens of media sponsors.

Thank you very much for your time and consideration in this important issue.

Very truly yours,

MICHAEL TUCKMAN

President/CEO  
Baseline Broadcasting Company

Declaration: As President/CEO of Baseline Broadcasting Company, and its principle investor and operator, I hereby declare under penalty of perjury that the information contained in this submission is true and correct.