



October 16, 2007

The Honorable John Dingell
Chairman
Committee on Energy & Commerce
United States House of Representatives
Washington, DC 20515

The Honorable Joe Barton
Ranking Member
Committee on Energy & Commerce
United States House of Representatives
Washington, DC 20515

The Honorable Edward Markey
Chairman
Subcommittee on Telecommunications
& the Internet
United States House of Representatives
Washington, DC 20515

The Honorable Fred Upton
Ranking Member
Subcommittee on Telecommunications
& the Internet
United States House of Representatives
Washington, DC 20515

Dear Chairmen and Ranking Members:

We are writing to express our puzzlement and concern with the continuing push by the Federal Communications Commission for new government regulations that would stifle the growth of diverse programming aimed at minority and targeted audiences. While FCC Chairman Kevin Martin has characterized these prospective regulations as friendly to minority programmers and to the cause of diversity in television programming generally, we believe these regulations, if adopted, would reduce channel space available for prospective new minority programmers and undermine the recent progress in the creation of dedicated program networks for African-American, Latino and Asian-American audiences.

The transition to digital television has the potential to create opportunities for new programmers and be a boon for consumers. However, by mandating that cable operators carry broadcasters' additional digital streams, multicast must carry regulations would eat up channel capacity to accommodate what may be less desirable content at the expense of diverse program networks like TV One and Sí TV.

Our programming services have developed in response to the needs and interests of consumers – many of whom have been underserved by broadcast television. We compete vigorously for distribution on cable and satellite systems on the basis of the quality of programming and its value to consumers. A vast expansion of broadcasters' must carry rights would undermine our ability to compete in the marketplace, causing

irreparable harm to programming diversity and to consumers. The new opportunities for programming in the digital era will only be available if the federal government doesn't seek to crowd out channel space by giving broadcasters an additional government-granted competitive advantage over all other programmers.

The FCC Chairman's proposal to allow minority programmers to "lease" surplus broadcast spectrum on channels covered by must carry rules would create yet another category of government-preferred speakers who would get in line for carriage ahead of services like ours. Moreover, we do not believe this proposal would provide a real opportunity for minority programmers. In reality, those most likely to take advantage of such a leasing option are programmers that have an additional revenue stream, such as home shopping channels.

Finally, we want to reiterate our concerns about per-channel, or a la carte, pricing. We have communicated to you and others our strong belief that such a requirement would harm minority, religious, women's and other niche programming. Successful minority-targeted cable networks can take years and many millions of dollars to build and grow. Nearly every study and independent analysis has confirmed that minority programmers will suffer under a la carte, and that consumers will end up paying more for less.

We know from first-hand experience that starting a new programming service aimed at niche audiences is difficult. However, government regulation, in the form of multicast must carry or a la carte pricing, would have the opposite result intended. It would harm existing programming services targeted at minority and niche audiences, and would create an environment in which the development of new such services would be virtually impossible.

Sincerely,



Johnathan Rodgers
President & CEO
TV One



Michael Schwimmer
CEO
SiTV

CC: Members, Committee on Energy and Commerce, United States
House of Representatives