



National Cable & Telecommunications Association
25 Massachusetts Avenue, NW – Suite 100
Washington, DC 20001
(202) 222-2300
www.ncta.com

Kyle McSlarrow
President and CEO
(202) 222-2500
(202) 222-2514 Fax

September 15, 2009

The Honorable John Conyers, Jr.
Chairman
Committee on the Judiciary
U.S. House of Representatives
Washington, DC 20515

The Honorable Lamar Smith
Ranking Member
Committee on the Judiciary
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Conyers and Ranking Member Smith:

I write in support of the Satellite Home Viewer Update and Reauthorization Act (“SHVURA”), introduced today as HR 3570. While the primary focus of the bill is the extension of the copyright license that allows satellite operators to retransmit broadcast stations, the bill is also of critical importance to the cable industry.

We strongly support the bill’s retention of the current compulsory license framework, especially in the absence of a review and reform of other important Communications Act provisions such as retransmission consent that cannot be separated from the copyright royalty regime. The cable compulsory license has for more than 30 years facilitated the payment by cable operators of nearly \$4 billion in royalties to copyright owners to clear the rights to countless individual copyrighted television programs carried on the nation’s broadcast stations from coast-to-coast. That has made it possible for tens of millions of American cable consumers to receive a full complement of network, independent, and educational broadcast television stations.

We also very much appreciate the leadership and determination of the Chairman and Ranking Member to resolve by negotiation the year-long dispute over the so-called “phantom signal” issue. This issue was created by an anomalous Copyright Office decision that would have required cable subscribers either to pay royalties for broadcast station signals they don’t receive, or, in the absence of legal clarification, to face significant disruption of signals they currently do receive. The compromise reflected in the bill on this issue clearly benefits consumers and is fair to both copyright owners and distributors.

SHVURA is a pro-consumer bill that ensures fair compensation for copyright owners while enabling cable and satellite operators to continue to provide consumers with the broadcast stations they enjoy today, including superstations and out-of-market stations that offer programming (such as foreign language programming) of interest to members of the community that is not otherwise available from local stations.

We look forward to working with you and the Committee to enact SHVURA this year.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. McSlarrow', written over a white background.

Kyle McSlarrow

cc: Members, Committee on the Judiciary, U.S. House of Representatives