



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

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

September 16, 2009

The Honorable Patrick J. Leahy  
Chairman  
Committee on the Judiciary  
U.S. Senate  
Washington, DC 20510

The Honorable Jeff Sessions  
Ranking Member  
Committee on the Judiciary  
U.S. Senate  
Washington, DC 20510

Dear Chairman Leahy and Ranking Member Sessions:

I write in support of S. 1670, the Satellite Television Modernization Act introduced yesterday. 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 introduced 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 your leadership and strong support of our efforts 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.

As this bill moves forward in the committee process, we would urge that no provisions be added that could jeopardize the careful balance that has been achieved in the bill between copyright owners and cable and satellite operators. We look forward to working with you and the Committee to enact the Satellite Television Modernization Act this year.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. McSlarrow', with a long horizontal stroke extending to the right.

Kyle McSlarrow

cc: Members, Committee on the Judiciary, U.S. Senate