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FOR IMMEDIATE RELEASE



**FCC RECEIVES BROAD SUPPORT FOR REAFFIRMING  
30% CABLE OWNERSHIP CAP FROM MEDIA REFORM,  
RELIGIOUS, CONSUMER, CIVIL RIGHTS, AND INDEPENDENT PRODUCERS**

Today, Media Access Project filed a letter with the Federal Communications Commission (FCC) on behalf of 14 organizations applauding reports that FCC Chairman Kevin Martin has circulated an order reaffirming the FCC's 30% limit on the number of cable subscribers any one company can control. The letter responds to statements by cable incumbents in recent weeks that the cable market has become so competitive that the FCC should repeal the ownership limit.

“When incumbent cable operators can simultaneously announce both record per subscriber profits *and* a rate increase, “effective competition” does not exist. When one considers that many of the same large incumbent cable operators consistently rank near the bottom of every customer satisfaction survey, the self-serving assertion of cable operators that ‘no real problem exists’ and that the Commission therefore ‘lacks authority’ to impose a 30% limit become laughable,” the letter states.

Congress ordered the FCC to set a limit on national and – if necessary – regional cable concentration as part of the 1992 Cable Act’s effort to break the monopoly power of cable television. The statute states that Congress intended the limit to “enhance effective competition” and promote a diverse and independent video programming market. The FCC first set a 30% limit in 1993, but stayed operation of the rule until 2000. In 2001, the Federal Court of Appeals for the DC Circuit remanded the rule back to the FCC for further justification in light of changes in the market for subscription video television.

With frequent citations to the extensive record before the Commission, the letter explains that while some competition has begun to emerge from satellite television and possible entry by phone companies, the largest cable operators still control which programming networks get on the air and face no pressure to lower prices or improve customer service. The letter also rejects the argument by cable companies that video iPods or internet sites that share video clips, such as YouTube, do not create new opportunities for 24/7 programming networks such as CNN or BET.

“The cable companies have spread a lot of misinformation in the last few days to try to scare the FCC into dropping the rule.” Said Harold Feld, Senior Vice President, Media Access Project. “Every American knows that cable doesn’t face ‘effective competition’ every time they get a cable bill or need to call for service. And I’ve never heard of anyone who dropped their cable subscription because they subscribe to Netflix or bought a video iPod. No one treats these things the same. The D.C. Circuit didn’t tell the FCC to ignore reality, they reversed because they wanted a better explanation. This record provides more than enough evidence to support national and regional ownership limits with real teeth.”

The organizations signing the letter are: Common Cause, United States Conference of Catholic Bishops, United Church of Christ, Consumers Union, Consumer Federation of America, Free Press, U.S. PIRG, National Hispanic Media Coalition, Media Alliance, Center for Digital Democracy, Center for Creative Voices, National Alliance of Media Arts and Culture, CCTV Center for Media and Democracy, and Reclaim the Media.

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