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COURT DECISION TO OVERTURN FCC CABLE TV LIMITS "DEVASTATING BLOW TO CONSUMERS"

WASHINGTON, D.C. -- The U.S. Court of Appeals for the District of Columbia Circuit today reversed the Federal Communications Commission (FCC)'s limits on cable TV ownership that provide a cable company cannot have an interest in more than 30 percent of U.S. cable systems.

The court also reversed the programming limits that provide that no more than 40 percent of the programming on a cable operator's system can be affiliated with the system's owner.

Gene Kimmelman, Co-Director of Consumers Union's Washington DC Office, made the following statement today following the court's decision:

"This is an enormous loss and a devastating blow to consumers. It enables cable monopolies to consolidate further and expand their dominance of the television market by owning more cable systems and putting more of their own programming on those systems.

"As large cable companies become more powerful, it becomes more difficult to get cable competition. It also creates a greater incentive for cable companies to limit programming choices to their own programs instead of providing a wider array of programming that consumers may want to see.

"The court did reaffirm that the FCC is under congressional mandate to establish ownership limits. It also reaffirmed that Congress acted within its authority in mandating the FCC to do so.

"Therefore, we will go back to the FCC to ask that it move as quickly as possible to establish new ownership limits that promote competition and content diversity in cable television.

"With cable rates continuing to rise at three times the rate of inflation, it's more important than ever before for the FCC to establish new rules that will ensure competition and content diversity without interfering with the cable industry's First Amendment rights."

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