Sept. 8, 2015

Marlene H. Dortch, Esq.
Secretary
Federal Communications Commission
445 12th Street SW
Washington DC 20554

Re: Notice of Ex Parte Communication, MB Docket No. 10-71

Dear Ms. Dortch:

On Monday, September 1, 2015, I met with Commissioner Ajit Pai and his legal advisor Alison Nemeth to discuss the Chairman’s proposal to eliminate the program exclusivity rules. During the meeting we discussed the attached presentation which outlines the ways elimination of the rules will harm broadcasters, diversity of ownership in the broadcast industry, and my station.

As noted, the network non-duplication rule, in particular, is critical for stations like mine located in small markets. Without the rule, stations in nearby larger markets would be incentivized to cannibalize my viewers through contract and via leverage with networks and multichannel video program distributors (MVPDs). It will also severely hamper my ability to negotiate fairly with major national pay TV companies. Ultimately, it will harm localism in small markets and all but eliminate the opportunity for minority and small-market stations to survive and thrive. Additionally, there is no tangible public interest benefit that could arise from elimination of the rule.

For the sake of small market broadcasters, I asked that the Commissioner not vote for elimination of these rules.

Thank you very much,

Mr. DuJuan McCoy
President and CEO
Bayou City Broadcasting
Effects of Eliminating Network Non-Duplication on Small Market, Minority-Owned Broadcasters

Presented by: Mr. DuJuan McCoy-President & CEO
Bayou City Broadcasting

Presented to: Commissioner Pai and Commissioner Clyburn
History of Bayou City Broadcasting, LLC

• Bayou City Broadcasting, LLC is a Texas-based company founded by Mr. DuJuan McCoy in December 2007. The company’s sole purpose was to purchase and operate broadcast TV stations in America.

• In January 2008, Bayou City Broadcasting made its first TV acquisition by agreeing to purchase seven broadcast TV stations in West Texas from Sage Broadcasting. Included in this purchase were two FOX affiliates, KIDY-FOX San Angelo and KXVA-FOX Abilene, Texas. This acquisition earned Bayou City Broadcasting the distinction of being the only African American company to own and operate a FOX affiliate in the United States of America and purportedly the only African American company to own and operate a full-powered major affiliate (FOX, ABC, NBC or CBS) in America.

• For the next five years, Bayou City Broadcasting significantly improved the operation of these properties and in December 2012 divested those TV assets to London Broadcasting Company.

• In January 2015, Bayou City Broadcasting Evansville, Inc. acquired WEVV-TV (CBS & FOX) in Evansville, Indiana via personal and independently raised funds- I am a Non JSA, Non SSA, Non Sidecar owner operator.

• On August 3, 2015 BCB launched 51 hours per week of Local News on CBS and FOX- our Slogan is … “FOCUSED ON FAMILY AND THE COMMUNITY”
Survival of Small, Minority-Owned Broadcasters at Stake

Small Market Minority-Owned Broadcasters (Non JSA, Non SSA, Non Sidecar Broadcasters)
NEED NETWORK NON-DUPLICATION TO SURVIVE

Eliminating Network Non-Duplication would:

A. Incentivize larger broadcasters to **CANNIBALIZE** adjacent small market stations via contract and leverage with networks and MVPDs.
   - Cannibalization will create growth in DMA size for larger markets, resulting in more spot and retransmission revenue for larger broadcasters
   - Cannibalization will allow better retransmission and network contracts for larger broadcasters and worse for smaller broadcaster

B. Eliminate what little leverage small broadcasters currently have in retransmission consent contract negotiations (e.g., Dish Network Factual Negotiation)

C. Create significant barriers to entry - fewer competitors and new entrants

D. **INCREASE RETRANSMISSION RATES FOR CONSUMERS** via Larger Broadcasters who currently have the highest rates, gaining in market size and leverage.

E. Eliminate any opportunity for **MINORITY-OWNED** and **SMALL** broadcasters like me to add a newscast, as I did in Evansville, or even survive in our business.
Summary

Eliminating Network Non-Duplication Defeats:

i. Diversity in broadcasting

ii. Localism in broadcasting

iii. Competition in broadcasting

Eliminating Network Non-Duplication Encourages:

i. Fewer business owners in the space

ii. Eliminating minority-owned Non JSA, Non SSA, Non Sidecar operators as BROADCASTER OWNERS….IT WILL RUN ME OUT OF BUSINESS!

iii. Cable, Network and Larger Broadcaster’s dominance which creates an UNLEVEL PLAYING FIELD for the smaller guy like me.
PLEADING!

PLEASE VOTE TO NOT ELIMINATE NETWORK NON-DUPLICATION,

and preserve

DIVERSITY, LOCALISM and COMPETITION!