NOTICE OF EX PARTE

September 11, 2015

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

RE: In the Matter of Amendment of the Commission’s Rules Related to Retransmission Consent, MB Docket No. 10-71

Dear Ms. Dortch:

On September 9 and 10, 2015, Melissa Newman of CenturyLink met, in separate meetings, with FCC Legal Advisors to discuss the above-captioned proceeding.


CenturyLink currently provides facility-based multichannel video programming to customers in markets throughout its territory. Consistent with our comments, we discussed the need to promptly eliminate the FCC’s non-duplication and syndicated exclusivity rules. Far from ensuring “equal footing,” the current rules serve only to give local broadcasters a monopoly on national syndicated and network programming. The direct result of these rules is extraordinarily high fees that are passed on to consumers and are particularly harmful to new entrants that are seeking to enhance competition in the MVPD market.

Although sky-rocketing programming costs are an issue for all MVPDs, the exclusivity rules disproportionately harm smaller MVPDs. As a new entrant, CenturyLink pays retransmission consent fees that are much more than the amount other MVPDs pay for the same content. Larger and more established MVPDs have greater leverage against broadcasters because, with their
large existing customer base, they can more credibly threaten service disruptions that would significantly affect the broadcasters’ revenue.

At the very least, during negotiation impasses, the exclusivity rules agreements should be suspended with respect to network programming. No public interest is served by depriving consumers of network programming solely because a local broadcaster demands supra-competitive retransmission fees. Eliminating the exclusivity rules is an important and necessary first step in helping to curb the market power of local broadcasters that is raising the costs of programming to consumers.

Sincerely,

/s/ Melissa Newman

Copy via email to:  
Valery Glasso  
Chanelle Hardy  
Nick Degani  
Maria Kirby  
Robin Cowell