March 23, 2010

Ex parte via electronic filing

Marlene Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, SW
Room TW-A325
Washington, DC  20554

RE: Ex parte notice – MB Docket No. 10-71, Petition for Rulemaking to Amend the Commission’s Rules Governing Retransmission Consent

Dear Ms. Dortch:

In conformance with the directives set forth in the public notice related to the above-cited docket (DA 10-474, March 19, 2010), we file this ex parte notice relating to meetings at the Commission.

On March 22, 2010, Martin D. Franks and Anne Lucey of CBS Corporation met separately with William Lake, Robert Ratcliffe, Mary Beth Murphy, Nancy Murphy and Eloise Gore of the Media Bureau; and with Sherrese Smith of Chairman Genachowski’s office. John Orlando joined in the separate meetings with Commissioner McDowell and Rosemary Harold; with Commissioner Copps and Joshua Cinelli; with Bradley Gillen of Commissioner Baker’s office; and with Commissioner Clyburn and Rick Kaplan.

In all of the meetings, we noted that the retransmission consent process is not broken, as the petition for rulemaking asserts. To the contrary: While thousands of retransmission consent agreements have been reached over the last 18 years, merely a half-dozen negotiations over the past decade have attracted press headlines. Few have threatened disruption to an MVPD’s carriage of a broadcast television station. And very recently, only one has led to an actual disruption of carriage --and that for less than 9 hours’ duration.
We further noted that the FCC has no jurisdiction to impose arbitration or standstills or otherwise get involved in the retransmission consent process beyond the rules currently in place. Moreover, we pointed out that the process involves highly complex and heavily labor- and time-intensive negotiations that relate to terms and conditions beyond price. Any governmental involvement not only would intrude upon a market that is properly functioning -- where buyer and seller ultimately reach agreement-- but would lead to an FCC that does nothing but oversee retransmission consent negotiations. There is no market failure that warrants imposing new burdens on the Commission.

Finally, we stated that Americans today now enjoy real choice in the video distribution marketplace, thanks to the decades-long efforts of the FCC and Congress. Thus, there is no need for government intervention in this vibrant market.

Please direct any questions to the undersigned.

Sincerely,

(Signature)

By mail
cc: Commissioner Copps
    Commissioner McDowell
    Commissioner Clyburn
    Sherrese Smith
    Joshua Cinelli
    Rosemary Harold
    Rick Kaplan
    Brad Gillen
    William Lake
    Robert Ratcliffe
    Mary Beth Murphy
    Nancy Murphy
    Eloise Gore