

April [ ], 2016

The Honorable Tom Wheeler  
Chairman  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

Dear Chairman Wheeler,

The Federal Communications Commission's recently proposed rules on the Competitive Availability of Navigation Devices, if adopted, will jeopardize the incredible evolution of video distribution services enabled by generally reasonable regulation. Imposing new, onerous regulations on pay-TV providers would produce very few benefits for consumers, while potentially harming the viability of these providers. The particular obligations being considered by the FCC are all the more troubling because they would mandate compliance with technical standards that do not yet exist, injecting even greater uncertainty into the marketplace. In particular, we are concerned the proposal threatens the economic welfare of small pay-TV companies providing both vital communications services to rural areas and competitive alternatives to consumers in urban markets. These providers are often at the forefront of innovation, allowing consumers to access programming through an array of devices. The FCC must take care to ensure their proposal, which is intended to lower costs for consumers and provide more competitive choices, does not inadvertently lead to higher prices and less consumer choice, as government mandates often do.

Consumers today enjoy unprecedented access to some of the highest-quality television programming ever produced, which they can watch anytime, anywhere, on a wide variety of devices. Given this proliferation of consumer choice, it is concerning the Commission continues to consider a proposal that will place significant technical and competitive burdens on pay-TV providers operating in an increasingly competitive environment, particularly small providers who serve as the communications backbone of their communities. Small pay-TV providers face enormous market pressures and regulatory burdens which threaten their ability to offer video services. While we appreciate the FCC's willingness to take small video providers into account during ongoing negotiations, it is unclear what purpose the new rules would serve in this era of unprecedented consumer choice. Further, the broad ranging disruption that adoption of this proposal would create throughout the video marketplace would result in direct harm to smaller providers, even if they are granted a permanent exemption from the rules.

We acknowledge your efforts to support a competitive environment for video competition, but see few if any benefits to the public at large. This proceeding has great potential to disrupt the vibrant and ever-evolving market for video distribution services, and in particular to harm small pay-TV providers and their customers. We strongly urge you to press pause on the set-top box proceeding and reconsider the proposed rules, including the impacts they would have on small businesses and consumers alike.

Sincerely,