

## ***Advocacy Urges the Federal Communications Commission to Update Program Access Rules***

On April 2, 2014, the U.S. Small Business Administration Office of Advocacy submitted public comments to encourage the Federal Communications to move forward and strengthen protections for small multichannel video programming distributors (MVPDs) under the Cable Television Consumer Protection and Competition Act of 1992 (Cable Act) by finalizing certain revisions to the Commission's Program Access Rules.

- Congress passed the Cable Act in 1992 to protect competition in the cable market, giving the FCC authority to craft rules to protect small multi-channel video programming distributors (MVPDs) from discriminatory pricing practices among or between cable systems, cable operators, other MVPDs, or their agents or buying groups.
- The FCC adopted such rules with the aim of preventing cable-affiliated programmers from overcharging MVPD competitors for programming; however, small MVPDs indicated to Advocacy that certain provisions have rendered the rules ineffective at protecting small MVPDs from discriminatory pricing.
- Buying groups negotiate agreements with programmers on behalf of their members—this allows small MVPDs to increase their purchasing power and reduces transactions costs for all parties.
- The majority of small MVPDs purchase programming licenses through agreements between the National Cable Television Cooperative (NCTC); however, NCTC is excluded from the program access rules because it does not assume liability for its buying group members.
- Advocacy encouraged the FCC to reexamine whether the requirement that buying groups assume liability for their members' contracts is necessary given that the market has not demanded it, and whether that restriction is statutorily supported under the Cable Act.

For more information, please contact Assistant Chief Counsel Jamie Belcore Saloom at 202/205-6890 or [Jamie.Belcore@sba.gov](mailto:Jamie.Belcore@sba.gov).