

**STATEMENT OF
CHAIRMAN KEVIN J. MARTIN**

Re: Implementation of Section 621(a)(1) of the Cable Communications Policy Act of 1984 as amended by the Cable Television Consumer Protection and Competition Act of 1992, MB Docket No. 05-311

Telephone companies and other facilities-based new entrants to the multichannel video programming distribution (MVPD) market have the potential to provide strong competition to incumbent cable operators. These new entrants are making significant investments in the infrastructure that enables them to offer video service along with telephone and broadband services to consumers. We are hearing from some providers that local authorities may be making the process of getting franchises unreasonably difficult. New video entrants, regardless of the technology they employ, should be encouraged – not impeded from entry.

In passing the 1992 Cable Act, Congress recognized that competition between multiple cable systems would be beneficial. Indeed, Congress specifically encouraged local franchising authorities (LFAs) to award competitive franchises. Congress recognized that it is important to have multiple competitors in the video market.

Congress also recognized that LFAs had played, and would continue to play, an important role in the cable franchising process. However, Congress restricted their authority in this area in order to promote cable competition. Specifically, Section 621 of the statute prohibits LFAs from granting exclusive franchises and from unreasonably refusing to award additional competitive franchises.

It is the Commission's responsibility to remove unreasonable roadblocks to competition. Through the proceeding we commence today, we seek to ensure that local authorities are not thwarting competition by unreasonably refusing to award additional competitive franchises. This Notice of Proposed Rulemaking is a critical first step. I look forward to working with my colleagues to conclude the rulemaking process.