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FINANCIAL SERVICES COMMITTEE
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SUBCOMMITTEE ON CAPITAL MARKETS AND
GOVERNMENT SPONSORED ENTERPRISES
SUBCOMMITTEE ON
HOUSING AND INSURANCE

September 7, 2016

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

Dear Chairman Wheeler,

I write to express support for the Federal Communications Commission (FCC)'s efforts to unlock the cable set-top box market. The current framework requiring consumers to rent set-top boxes from their TV provider is anti-competitive and bad for consumers. Unlocking the set-top box market is a necessary step towards justice for consumers and will benefit the industry as a whole.

Currently, ninety-nine percent of cable TV subscribers are required to lease a set-top box from their cable or satellite provider. Because choices are often limited to just one or two providers in any given area, cable companies charge monopoly rates for access to the content they provide. On average, rental fees total 231 dollars per year for the average household. Since 1994, the cost of a cable set-top box has increased by 185 percent. For comparison, the cost of televisions, computers, and mobile phones has dropped 90 percent since that year.

Opponents and skeptics of unlocking the set-top box market have expressed concern that it could hinder minority-focused programming or programming created by people of color. There are very few networks that provide this type of programming, or that are owned by people of color in the current pay-TV landscape. In fact, minority viewers and content creators are the most harmed by the status quo. According to a 2016 UCLA study of the 2013-2014 television season, ninety-two percent of creators of scripted cable shows were white and eighty-two percent were men, while ninety-two percent of the lead actors of these shows were white and sixty-five percent were men. Demand for minority-focused programming has the potential to be met by existing online video services like YouTube and Netflix, and minority owned companies like Kweli TV and MiTu TV, since barriers to entry on the internet are lower than for cable TV.

Thank you for your commitment to ending the excessive and arbitrary fees charged to pay-tv consumers, and ensuring a more competitive television industry. I support the FCC's efforts to "unlock" set-top boxes and rectify a monopolistic system that has overcharged customers for much too long.

Sincerely,

A handwritten signature in blue ink that reads "Keith Ellison". The signature is fluid and cursive, with the first name "Keith" and last name "Ellison" clearly distinguishable.

Keith Ellison
MEMBER OF CONGRESS