

**STATEMENT OF
COMMISSIONER MICHAEL J. COPPS**

Re: *The Commission's Cable Horizontal and Vertical Ownership Limits; Implementation of Section 11 of the Cable Television Consumer Protection and Competition Act of 1992; Implementation of Cable Act Reform Provisions of the Telecommunications Act of 1996; Review of the Commission's Regulations Governing Attribution of Broadcast and Cable/MDS Interests; Review of the Commission's Regulations and Policies Affecting Investment in the Broadcast Industry; Reexamination of the Commission's Cross-Interest Policy.*

I'm pleased that we have finally complied with our statutory obligation and the 2001 court remand and re-established our horizontal cable ownership limit. The 30% limit should help ensure that no cable operator, because of its size, is able to unfairly impede the flow of video programming to consumers. Although the percentage cap remains the same, the underlying economic justification is quite different and is, I believe, completely responsive to the issues raised by the D.C. Circuit Court. I recognize that setting a prophylactic limit like this is never easy, and inevitably involves some line-drawing that can always be second-guessed. But just because the task Congress gave us is difficult is no reason to shirk it.

It is with some disappointment, however, that I note we are initiating yet another *Further Notice of Proposed Rulemaking* on our vertical ownership rules. These are the rules that provide a structural limit on the amount of capacity a cable operator can devote to affiliated programming. In other words, vertical ownership rules would ensure that cable operators open at least part of their systems to independent programming. Unfortunately, this NPRM marks the *third* time since the 2001 Court remand that we have put this issue out for comment without moving forward to a decision. It's reminds me of the movie *Groundhog Day*. I keep re-living the same scene over and over again. But maybe this time we will get it right and finally adopt a rule that provides the breathing room for independent programming that Congress intended. That would be a significant win-win, giving consumers access to some honest-to-goodness diversity in their programming and providing the creative community with the access to distribution it needs to survive and to thrive.