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UPDATE
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FCC Grants Low-Power Station's Request for Carriage of Digital-Only Broadcasting

On September 26, 2008, the FCC released an Order clarifying that certain digital LPTV stations have must carry rights.

Under the FCC's regulations, cable systems are required to carry the signals of one or two "qualified low power stations." To be entitled to must carry rights as a "qualified low power station," among other requirements, the station must be within 35 miles of the cable system's principal headend and deliver a good quality over-the-air signal to that headend, the community of license of the station and the franchise area of the cable system must both have been located outside of the largest 160 Metropolitan Statistical Areas on June 30, 1990, and the population of the station's community on that date cannot have exceeded 35,000.

In its Order, the FCC clarified that qualified low-power digital-only stations should be accorded the same must carry rights as their analog counterparts, so long as they provide a signal strength of at least -61 dBm to the cable system's principal headend.

The FCC also clarified that any station carried pursuant to mandatory carriage may demand carriage on its major channel number as broadcast in the station's PSIP. The Cable Act also permits carriage on "such other channel number as is mutually agreed upon by the station and the cable operator."

If your company has any questions regarding the FCC's low-power stations' digital must carry requirements, please call Emily Denney at (312) 372-3930.

FCC Increases Filing Fees

The FCC recently increased its filing fees. For cable operators, the following filing fees will go into effect 90 days after notification to Congress:

- CARS Licenses, Renewals, Modifications, Assignments, and Transfers of Control - \$260.00;
- Special Temporary Authority - \$170.00;
- Cable Special Relief Petition - \$1,310.00;
- Cable Community Registration (electronic filing) - \$60.00
- Aeronautical Frequency Usage Notifications (electronic filing) - \$60.00

If you have any questions about filings at the Commission or filing fees, please call Emily Denney at (312) 372-3930.

Your Company May Be Required to Implement a Written Identity Theft Program

In 2003, Congress passed a law requiring the Federal Trade Commission and several other federal agencies to issue joint regulations regarding the detection, prevention, and mitigation of identity theft. Late last year, these agencies released the regulations, which require “creditors” to establish a written identity theft program by November 1, 2008. If your company regularly provides services to its subscribers prior to being paid for the services, your company probably falls under the definition of a “creditor” subject to the regulations.

Under the regulations, creditors must adopt reasonable written policies and procedures to identify for their accounts relevant “Red Flags” (defined as a “pattern, practice or specific activity that indicates the possible existence of identity theft”), detect these Red Flags, respond to any Red Flags to prevent and mitigate identity theft, and ensure that the company’s identity theft program is updated periodically. There are no exceptions to the requirements for small cable operators or other small businesses. That said, the program may be tailored to “the size and complexity of the [company] and the nature and scope of [the company’s] activities.”

If your company has questions about whether these regulations apply to it, or if your company has questions about implementing its identity theft program, please call Heidi Schmid at 312-372-3930.

Please visit our website at [www.cinnamonmueller.com](#) to learn more about our lawyers and practice. You can reach Cinnamon Mueller at 312-372-3930. This update is provided by the law firm of Cinnamon Mueller. The document is intended for informational purposes only as a service to clients of Cinnamon Mueller and to the members of the American Cable Association. It is not intended to provide specific legal advice or to substitute obtaining appropriate legal counsel. We encourage you to consult with counsel to address special compliance issues and for assistance in negotiating or handling any such matter referred to in the update.