

W.A.T.C.H. TV WATCH NET

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November 14, 2002

Marlene H. Dortch
Secretary
Federal Communications Commission
Washington, DC 20554

Re: *Proposal by the Wireless Communications Association International, Inc., the National ITFS Association and the Catholic Television Network for Revising the MDS and ITFS Regulatory Regime -- RM 10586*

Dear Ms. Dortch:

I am writing on behalf of W.A.T.C.H. TV Company ("WTC") to express support for the proposal advanced on October 7, 2002 by the Wireless Communications Association International, Inc. ("WCA"), the National ITFS Association ("NIA") and the Catholic Television Network ("CTN") proposing revisions to the Commission's Multipoint Distribution Service ("MDS") and Instructional Television Fixed Service ("ITFS") rules, as such is being supplemented by WCA, NIA and CTN today.

WTC today operates a multichannel video programming distribution and high-speed Internet access system serving the area in and around Lima, OH utilizing all 33 available MDS and ITFS channels in the 2150-2162 MHz and 2500-2690 MHz band. Over the past two years, WTC has invested heavily in digital technology to evolve its service from one that merely provided 33 channels of analog video programming channels to a system today that provides 144 channels of digitized video programming, 45 channels of audio service, and high-speed broadband Internet access. WTC currently serves over ten thousand subscribers (more approximately eight percent of region) and is growing rapidly.

WTC recognizes that it is rather unique – most of the MDS/ITFS based video systems that were prevalent in the mid-1990s have been acquired by large system operators that were unable to successfully compete against cable and DBS and have since shifted their focus to the provision of fixed, portable and mobile broadband services. While WTC certainly does not begrudge this shift in focus, by the same token WTC must be allowed to continue to provide the service that it believes best serves the needs of the Lima community. To that end, representatives of WTC have had extensive discussions with representatives of WCA to assure that operators of existing digital hybrid video/broadband systems such as WTC are not prejudiced by the new bandplan and transition scheme proposed by WCA, NIA and CTN.

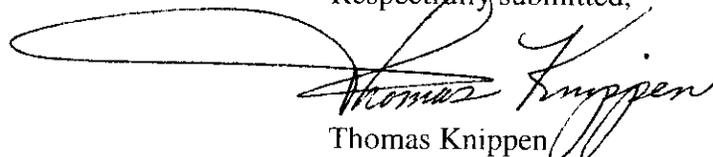
Those discussions have resulted in three proposed policies that WTC believes must be part of any new rules. First, at pages 16 through 18 of Appendix B to their October 7th filing WCA, NIA and CTN have proposed that any operator of a video system that serves more than five percent of the households in its geographic service area should be permitted to “opt out” of any transition to the new bandplan. This proposal is absolutely essential, since no multichannel video programming distributor that provides service to such a significant portion of the community should be required to undertake the burden of a transition to the new bandplan.

Second, WCA has shared with WTC an advance copy of a supplement it, NIA and CTN will be filing with the Commission today that extends “opt out” rights, regardless of household penetration, to any multichannel video programming distributor that as of October 7, 2002 was utilizing eight or more 6 MHz channels (*i.e.* more channels than will be in the middle band segment following a transition) to provide digitized services to consumers. WTC agrees with WCA, NIA and CTN that such an exception is eminently fair. A system operator that has deployed digital technology is utilizing its spectrum in an efficient manner, has made a substantial economic investment, may not have had sufficient time to reasonably reach the five percent “opt out” benchmark, and would not be able to continue the provision of its current service just using middle band segment channels. As such, the handful of operators that had deployed digital technology prior to the filing of the WCA-NIA-CTN proposal are entitled to special consideration.

Third, WCA, NIA and CTN are clarifying today that data-only subscribers to hybrid video/broadband services should be considered in determining whether a given system meets the five percent “opt out” benchmark. Although WTC does not currently need to count such subscribers to satisfy that benchmark, WTC believes it only fair to other hybrid video/broadband system operators that all subscribers be included, regardless of which of the available services are subscribed to.

For these reasons, WTC urges that, when the Commission moves forward and issues a notice of proposed rulemaking based on the WCA-NIA-CTN proposal, the Commission must make certain that the provisions addressed above are included.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Thomas Knippen". The signature is written in a cursive style with a large, sweeping initial "T".

Thomas Knippen
Vice President