

Statement by James Kenny, Executive Director White Plains Cable Access TV, City of White Plains, New York

July 28, 2008

To: **The Interested Parties in the City of Syracuse' Cable Franchise Negotiations**

I have been working in the public access field for more than twenty years. My career in access TV began soon after I received my MS in television production from SU's Newhouse school in 1984. Over the years I have worked with Larchmont Mamaroneck Community TV, started Rye Community TV, and currently serve as the Executive Director of White Plains Cable Access TV.

When John Oldfield first contacted me, I was astonished to hear that the City of Syracuse' public access facilities were run by the cable provider and a far cry from state-of-the-art. I had mistakenly assumed that a city that was home to the Newhouse School would have a first rate PEG access TV operation.

Since my assumption was wrong, John Oldfield has asked me share some of my experiences with you (in no particular order):

- The most important need in creating a viable PEG (Public Educational Government) access operation is political will.
- Franchise agreements are contracts with municipalities so to successfully negotiate for access channels and funding from the cable provider, someone in the government has to advocate for this community service on behalf of the residents.
- Where PEG channels are a vibrant part of the community people turn to those channels for information. The channels are tools that can be used by the government, educational institutions, local community organizations, and ordinary residents to create greater awareness about, and within the community.
- Cable providers are required to address the communications needs of the communities they serve—this is where a community needs assessment is important.
- We currently cablecast about 40 hours of new programming per week on our public channel with very little repeat programming. A city the size of Syracuse has the potential for three or four times that amount.
- Cable providers know lousy access channels don't build community support and they don't like to spend money for access TV—but they are the first ones to point to the local channels when subscribers threaten to switch to satellite delivered TV.
- The public access channels in Westchester that I have worked with have all been funded through franchise fees in addition to capital grants from the cable provider.
- If the cable providers cannot be persuaded to provide operating funds on top of franchise fees then communities wanting PEG channels need to commit some sort of assistance to operate the channels. Cable subscribers are paying the franchise fees. Shouldn't a portion of that money be used to the benefit the subscribers who are providing those funds to the local government?

- In Rye and White Plains the local government runs both the government and public access channels. The same employees operate both channels. Rye, like Larchmont/Mamaroneck, also saves money by sharing a TV studio with the local school district. The schools can then use the facilities during the day for teaching classes in TV production without having to tax the residents for identical equipment while the access center gets rent free space and use of the facility after school hours.
- Larchmont/Mamaroneck Community TV is run by a non profit organization. This is probably the most common organizational model for a community run access operation.
- Having the local government run the public access channel can create an opportunity for government meddling in public programming.
- While government operation of the public access channel can work a mechanism should be put in place to insulate the operation from political interference, ie: a citizen's cable board.
- Currently, the City of White Plains with a population of 53,000 has a public and government channel operating budget of \$600,000 and an additional \$50,000 capital grant provided by Verizon.
- White Plains Cable Access TV is funded through the city's authorization of 70% of the franchise fees going toward our operating budget.
- In Rye and White Plains the city school districts have been given the educational channel to program. This idea works well as long as there is only one school district in the franchise area. The education channel should be open to programming from any school in the franchise area.
- Grand Rapids, Michigan is similar in size (population) to Syracuse and has an exemplary access operation. More information about their operation can be found at <http://www.grcmc.org/tv/>

Franchising thoughts:

- Our experience here in White Plains demonstrated the incumbent franchisee's willingness to wait to see how negotiations developed with Verizon before resuming negotiations. This may be the same situation Syracuse currently has with TimeWarner Cable.
- Whichever company finishes negotiations first sets the bar for the other provider. Once negotiations are finished with one company the second company should be offered the identical agreement.
- In the City of White Plains we could not accuse Verizon of cherrypicking. The city has a large poor and immigrant population compared to the surrounding suburbs. White Plains was one of the first municipalities in the county to sign with Verizon and our own technical survey revealed that they wired the public housing buildings at least a year before the agreement was signed.
- Verizon has stipulated in every franchise agreement I have seen that they reserve the right to take up to five years to completely wire the franchise area.

- Verizon also wants to have standardized rates across the state. This means that they have built a certain amount into rate structure to accommodate PEG requirements whether you negotiate for them or not. The only way you will affect their rate is by having them agree to capital support which they will pass through to subscribers.
- In planning negotiations realize that each cable provider will now believe that they should only be funding half (or less) of any PEG operation.
- Franchise agreements should include language on how the two (or more) cable providers will interconnect so that PEG programming can be delivered to both systems.
- It is the municipality's job to enforce the franchise agreement. For this reason it is beneficial for them to have someone on staff who is either a franchise administrator or a government access channel manager, or both. If elements of your franchise agreement have not been enforced your cable provider can argue that the provisions were superfluous and need not be included in their renewal.
- Two warnings concerning Verizon: 1) they are new at the TV business and many of the employees working on the system are retrained telephone workers 2) Verizon is an unbelievably large company which can cause a lot of frustration for both subscribers and franchising authorities.

Good luck with your PEG planning.

Sincerely,

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