

**STATEMENT OF
COMMISSIONER JONATHAN S. ADELSTEIN**

Re: Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, Notice of Inquiry

I support this Notice, which seeks to gather data, information, comments and analyses for the Commission to use in compiling our 12th annual report to Congress on the status of competition in the delivery of video programming market. Video programming delivery involves an intricate web of relationships that requires close monitoring to ensure fair competition, consumer choices, lower prices, better services, and diverse sources. Congress foresaw the need for the Commission to monitor such competition vigilantly.

Today's Notice is a comprehensive and appropriate way to start. It contains meaningful questions which, if answered fully and accurately, would be useful for the Commission in fulfilling our statutory duty. I'm particularly pleased that we have language in this Notice that addresses pertinent issues facing rural and smaller markets, and, for the first time, encourage state and local regulators to make thorough and substantive submissions for our consideration. It's also appropriate that the Commission branch out and report on horizontal concentration within the industry, vertical integration between distributors and programmers, and the state of competition in foreign markets for the delivery of video programming.

Given the technological transformations upon us, it is more important than ever that the Commission gather the necessary information on which we and the Congress can make appropriate policy determinations. For example, the Notice seeks information regarding local exchange carriers that intend to provide video programming services. Many in Congress have been asking for a deeper understanding of the factors that underlie IP-based video networks, franchise fees, and the consequences for consumers.

In the past, I have expressed concern with the analytical depth of some of the information that the Commission has presented in the past. This year, we should again strive to make sure that we are doing all that an expert agency can to adequately grasp and relay to Congress the dynamic aspects of the video programming delivery market.