

Background

In general, a cable television operator has the right to select the channels and services that are available on its cable system. With the exception of certain channels like local broadcast television channels which are required to be carried by federal law, the cable operator has broad discretion in choosing which channels will be available and how those channels will be packaged and marketed to subscribers. In order to maximize the number of subscribers, the cable operator usually selects channels that are likely to appeal to a broad spectrum of viewers.

Tiers

Cable companies generally are required to offer a basic service tier. The company generally requires all subscribers to purchase this tier before purchasing additional video programming. The basic service tier is required to include, at a minimum, the local broadcast television stations and the public, educational, and governmental (PEG) access channels that the operator may be required to offer pursuant to an agreement with the local government. After complying with these minimum requirements, the cable operator may offer additional programming as part of the basic service tier.

With the exception of programming that is required to be carried on the basic tier, the cable operator and the entity that owns the channel or programming service negotiate the terms and conditions for carriage on the cable system. Terms may include whether the channel or service will be offered in a package with other programming or whether the channel or service will be offered on a per-channel or pay-per-view basis.

Per-Channel (“A La Carte”) and Pay-Per-View Programming

Per-channel or “à la carte” programming means a channel is offered on an individual per-channel basis rather than as part of a package or tier of programming. Cable television operators are not required to offer channels on an à la carte or individual basis. However, cable operators are free to offer channels other than those required to be on the basic tier on an à la carte basis. For example, premium movie services are often offered on an individual basis rather than as part of a package.

“Pay-per-view” means there is a separate charge for each program or event. For example, a separate charge may be incurred for each movie or sports event the viewer chooses.

Cable operators, as well as other entities that offer video programming services to subscribers (such as satellite television providers), continue to have broad discretion to determine if services are offered on a per-channel or pay-per-view basis and how programming will be packaged and marketed to consumers.

(More)



Per-Channel (“A La Carte”) and Pay-Per-View Programming (cont’d.)

For example, if a cable company offers MTV in a package with other channels and the subscriber wants only MTV, the subscriber must purchase the entire package. If the company, however, chooses to offer MTV à la carte, a subscriber may purchase just MTV.

Tier Buy-Through Prohibition

A cable company cannot require a cable subscriber to purchase anything except the basic tier in order to have access to pay-per-view programming or channels offered on an à la carte basis. For example, if a cable company offers both a basic and expanded basic tier, a subscriber cannot be required to purchase the expanded basic tier in order to access pay-per-view programs. In addition, the tier buy-through provision prohibits a cable operator from discriminating between consumers who subscribe to only the basic tier and other subscribers with regard to the rates charged on a per-channel or per-event basis.

The tier buy-through prohibition does not apply if the cable operator is subject to “effective competition.” In addition, a cable operator may request a waiver of the tier buy-through prohibition from the FCC.

“Multiplex” Services

Some “per-channel” services, like HBO, Showtime, and other premium movie services, may be offered on a “multiplex” basis, where multiple sub-channels of programming are available. The FCC has decided that multiplex services are to be treated as a per-channel service. A consumer is not required, therefore, to purchase any intervening tier or tiers of programming in order to subscribe to multiplex service.

Complaints or Questions Concerning Cable Programming

If you have a complaint or question concerning programming services or channels, contact your cable company. In many cases, the customer service representatives at your cable company will be able to help you. The telephone number for your cable company can be found on your cable bill.

For More Information

For information about other communications issues, visit the FCC’s Consumer & Governmental Affairs Bureau Web site at www.fcc.gov/cgb, or contact the FCC’s Consumer Center by e-mailing fccinfo@fcc.gov; calling 1-888-CALL-FCC (1-888-225-5322) voice or 1-888-TELL-FCC (1-888-835-5322) TTY; faxing 1-866-418-0232; or writing to:

Federal Communications Commission
Consumer & Governmental Affairs Bureau
Consumer Inquiries and Complaints Division
445 12th Street, SW
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