

Key Points – Fairfax County Virginia Reply Comments

2006 Federal Communications Commission

State of Competition in the Market for Delivery of Video Programming (MB 06-189)

- Fairfax County residents may save between 3.5% and 19% by purchasing voice, video, and Internet services as a bundle from the County's franchised providers, but it is difficult to compare providers because they do not offer identical bundled service packages. (pp.11-16)
- There is no apparent evidence to suggest that nascent competition lowers stand alone cable rates. Verizon is capable of serving about 1/3 of the County. Since Verizon began providing competitive cable service, Cox has raised its rates 5.47%, Comcast has raised its rates 3.99% and Verizon raised its rates 9.29%. (pp.21-24)
- All Fairfax County cable operators have increased their non-promotional rates since January 2006 and cable rates have risen at a faster rate as compared to when no head-to-head wireline cable competition existed in the County. (pp. 18-21)
- The County's reasonable build-out requirements will ensure that all County households will have a choice of two cable operators within the next six years, and also serve the important public policy purpose of ensuring that competitive video service – and as well as its by-product, high-speed Internet access via cable modem – is made available to every household. (pp. 4-9)
- Because of the willingness of both parties to meaningfully engage in negotiations, Fairfax County staff and Verizon VA were able to complete negotiation of a comprehensive draft franchise with all major terms and conditions in approximately seven weeks, and in just under three months, completed a draft franchise agreement for the Fairfax County Board of Supervisors' consideration. (pp. 3-4)
- The 2006 Virginia cable franchising legislation has not led to a marked increase in cable system deployment in Virginia. (pp. 26-30)
- Each month, Fairfax County public, educational, and governmental channels produce 1,691 hours of locally-originated programming, 301 hours of foreign language programming, and the 976 hours of closed captioned programming. These programs represent important avenues of information for the County's diverse population. (pp.31-34)

Prepared by the Fairfax County
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