

January 22, 2009

Retransmission Consent allows the broadcast networks to impose fees on cable operators for receiving their station and transmitting it to cable customers. These broadcast stations are free and can be received by the viewer for free, by use of an antenna. This used to be the case for cable operators, such as Millington Cable. However, broadcasters have been granted the authority to impose a fee on us in order for us to retransmit their signal to you through our cable TV lines.

We have reached agreements with all of our local networks except for ABC. We are still in negotiations with Newport Television for carriage of ABC (WPTY) and CW (WLMT). We were able to negotiate reasonable pricing with our other broadcasters, but since we have not reached an agreement to carry WPTY and WLMT we are informing you that if we do not agree to their terms and conditions, they may force us to drop their signal from our lineup.

It is important for you to know that we have been negotiating with Newport Television for several weeks. Newport Television has imposed a deadline on those negotiations January 31. According to Newport Television, if we do not agree to their prices and terms by then, they will pull WPTY and WLMT from us. It is important for you to know that the deadline is an artificial one imposed by Newport and remains entirely within their control. Put another way, they really don't seem to care as much about the Millington Cable viewers as much as they do your money.

As we have stated to Newport, we have no problem compensating them for their programming. We have offered them the highest rates we pay to other broadcast stations. But Newport is holding out for fees that are 300% higher and more. We are certain that Newport charges Comcast, DirecTV and Dish Network far less than they charge us. This is discrimination. It could result in our customers unfairly paying more for basic cable due to the imbalance of pricing which is higher than what they are offering to other video providers. We believe that is wrong and are prepared to fight against this conduct.

This may require us taking the case to the Federal Communications Commission and asking them to decide if Newport's price discrimination against Millington Cable is acceptable or not under the law. If we do take the case to the FCC, it will be an open process, and you will be able to send letters and emails sharing your views. We will keep you posted.

In this process of fighting for fair and reasonable treatment, it is unfortunate that you, our customer, have been exposed to the underbelly of the retransmission consent process. We feel that standing up against gouging is in our best interest and ultimately benefits you. This type of correspondence is not our preference, but if they choose to run a negative ad campaign or drop the station off the air, it is our responsibility to let you know why.

We have until January 31st under the current negotiations to reach an agreement. WPTY and WLMT have already started a propaganda campaign, "warning" that the channel may be dropped from Millington Cable. Listen to them carefully. They say nothing about their price discrimination.

If you want to call the station and question them about their retransmission consent "news" reports, including the prices they want to charge you, you can use the following number:

Jack Peck V.P./G.M. 901-323-2430

We appreciate our customers. We work hard to bring you good programming at reasonable costs and make every effort to provide superior personal service. We apologize in advance for the negative messages that may be posted by the broadcasters and find it to be unnecessary and in very poor taste.

Call us if you need more explanation, or, you may visit our website at www.millingtoncable.com and click "Retransmission Consent" for more details.

Thank you for your business.

Millington Cable