

The Red, Blue & Green



The Survey says . . .

Well now, last month we urged you to let us know what we should do about adding new programming services like *FSNS* and *The Disney Channel* and just more than 600 of you did just that. We serve about 7,500 cable households, so that level of voting was a bit disappointing but it is likely enough to give us a really accurate read on how our customers feel.



To review, we told you that the increasing cost of the programming we are already contractually obligated to provide will force us to adjust some of our rates this month even if we don't add any additional programming. Then we discussed the cost of these two services and asked if you would want us to add either of them if it meant an additional increase of \$1 per month for either of the services. Finally we gave you the option of voting on-line or voting by filling out a paper ballot attached to the newsletter.

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All told we got around 600 votes. About half of them came in via the website and the other half came in via paper ballots. We also got about 20 phone-in votes. What did those votes tell us? Well, for the most part they told us that our customers are pretty evenly divided on the

matter and that makes it really hard for us to know how to best respond to our customer's wishes.

The graphic on the back tells the story on the votes we received. Clearly the largest number of votes were in favor of us adding no new services. Several folks also asked that we have NO rate increases at all. But, as we explained last month, we have no power over the charges we get from the programmers we are already committed to. As a result, when the 45 programmers who we have to pay for the services delivered in our Glasgow Classic tier, raise their rates to us, we have no recourse but to pass them along to you. So, even though a number of you sent us very

strongly worded comments along with your votes for "no new services and no rate increases," we can't fully comply with your suggestions (anyway, some of those suggestions would just be too painful, if not physically impossible).

As one studies the voting results, other things begin to reveal themselves. While 42% of the voters told us to add no new channels and keep rates as low as possible, 58% of the voters actually voted to add a new channel and increase the rates more to cover that cost. If that 58% had agreed on one channel instead of splitting their votes fairly evenly between *FSNS* and *Disney*, we would have had clear instructions to move in that direction. However, the fact that the votes were split half for each leaves us in a quandary. On the second Tuesday in July, our Cable Programming Committee will meet to consider the voting results and make a recommendation to the EPB Board. By the end of July we should make a decision on whether or not we will add either of these channels.

Another thing revealed by the voting, and the additional comments made by some of you, is the very strong opinion many have about what programming we simply must have and what programming is simply "clutter." For example, we got several comments which pointed out our ignorance for carrying so many channels which offer identical programming. A good example of this can be found on our basic tier on channels 8, 9, and 10. Channel 8 is a new CBS affiliate out of Bowling Green. The way our laws are structured, we are virtually forced to carry the signal of a local station in Bowling Green. Channel 9 is WLKY, a CBS station in Louisville and Channel 10, WTVF, is a CBS station in Nashville. We agree, it is silly to have three CBS affiliates, but I will make a bet with you; if we asked you to tell us which CBS affiliate we should get rid of, WTVF or WLKY, you would vote 50% for each of them! So, who is right, the folks who think it silly to have multiple stations of the same network affiliation, or the ones who feel that the Louisville station or the Nashville station is the only one we need? Some of the comments we got indicated that the respondent clearly understood the issue and the potential impact on our local economy. Several folks told us that they were "the biggest UK basketball fans in town" (some of them had to be mistaken!) but that they felt that the rates charged for five more men's basketball games per year was outlandish and that we should "tell *FSNS* to stick it." Some folks voted for no rate increase but then went on to ask that we add this channel or that channel to the basic tier . . . those requests missed the

point that there is no free lunch in this world. So we hope you can see that this process is fraught with strong feelings and controversy. We are also concerned with the fact that about 7,000 of our customers said nothing at all about this matter, but that is generally in line with my confusion as to why so many millions of voters in our country don't weigh in on matters much more urgent than this one. I guess it is fair to say that I spend a lot of my time confused.

At any rate, we did make a few decisions that result in the cable television and internet services portions of your bill being a little higher. First of all, we decided to stop confusing you by pricing our services at any rate that ends with ".95." I hope you agree with me that folks are no longer

impressed with a service that sells for \$9.95 instead of the far simpler to grasp, \$10.00. Our old pricing system was chock full of stuff that sold for \$something.95 and it made all of the math more confusing and sent the message to you that we thought you did not know that \$10 is only a nickel more than \$9.95. So, your EPB Board decided to banish all of the .95 pricing and move them all up a nickel to a nice even number that everyone can understand. Those changes are too numerous to outline here, but if you want to see them all you can find them on our website at www.glasgowepb.net. So you might find some things on your bill that are five cents higher than they used to be.

The Board also decided to make no changes to our Basic tier, which consists of 22 channels. This product will continue to cost you \$10.25 per month. This gives those interested in a very inexpensive, no-frills service, a product which is very economical. For our customers in the Glasgow city limits, the Glasgow Classic tier will go up \$1.30 to \$14 per month. If you live in the county service area, that package is going up \$1 to \$18 per

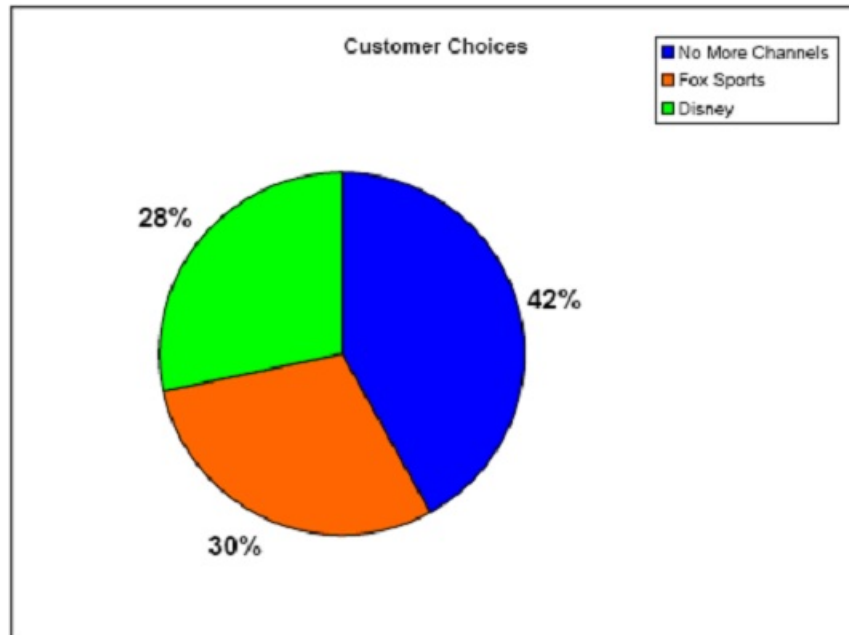
month. The only other significant change is to our digital tier of programming. No matter where you live, the recent additions to the programming in that tier have raised our costs and we must increase the rate we charge for that tier by \$1.05 to \$14 per month. Finally, if you have additional digital set-top boxes, the monthly rent on those is going from \$5.95 to \$6.50.

So, that's about it for the rate changes which take effect next

month. As we have done for several years, we review our revenue and expenses each year and recommend cable adjustments in July. Should the Cable Programming Committee and the EPB Board decide to add either *Disney Channel* or *FSNS* later this month, the \$1 increases which correspond to those decisions would take effect when and if either channel is added. However, given the voting results so far, it seems doubtful that either will be added at this time.

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