

## **Gray Television Group Demands Substantial Fee Increase from Rainbow Communications to Carry WIBW**

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**Everest, KS**— Rainbow Communications is in negotiations with The Gray Television Group for the rights to carry WIBW Channel 13 out of Topeka. These negotiations, referred in the industry as retransmission agreements, have allowed broadcasters to demand dramatic fee increases from cable and satellite TV operators. Broadcasters, such as The Gray Television Group, can threaten withdrawal of their signals if their terms are not met.

Although Rainbow Communications and The Gray Television Group have reached fair and reasonable agreements in the past, the substantial rate increase demanded this time, has left no option except for refusal.

“It is unfortunate, and frankly disappointing, that The Gray Television Group would unreasonably put their own interests above those of the citizens of northeast Kansas,” said Rainbow’s General Manager, James Lednicky. “Our customers deserve better. We will continue to negotiate in good faith with Gray Television and hope to come to an acceptable agreement.”

Since 1992, the federal government has given television broadcasters like The Gray Television Group the right to grant or deny cable operators use of their signal, in addition to exclusivity in the market. As a result, broadcasters have unrestrained leverage in negotiations with cable operators, particularly those who are small and medium-sized, over the price of retransmission. These negotiations are typically conducted every three years.

“Our customers want and deserve access to WIBW 13,” Lednicky continued, “and we look forward to working with The Gray Television Group to reach a mutually acceptable agreement to gain access to WIBW. However, we simply refuse to pay unfair prices- especially when cable customers in more urban markets do not experience the price increases that smaller markets like ours do.”