

**MEMORANDUM CIRCULAR**

**NO.** 11-11-2005

Subject : **GUIDELINES FOR SHARING/CONSOLIDATION OF HEAD-END FACILITIES OF CABLE TELEVISION STATIONS**

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In order to allow cable television operators to take advantage of economies of scale and optimize the use of resources, and to further improve their service to subscribers, the Commission hereby sets forth the following procedure for consolidation/sharing of head-end facilities by two or more cable television operators:

1. The sharing of head-end facilities by two or more CATV systems shall require the approval of the Commission.
2. A CATV operator intending to share head-end facilities shall duly notify the Commission of its intent. A grantee of a Provisional Authority or Certificate of Authority (PA/CA) shall file a motion before the Commission, while applicant shall either indicate in its original application or in a motion filed for such purpose.
3. A Memorandum of Agreement (MOA) and a technical feasibility report shall be submitted together with the petition, motion or application. The concerned CATV operator/s shall warrant in its MOA and demonstrate in its technical feasibility report, full compliance with the technical standards for CATV systems, especially with the cable size requirements, and good signal quality at all times in accordance with Section 5 of Memorandum Circular 04-08-88.
4. The MOA shall also include an assignment of liability for violations of NTC technical standards, rules and regulations that results from or in relation to the sharing of the head-end, between or among the concerned parties.
5. Existing CATV operator serving adjoining/contiguous municipalities/cities may be allowed to consolidate its individual head-end facilities into a single head-end station. A motion shall be filed for the purpose, attaching with it a technical feasibility report indicating compliance with the technical standards for CATV systems.
6. The concerned CATV operators shall still secure and maintain their respective TVRO and CATV licenses notwithstanding the sharing of head-end facilities.

7. The Commission shall not approve the sharing of head-end facilities by CATV operators who have failed to fully comply with the conditions indicated in their authorities, or against which there are pending administrative cases for unauthorized retransmission of cable programs.

This Circular may be revoked, revised or amended as the Commission deems fit in accordance with law.

This Circular shall take effect after fifteen (15) days from its publication in any newspaper of general circulation and from filing of three (3) certified true copies thereof with the University of the Philippines Law Center and shall modify, amend or supersede any circular, order of memorandum or portions thereof that are inconsistent herewith.

Quezon City, Philippines, November 23, 2005.

(signed)

**RONALD OLIVAR SOLIS**

Commissioner

(signed)

**JAIME M. FORTES, JR.**

Deputy Commissioner

(signed)

**JORGE V. SARMIENTO**

Deputy Commissioner