



2008 COMPETITIVE CABLE &  
VIDEO SERVICES ACT  
MINORITY OWNED BUSINESS  
PARTICIPATION PLAN REPORT

PRESENTED BY THE TENNESSEE REGULATORY AUTHORITY  
JUNE 2009

# TENNESSEE REGULATORY AUTHORITY



460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

June 30, 2009

The Honorable Phil Bredesen  
Governor  
Russell Humphrey  
Chief Clerk of the Senate  
Burney Durham  
Chief Clerk of the House

Gentlemen:

Transmitted herewith is the annual report required by the General Assembly concerning Minority Owned Business Participation Plans set forth in the Competitive Cable and Video Services Act ("CCVSA") codified as Public Chapter 932 of 2008. The report is based upon information provided by companies that received state-issued certificates of franchise authority under the CCVSA in 2008. Please feel free to contact us if we can assist you.

Sincerely,

Eddie Roberson  
Chairman

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# Background

Public Chapter 932 of 2008, known as the Competitive Cable and Video Services Act (“CCVSA”), was signed into law on May 15, 2008. In part, the CCVSA opened markets for cable and video services to competition by allowing providers to receive state-issued certificates of franchise authority. As a requirement to receive a state-issued certificate of franchise authority pursuant to Tenn. Code Ann. §7-59-313(c)<sup>1</sup>, applicants must provide a plan to facilitate the participation of minority owned businesses when establishing, providing or expanding cable or video services and related support facilities. A minority owned business, per Tenn. Code Ann. §7-59-313(a)(1), is:

... a business that is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls the daily operations of the business and who is impeded from normal entry into the economic mainstream because of:

- (A) Past practices of discrimination based on race, religion, ethnic background or sex, including, but not limited to, women;
- (B) A disability as defined in § 4-26-102, including, but not limited to, disabled veterans; or
- (C) Past practices of racial discrimination against African-Americans.

Tenn. Code Ann. §7-59-313(a)(2) defines a minority owned business plan as:

... a business plan for actively soliciting bids from minority owned businesses and letting contracts to such businesses when establishing, providing or expanding cable or video services and related support facilities. The plan shall include the following information:

- (A) A proposal for purchasing goods and services from minority owned businesses;
- (B) Information on programs to provide technical assistance to such businesses; and
- (C) A statement of intent to follow its minority owned business participation plan.

The goals of a minority owned business participation plan are “...to maximize participation of minority owned businesses through both prime and second tier business contracting opportunities and...strive to achieve a level of minority owned business participation representative of the population demographics of this state.”<sup>2</sup>

<sup>1</sup> Tenn. Code Ann. §7-59-313(c) states, “Notwithstanding any provision of this part to the contrary, a state-issued certificate of franchise authority shall not be issued by the department to any applicant that fails to include a minority owned business participation plan in the applicant's application. The department shall review each application to confirm that the minority owned business participation plan includes all information required pursuant to this section.”

<sup>2</sup> Tenn. Code Ann. §7-59-313(b)

# Annual Review

Tenn. Code Ann. §7-59-313(d) requires the Tennessee Regulatory Authority to conduct an annual review of the plans:

Notwithstanding any provision of this part to the contrary, the department shall annually review each holder of a state-issued certificate of franchise authority to determine compliance with the holder's minority owned business participation plan. In conjunction with the review, by January 31 of each year, each holder of a state-issued certificate of franchise authority shall prepare and submit an annual report to the department concerning the holder's minority owned business participation plan and compliance with the plan. The department shall annually prepare a compliance report to be delivered to the governor and the clerks of the senate and the house of representatives. The compliance report shall also be posted on the web site of the department.

By the end of 2008, the Tennessee Regulatory Authority had granted three state-issued certificates of franchise authority. BellSouth Telecommunications, Inc. d/b/a AT&T Tennessee ("AT&T"), Charter Communications ("Charter") and Knology, Inc. ("Knology") received state-issued certificates of franchise authority. Each company has submitted its report certifying compliance with its small and minority owned business participation plan.

In its annual submission, AT&T notes that it continues to comply with its minority owned business plan. Charter notes that it had contacted 389 vendors and determined that 100 of those were minority owned. Charter states that it acquired a list of certified minority vendors from the Tennessee Department of Economic and Community Development and has sent a letter requesting these vendors to participate in Charter's bidding process. Knology indicated that it currently does business with four minority-owned firms in Tennessee and is attempting to expand that number.

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<sup>3</sup> Tenn. Code Ann. §7-59-313(d)

APPENDIX 1  
AT&T



Joelle Phillips  
State Operations Counsel

AT&T Tennessee  
333 Commerce Street  
Suite 2101  
Nashville, TN 37201-3300

T: 615.214.6311  
F: 615.214.7406  
joelle.phillips@att.com

January 29, 2009

VIA HAND DELIVERY

Mrs. Lisa Cooper  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37238

RECEIVED  
2009 JAN 29 11:00  
T.R.A. DOCUMENT ROOM

Re: Minority Owned Business Plan Annual Report

Dear Mrs. Cooper,

As required in the Competitive Cable and Video Services Act, AT&T provides this annual report concerning AT&T's Minority Owned Business Plan and the compliance with that plan. AT&T's Plan, which was provided as part of AT&T's franchise application is attached.

AT&T recently announced, in December of 2008, that it has begun to offer its video product for sale in several of the counties and municipalities listed in its application on file with the TRA. While AT&T looks forward to offering its service in more cities in the future, the company has just begun to enter the Tennessee market.

AT&T continues to comply with the attached Minority Owned Business Plan.

Sincerely,

Joelle Phillips

AT&T Tennessee's  
Minority Owned Business Participation Plan

AT&T Tennessee hereby sets forth its business plan for actively soliciting bids from minority-owned businesses and letting contracts to such businesses when establishing, providing or expanding cable or video services and related support facilities.

I. Definitions

A. For the purposes of this plan, unless the context otherwise requires:

1. "Minority owned business" means a business that is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls the daily operations of such business and who is impeded from normal entry into the economic mainstream because of:

- a. Past practices of discrimination based on race, religion, ethnic background, or sex including, but not limited to, women;
- b. A disability as defined in T.C.A. § 4-26-201 including, but not limited to, disabled veterans; or
- c. Past practices of racial discrimination against African-Americans; and

2. "Minority owned business participation plan" means a business plan for actively soliciting bids from minority owned businesses and letting contracts to such businesses when establishing, providing or expanding cable or video services and related support facilities. Such plan shall include the following information:

- a. A proposal for purchasing goods and services from minority owned businesses;

- b. Information on programs to provide technical assistance to such businesses; and
- c. A statement of intent to follow its minority owned business participation plan.

## II. AT&T's Supplier Diversity Policy Statement

It is the policy of AT&T to promote, increase and improve the quality of the overall participation of minority, women and service-disabled veteran owned business enterprises in its purchases of materials and services.

Maximum practicable opportunity shall be given to minority, women and disabled veteran-owned business enterprises to participate as suppliers of materials and services to AT&T.

AT&T also encourages subcontracting opportunities for minority, women and disabled veteran-owned businesses by requiring Supplier Diversity Participation Plans from its prime suppliers.

## III. AT&T's Proposal For Purchasing Goods And Services From Minority Owned Businesses

AT&T promotes the purchasing of goods and services from minority owned businesses through its extensive AT&T Supplier Diversity Program. Supplier Diversity Programs staff at AT&T assists current and potential diversity suppliers in identifying and developing business opportunities with the company.

AT&T Supplier Diversity Programs are designed to promote, increase and improve the quality of the overall participation of small, minority, women and disabled veteran business enterprises in AT&T's supply chain. AT&T looks for opportunities to work with diversity suppliers in all aspects of its business – from advertising to central office engineering, computers, outside plant construction and network provisioning. Promoting the participation of a diverse supplier base not only provides better business solutions, it also cultivates greater customer loyalty, bidding advantages, and public policy support on the communities AT&T serves.

AT&T's diversity program has three main components – a program to encourage minority suppliers; a program to encourage minority hiring by AT&T's prime suppliers; and participation in diversity organization.

Specifically, AT&T has a specific program pursuant to which it seeks to hire diverse suppliers. As part of the program, AT&T provides potential suppliers with information and contacts to assist those firms seeking to do business with AT&T. AT&T's Supplier Diversity Managers and Strategic Sourcing Managers work closely with minority suppliers to find opportunities to do business with AT&T. AT&T provides coaching and mentoring to its strategic diversity firms to ensure they continue to meet AT&T's supplier requirements. AT&T encourages diversity suppliers to gain quality certifications such as ISO 9000 and TL9000 to remain on the competitive edge.

Another of the essential efforts within the AT&T Supplier Diversity Programs is AT&T's Prime Supplier Participation Program. AT&T's Prime Supplier Program helps its prime suppliers increase the utilization of minority, women and disabled-veteran owned businesses in its supply chain through subcontracting and value added reseller arrangements. The program specifically helps prime suppliers (a) establish or enhance their own Supplier Diversity programs; (b) develop an annual plan with AT&T outlining how the supplier can provide better business solutions by working with diverse companies; and (c) report quarterly results to AT&T showing progress towards the supplier's diversity goals.

AT&T also is an active corporate member in important organizations such as the National Minority Supplier Development Council, the Women's Business Enterprise National Council and the Association for Service Disabled Veterans. AT&T also holds memberships with numerous minority Chambers of Commerce that work to promote supplier diversity. AT&T also provides funding to support several executive management training programs for minority owned businesses. The programs funded are among the most highly-regarded, graduate-level executive training programs in the country, providing valuable coaching and tangible business benefits to suppliers.

IV. Information On Programs To Provide Technical Assistance To Such Businesses

AT&T provides information for minority owned businesses on its website at [www.att.com](http://www.att.com). In addition, as set forth above, AT&T has an active mentoring process to encourage minority owned businesses to become suppliers of AT&T.

V. Statement Of Intent To Follow Its Minority Owned Business Participation Plan

Pursuant to this plan, AT&T Tennessee shall strive to maximize participation of minority owned businesses through both prime and second tier business contracting opportunities and shall strive to achieve a level of minority owned business participation representative of the population demographics of the state of Tennessee.

By January 31 of each year, AT&T Tennessee will prepare and submit an annual report to the Tennessee Regulatory Authority concerning AT&T Tennessee's minority owned business participation plan and compliance with such plan.

APPENDIX 2  
CHARTER  
COMMUNICATIONS



February 5, 2009

Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243

To whom it may concern:

Enclosed is Charter Communications Minority Vendor outreach program for 2009.

- Exhibit A represents the document we sent to existing vendors to identify Minority Vendors. To date, 389 vendors received the document, 200 have responded, and 100 of those met the Minority status.
- Exhibit B represents the letter we are sending to certified Minority Vendors supplied to us by the Tennessee Department of Economic and Community Development. Our hope is they will respond and become part of our bid process.

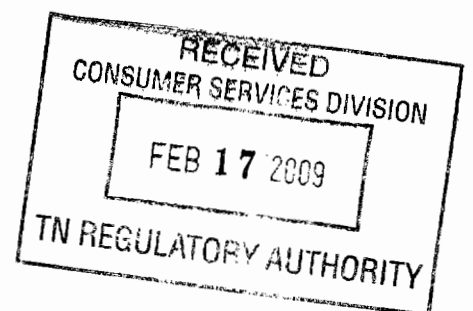
Should you have any questions do not hesitate to contact me @273-2712.

Regards,

A handwritten signature in cursive script that reads 'Nick Pavlis'.

Nick Pavlis  
Director of Government Relations  
Tennessee/Louisiana Operations

Enclosure: Exhibit A, B



# Exhibit A



**10417 Wallace Alley St. Kingsport, TN 37663**

## VENDOR INFORMATION

Vendor Name \_\_\_\_\_

Address \_\_\_\_\_

Remit to Address  
if different:

City, State, Zip \_\_\_\_\_

Remit to  
City, State, Zip:

Phone # \_\_\_\_\_

Fax # \_\_\_\_\_

Email Address \_\_\_\_\_

Do you have an Internet Website? If so, please provide below:  
\_\_\_\_\_

Parent or Subsidiary?  Yes  No If Yes, please provide info below:  
\_\_\_\_\_

Type of Business:

- Corporation
- Government
- Limited Liability Company (LLC)
- Partnership
- Sole Proprietorship (Individual)

Minority Status:  
\*Please make sure  
this section is  
marked.

- African American Female
- African American Male
- Asian Indian Female
- Asian Indian Male
- Asian Pacific Female
- Asian Pacific Male

# Exhibit A

- Hispanic Female**
- Hispanic Male**
- Native American Female**
- Native American Male**
- Non Minority**
- White Female**

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**Signature**

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**Printed Name**

## Exhibit B

January 1, 2009

Dear [Potential Vendor]:

Charter Communications values doing business with vendors both large and small. We are also committed to doing business with as many vendors as possible located in Tennessee. With the assistance of the Department of Economic and Community Development we received your name as a vendor that Charter could potentially utilize for future services. If you have interest in becoming an approved vendor then please complete the following documents and submit to:

Nick Pavlis  
Director of Government Relations  
Charter Communications  
1774 Henry G. Lane Street  
Maryville, TN 37801

If your companies credentials match our qualifications we will contact you to participate in our bid process as your services are needed.

Thank you in advance for your interest and we look forward to your response and doing business with you in the future.

Regards,

Nick Pavlis  
Director of Government Relations  
Tennessee/Louisiana Operations

APPENDIX 3  
**KNOLOGY**

# KNOLOGY®

Phone      Internet      Cable

REC'D  
2009 APR 15 PM 1:16  
T.R.A. DOCKET ROOM

April 15, 2009

*VIA OVERNIGHT MAIL*

Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243

**Re:    Docket 08-00208**

To Whom It May Concern:

Pursuant to §7-59-313 of the Tennessee Code, please find Knology's Minority Owned Business compliance status report. As always, thank you in advance for your courtesies in this matter. Should you have any questions about the enclosed material, please don't hesitate to call me at (706) 645-3966.

Respectfully submitted,



Bruce Schoonover, Jr.  
Director – Regulatory Affairs  
Knology, Inc.

Enclosures

Knology, Inc.  
Minority Owned Business Compliance Status Report

Knology, Inc. (“Knology”) submitted its Application for State Issued Certificate of Franchise Authority on October 31, 2008. That Application included Knology’s Minority Owned Business Participation Plan as required by the Competitive Cable and Video Services Act, Public Chapter 932 (The “Act”) § 14. The Tennessee Regulatory Authority (TRA) granted Knology’s Application on December 15, 2008. As noted in our plan, Knology is committed to the goals of § 14 of the Act. Our plan has not been modified since it was submitted and approved on December 15, 2008 and we will maintain an updated plan in accordance with the Act.

Knology is happy to report that it currently does business with four minority owned businesses in Tennessee, even though those relationships were entered into prior to the filing of this plan. During 2008 Knology spent over thirty five thousand dollars (\$35,000.00) with these vendors. Because this plan was just implemented so recently, Knology does not have any specific information to report concerning new involvement with minority owned business from December 15, 2008 through December 31, 2008. Knology has not entered into any new agreements with any third party contractors in Tennessee, minority or otherwise, since receiving its State Issued Certificate. Nevertheless, Knology has been in contact with several of the agencies listed in paragraph 8 of our plan to inquire about minority owned businesses in the state. We will continue to stay in touch with those agencies as opportunities for contracts and subcontracts with our company arise.

With respect to the other aspects of our plan, since our state issued certificate was approved, Knology has not been asked to prepare any forms or participate in any surveys by the TRA, but stands ready to do so when asked. Mr. Jason Clabo will continue as the primary liaison for the TRA and other agencies of the State. He will also collect and maintain records of qualified minority owned businesses and Knology’s efforts to use the goods and services of those businesses in Tennessee throughout the year.