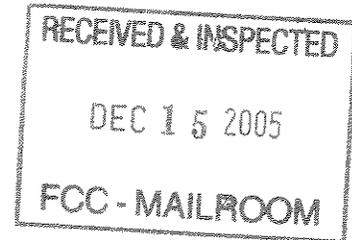


Prepared for: Federal Communications Commission  
445 12<sup>th</sup> Street SW  
Washington DC 20554



Prepared by: Mike Stidham  
Executive Producer  
Ultimate Combat Experience  
4095 West 4715 South  
SLC, Utah 84118  
[mstidham@ultimatecombat.com](mailto:mstidham@ultimatecombat.com)

Date: 12/09/05

Re: Closed Captioning Request for Exemption

Synopsis:

The Ultimate Combat Experience is a televised sporting event that is broadcast weekly on the UPN affiliate in Salt Lake City, Utah (Call letters KPNZ.) UCE has been produced once a week, each week, for the past 3 years. (Began 11/2002). UCE is a taped representation of a live sporting event held locally in Salt Lake City, Utah. These live events are sanctioned by the Utah State Athletic Commission, and endorsed by the members of that commission as a means of offering budding young athletes an opportunity to springboard into professional athletics. As a result of this program, several wayward youth have been given opportunities to hone their skills and vault themselves into professional mixed martial arts venues. Future plans include adding the sport of boxing in hopes of continued efforts to promote the positive image that can be achieved through athletic competitions rather than a life on the streets. (Please see attached references)

The Producer of the Ultimate Combat Experience is a retired police officer that specialized in combating gang activity in a blighted area of Salt Lake County much of his career. Many of those positively affected by this program were youth that were destined for prison or a life in crime. Mr. Stidham has received many civil accolades for his work in combating street gangs, and for lighting the way toward more positive paths, for wayward youths. The Ultimate Combat Experience plays a key role in the successes he enjoys in this area.

The Ultimate Combat Experience is primarily funded through sponsorship capabilities made possible through the airing of the televised portion of the program. These funds help pay for insurance, medical personnel, venue, fighter's pay, etc. Production of the television program is subsidized primarily through private donations. These costs, including talent, editing, camera work, sound, lights, etc. Total production costs are approximately \$5,000.00 per week. This is far below the average production budget for a show of this nature. However, much of the work is done by volunteers, and countless

hours, for little pay, by those involved in the production. This is done because those involved in the project believe in it's power to reach youth in this community.

Martial arts date back hundreds of years, and originate in Asia. Only in the past 50 years has martial arts really taken a stronghold in the United States. Since it's introduction in the 60's by notable masters such as Master Jhoon Rhee, there has always been a representative from martial arts community on the President's board of Physical Education. The benefits of practicing the martial arts are more than the obvious physical attributes it provides. Most martial arts systems are designed with thought to mental well-being, and promotion of self-esteem in children. The act of competing in martial arts demands a healthy lifestyle, and can offer wayward youth a tremendous outlet for emotions that have proven to help curb street violence.

The Ultimate Combat Experience has raised thousands of dollars for various charities over the past three years. The Children's Justice Center, The Ronald McDonald House, Sub-4-Santa program, Red Cross Blood Drive, and most recently- Hurricane Relief efforts have all benefited financially through the Ultimate Combat Experience. The participants in this show are socially conscious, charitable individuals, who give back to their community. These efforts are always spearheaded through the television show.

Currently, UCE is broadcast from 11:00 pm to midnight on Sunday evenings. It's audience is primarily 18-34 males according to Nielsen reports. A new episode is produced each and every week. 52 episodes per year, have been produced each year for the past 3 years.

UCE has attempted to procure Closed Captioning for it's program in effort to come into compliance with FCC regulations. Those price quotes are attached. With a \$5,000.00 production budget, Closed Captioning would become such a financial burden, that it would put us out of business. Many attempts to gain private donations to subsidize Closed Captioning have been unsuccessful. At best, Closed Captioning would cost over 33% of our entire production budget.

Sign Language interpretation is not feasible in this instance, as the action of a live sporting event is often unpredictable, and would be blocked from view if a sign language interpreter were on screen.

UCE Inc.

- Has an annual gross income of less than \$100,000.00.
- Has less than 10 employees
- Non-news programming
- Locally produced
- Does not have the technical capabilities to produce Closed Captioning in-house
- Does not have the Electronic News Room capabilities through KPNZ
- This is the ENTIRE focus of our organization. There are no other sources of income, or budget from any other source

Conclusion:

Simply put, the cost of Closed Captioning would create such a drastic financial burden on this organization, it would literally put us out of business. Therefore, I respectfully request a waiver of the Closed Captioning requirements as set forth by Rule 79.1 of the FCC Regulations. I request a waiver as allowed in Section F of rule 79.1 on reason of 'Undue Burden'.

Thank you in advance for your time and consideration.

CC: Mr. Wayne Casa  
General Manager  
KPNZ- SLC, Utah

References:

Former Utah State Senator Blaze Wharton  
Member, Pete Suazo Utah State Athletic Commission  
(801) 495-3837

Utah Highway Patrolman Richard Montanez  
Chairman, Pete Suaza Utah State Athletic Commission  
(801) 560-9956

Mr. Dave Seljestad  
Executive Director, Pete Suazo Utah State Athletic Commission  
(801) 530-6491

Officer Keith Livingston-Retired  
South Salt Lake Police Department  
(801) 759-5558

Officer Loran Brumley-DARE Supervisor  
West Valley City Police Department  
(801) 965-8000

Dr Mark Cacciamani  
Chief Physician, Pete Suazo Utah State Athletic Commission  
(801) 674-6669

.....  
Subj: Fw: MacCaption-DVD \_ \$4,995  
Date: Friday, December 9, 2005 11:56:45 AM  
From: ronin@tmail.com  
To: usakikboxa@aol.com  
.....

-----Original Message-----

From: Dilip K Som <dsom@cpcweb.com>  
To: ronin@tmail.com  
CC: tang@cpcweb.com  
Subject: MacCaption-DVD \_ \$4,995  
Date: Fri, 04 Nov 2005 15:27:40 -0500

Tony Saiki  
ultimate combat experience  
801-688-9600  
ultimatecombat@mac.com

How it works: <http://www.ccaption.com/nccwork.shtml>

[<http://www.ccaption.com/nccwork.shtml>]DV video with closed captions:  
[http://www.cpc-usa.com/1ccaption/DemoDV720\\_480\\_MOV/Demo\\_DV\\_720x480\\_CC.mov](http://www.cpc-usa.com/1ccaption/DemoDV720_480_MOV/Demo_DV_720x480_CC.mov)

[[http://www.cpc-usa.com/1ccaption/DemoDV720\\_480\\_MOV/Demo\\_DV\\_720x480\\_CC.mov](http://www.cpc-usa.com/1ccaption/DemoDV720_480_MOV/Demo_DV_720x480_CC.mov)]Download  
demo software: [http://www.ccaption.com/nccdownload.shtml#MacCaption%20\(OS%20X\)](http://www.ccaption.com/nccdownload.shtml#MacCaption%20(OS%20X))  
[[http://www.ccaption.com/nccdownload.shtml#MacCaption%20\(OS%20X\)](http://www.ccaption.com/nccdownload.shtml#MacCaption%20(OS%20X))]

Call me if you have further questions

Dr. Dilip K. Som  
CPC  
1010 Rockville Pike #306  
Rockville, MD 20852

301-738-8487  
800-977-6678  
Cell 301-512-1295  
FAX 301-738-8488  
dsom@cpcweb.com [mailto:dsom@cpcweb.com]  
<http://www.cpcweb.com>

[<http://www.cpcweb.com/>]

--ronin

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Subj: Fwd: Closed captioning services  
Date: Friday, December 9, 2005 11:58:50 AM  
From: ronin@tmail.com  
To: usakikboxa@aol.com  
-----

-----Original Message-----

From: Usakikboxa@aol.com  
To: ultimatecombat@mac.com  
Subject: Fwd: Closed captioning services  
Date: Tue, 08 Nov 2005 10:52:50 -0500 (EST)

From: Gregg Butler <gregg\_butler@captionsinc.com>  
To: "'mstidham@ultimatecombat.com'" <mstidham@ultimatecombat.com>  
Subject: Closed captioning services  
Date: Mon, 7 Nov 2005 10:06:03 -0800

Dear Mike,

It was nice to meet you today, and thank you for considering our services to support your weekly television program.

This is to confirm our discussion points:

Cost for caption file: \$13 per program minute for pop-on closed captions.

Cost for .DOC conversion of the caption file: No charge.

There are two phases of closed captions:

1. Phase one is the creation of the caption file. That's what we do.
2. Phase two is getting the caption file encoded on your broadcast master. We would work with whomever is doing your broadcast master preparation to ensure that they have the software and technology to encode your program, if they don't already have that.

We can also work with one of our vendors here in Burbank to create the closed caption broadcast master, if you need that.

The material that we would require from you to get the job done is a VHS dub of your program with a time code window in the upper right corner.

Best wishes for your program, Mike.

Gregg Butler

General Manager

Captions, Inc.

(805) 522-5110

.....  
Subj: **Fw: Captioning your TV series**  
Date: Friday, December 9, 2005 11:59:58 AM  
From: ronin@tmail.com  
To: usakikboxa@aol.com  
.....

-----Original Message-----

From: Gregg Butler <gregg\_butler@captionsinc.com>  
To: 'ultimatecombat@mac.com' <ultimatecombat@mac.com>, 'mstidham@ultimatecombat.com' <mstidham@ultimatecombat.com>  
Subject: Captioning your TV series  
Date: Tue, 08 Nov 2005 17:33:41 -0800

Hi, Tommy.

It's been a hectic day. Here is some information I got for you about encoding your closed captions.

First, a summary:

Phase One of Captioning - Create the caption file: You provide a video with your final "locked" time code to a captioning service, and that caption service creates a closed caption, encoding-ready file.

Phase Two of Captioning - Encode the caption data on Line 21 of your video signal: The encoding-ready caption file is streamed from a computer > through an encoding box > to a video sub master > while your video master is playing, and the caption data is encoded on Line 21 of the video signal on a sub master. That sub master is the captioned variant you send to be broadcast. (You can not insert captions on an existing program. You have to create a sub master.)

So, we can do both phases for you. It just means you have to budget in enough time to ship your video both ways between California and Burbank.

Costs:

1. To create the caption file = \$13 per program running minute
2. To create a caption-encoded Mini-DVCam sub master = \$85
3. FedEx charges

What if you developed the capacity to encode your tapes at your facility? You could just send us a dub of your final, locked time code master, and we could e-mail you the caption file.

To do this, you will have to buy an encoding box, and software for a computer.

EEG is the best-known caption encoding company around. They know everything about Line 21 closed captioning technology.

Eric is the man I just talked to at EEG. He has a box called the EN530

for (list) \$4,750. The software he quoted me is \$1,575.

You can reach him at: (516) 293-7472

Or go browse here: <http://www.eegent.com/encoders.htm>  
[<http://www.eegent.com/encoders.htm>]

The advantage of buying encoding equipment is strictly long-term for you, plus whatever depreciation you can apply to your books. It will take a lot of \$85 Mini-DVCams to justify the cost, but you save at least a day of post production. That day could make a difference.

Anyway, those are some options to consider. We hope we get to do your show.

Sincerely,

Gregg Butler

(818) 260-2744  
Tony Saiki .



•  
•  
-----  
Subj: **Fw: Transcription & Closed Captions**  
Date: Friday, December 9, 2005 12:00:34 PM  
From: ronin@tmail.com  
To: usakikboxa@aol.com  
-----

-----Original Message-----

From: Roni Hall <rhall@transcripts.net>  
To: ultimatecombat@mac.com  
Subject: Transcription & Closed Captions  
Date: Tue, 15 Nov 2005 16:31:11 -0800

Tony

Thank you for considering the Transcription Company. I have attached a price proposal to include the various services we can provide.

Please review, if you have questions or comments you can reach me at numbers listed with this email. Again, Thank you for the opportunity and I look forward to working with.

All the Best

Roni Hall

Sales Consultant

The Transcription Company

4100 W. Burbank Blvd.  
Burbank, CA 91505

Ph: (818) 848-6500 Ext. 111

Fax: (818) 450-0516

E: rhall@transcripts.net [mailto:rhall@transcripts.net]

W: www.transcripts.net

CONFIDENTIALITY NOTICE

This e-mail message is intended only for the use of the individual or entity to which it is addressed, and may contain information that is privileged, confidential and exempt from disclosure under applicable law.

Tony Saiki



4100 W. Burbank Blvd 3<sup>rd</sup> Floor Burbank CA 91505 (818) 848-6500 FAX: (818) 450-0516

TM

**CONFIDENTIAL PROPOSAL**  
*For*  
**TRANSCRIPTION & CAPTION SERVICES**  
*Prepared for*  
**ULTIMATE COMBAT**

**November 15, 2005**

TRANSCRIPTION:

• **FIELD TAPES/ RAW FOOTAGE CONTENT**

Verbatim Time-code transcripts

Per 30 minutes of content

\$70.00 per half hour

Transcripts with B-Roll log

\$80.00 per half hour

• **FINAL-CUT - As Broadcast/Continuity Scripts**

Final master scripts with time code, visual reference and audio reference.  
(Alternate usage: Voice Over and International Distribution)

\*\* Various sample formats available for review

Half- hour programs

\$200.00 per episode

Hour programs

\$400.00 per episode

• **CLOSED CAPTIONING**

Standard 2-3 line Roll-Up

\$185.00 per 30 minutes

(Pop-On) captions

\$195.00 per 30 minutes

*(Includes Electronic Delivery of Scripts & cc files on disk)*

**DBC (4:3) MASTERS going to 1-DBC (4:3) w/Closed Captioning each**

ADDITIONAL CHARGES:

Closed Caption Encoding  
and Conversions

\$120.00 / 34 minutes

\$230.00/ 64 minutes

**TOTAL COST: Digibata Masters**

\$305.00 per 30-minute episode

\$600.00 per 60-minute episode

**ADDITIONAL DUBS**

<b>Quantity:</b>	<b>30:00</b>	<b>60:00</b>
Beta- SP	42.25	56.50
1 -10		
Digibeta	58.50	75.50
1-10		
VHS		
1	\$14.00	18.80
2-4	\$11.60	\$13.40
5-19	\$9.40	\$11.80
20-49	\$5.40	\$6.20
50-99	\$3.80	\$4.60

• **REAL-TIME CAPTIONING**

Closed Caption Service for Broadcast – Real- time \$125.00 per hour

*Includes: News, Sports, Kids and Telethons*

Segment Cut-in

\$ 70.00 per each  
Segments 30 minute or less

**OTHER AVAILABLE SERVICES:**

- Language Translation of transcripts
- Subtitles
- CD and DVD media duplication
- FTP site and digital file transfer for media content

**PAYMENT TERMS**

**NET 30 DAYS UPON RECEIPT OF INVOICE.**

**TERMS AND CONDITIONS:**

Prices effective through December 31, 2005

Roni Hall

Sales Consultant

**The Transcription Company**

rhall@transcripts.net

818-848-6500 x111

## Affidavits of Support

### Affidavit #1: UCE Inc. Articles of Incorporation

UCE Inc. is a corporation in the State of Utah, County of Salt Lake, regulated by the Utah State Department of Commerce.

### Affidavit #2: Personal Curriculum Vitae, Mike Stidham

Mike Stidham is a retired police officer, and current Martial Arts Instructor, and Executive Producer of the Ultimate Combat Experience television show.

### Affidavit #3: Agreement with Z-24 Television (Barter Trade-No Revenue)

UCE is broadcast on Z-24 Television. Z-24 does not pay UCE any monies for it's content. UCE provides Z-24 with 1/2 inventory of commercial avails for payment of broadcast as *Paid Programming*. Our 1/2 inventory is used for content, or to advertise our live shows.

### Affidavit #4: Personal Financial Statement, including ADP Pay Statements

Mike Stidham's monthly salary from UCE Inc. is \$1,000.00 per month, as supported by quarterly payroll report for quarter #3, 2005.

Affidavit #5: Single Event Audit, P & L Statement, supported by documentation of event dated 12/17/05

Affidavit #6: Media Kit

Affidavit #7: History of MMA

Affidavit #8: Salt Lake Tribune Article 12/05 re: UCE

Affidavit #9: Price Quotes of Closed Captioning Service

1. Ascent Media	\$625.00 per hour long show	Email
2. CPC Web	\$570.00 - \$750.00	Email
3. CC Maker	\$400.00	Email
4. Visual Data	No Response	Email
5. New Day Media	\$625.00 per 1/2 hour show	Email
6. Media Man. Serv.	No Response	Email

Affidavit #10: Price Quotes of Closed Captioning Equipment & Programs

1. Softel-usa	\$15,000.00 - \$25,000.00	Email
2. Mac Caption	\$5,995.00	Email
3. CPC MAC	\$5,995.00	Email

Affidavit #11: Crush Video Resume (Television Production)

Affidavit #12: Chad Lee, Studio 4d1 Bio (Graphics / Animation)

Affidavit #13: Loan Settlement Statement

Exhibit #1: Proposal and Agreement from The Transcription Company

Exhibit #2: Brochure from Visual Data Media Services

Exhibit #3: Promotional DVD of Ultimate Combat Experience TV Show

## Nature and Cost of Closed Captions for Programming

UCE has been on air for the past 3 years (Since 11/02) as Paid Programming on the UPN affiliate (KPNZ) in SLC, Utah. Recently, KPNZ underwent changes in management. The new management informed us of FCC requirements for Closed Captioning.

Upon learning of FCC requirements for Closed Captioning (9/05) UCE underwent an extensive search for accomplishing Closed Captioning for our content.

Below are the companies and rates quoted for this service (Service). Additionally, we investigated to possibility of purchasing our own equipment and programs to add Closed Captioning in house (Equipment).

Due to the fact that KPNZ is a small station, and does not have the necessary equipment to allow us the possibility to use the Electronic News Room Technique, we have not included our findings for ENRT.

Our investigation is supported by affidavit, with the exception of the six companies we contacted by phone (Other Closed Captioning).

### Services:

1. Ascent Media	\$625.00 per hour long show	Email
2. CPC Web	\$570.00 - \$750.00	Email
3. CC Maker	\$400.00	Email
4. Visual Data	No Response	Email
5. New Day Media	\$625.00 per 1/2 hour show	Email
6. Media Man. Serv.	No Response	Email

### Equipment

1. Softel-usa	\$15,000.00 - \$25,000.00	Email
2. Mac Caption	\$5,995.00	Email
3. CPC MAC	\$5,995.00	Email

### Other Closed Captioning Services Contacted (Not Supported by Affidavit):

1. Captioning Inc. (323) 665-4860	\$585.00 per episode (Plus Conversion/Embedding)
2. Caption Max (818) 295-2500	\$18.00 per minute (Plus Transcription/Embedding)
3. Rhino Moon (213) 620-0757	\$1,500.00 per episode (Total)
4. SDI Media (323) 602-5400	\$15.00 per minute (Plus Transcription/Embedding)
5. Subtext Titling (323) 666-3780	\$750.00 per episode (Plus Embedding/Shipping)
6. Visual Sound (323) 962-5990	\$600.00 per hour (Plus Embedding/Shipping)

## **Impact on the Operation of the Program Owner**

Through our investigation, we learned the cost of Closed Captioning would be such a financial burden to us, that it would literally put us out of business.

Additionally, we learned the amount of time necessary to provide transcripts, conversion, and embedding, would place such an enormous strain on our staff, that we could not accomplish final production of our show.

- Transcription in house is so time consuming (8-10 hours per episode), that it was not a feasible option.
- We attempted to satisfy our Closed Captioning obligation through sub-titling, rather than line 21, only to learn this would not meet FCC regulations. (In the 3 weeks we did this, we went through 3 different employees, as it was far to much to ask of volunteers.)
- Our Staff consist of 3 full-time employees: Myself, My Wife, AJ, and Tony Saiki (Crush Video-Production). All others are volunteer workers. As it is, we work around the clock just to put this show together.
- Personal loans have been taken out just to accomplish our current budget (Affidavit #13)

## **Financial Resources of the Provider or Program Owner**

Mike Stidham's monthly salary from UCE Inc. is \$1,000.00 per month, as supported by quarterly payroll report for quarter #3, 2005. (Affidavit #4)

A single event P&L statement will show the revenue generated by each UCE event. (Affidavit #5) There just is not any room to subsidize Closed Captioning.

No revenue is currently being generated by the television show itself. Our show is considered Paid Programming, but is aired free as a result of a barter trade with KPNZ.

Many personal loans have been taken out in order to produce the show in its current state. Adding the cost of Closed-Captioning, would prove to be too much.

## **Type of Operations of the Provider or Program Owner**

Media Kit- UCE is marketed as a hard-hitting, action packed, sporting event.

While those things are true, UCE has been instrumental in raising money for charitable causes, and has

On face, it is a mystery how we have been able to survive financially over the past three years. We have literally operated on a shoe string budget. To produce a television show on our limited budget, is nothing short of a miracle.

Mike Stidham has risked every penny he owns on this show. 18 years of savings has been depleted. Numerous loans have been taken out just to stay in business.

We have no sales staff. As Executive Producer, I wear many hats. I have tried VERY hard, with no success, to find a sponsor to subsidize Closed Captioning.

Our business strategy is to try to sell our current catalog internationally in the form of dvd or other electronic media.

Additionally, we hope to sell our current production to a national syndicator or a cable network.

We believe we will be able to accomplish this goal as our production continues to get better and better. We have come a long way in 3 years due to the tireless efforts of those involved. Closed Captioning (The financial burden, and the time consumption) is something that will prevent us from achieving these goals.

### **Available Alternatives**

As this is a sporting event, audio portions of the event are supplementary to the action itself. Graphics and visual aids have been added to include:

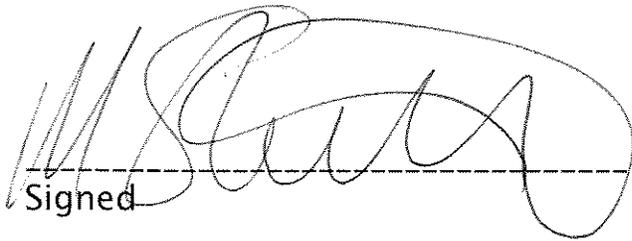
- Tale of the Tape (Gives description of the competitors)
- Names of Fighters, and their assigned corners
- Talent Identifiers (Show hosts, and all on-screen personalities indicated by graphic)

Other graphics may be added were it deemed necessary such as:

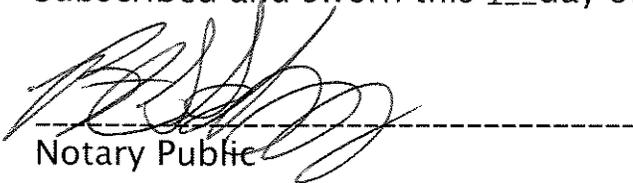
- Bout Winner (Although this is easily identified through the referee's raising of the hand)
- More in-depth information about the fighters flashed on screen as bout is in progress

**AFFIDAVIT**

I, Mike Stidham, solemnly swear that the contents of the foregoing document, the petition for Closed Captioning Exemption, are true and accurate to best information, knowledge, and belief of the undersigned.

  
Signed

Subscribed and sworn this 10 day of January, 2006.

  
Notary Public



CASE: CGB-CC-0037