

# United States Senate

WASHINGTON, DC 20510-2309

JAN 19 2011

FCC Mail Room

January 18, 2011

Chairman Julius Genachowski  
Commissioner Michael J. Copps  
Commissioner Robert M. McDowell  
Commissioner Mignon Clyburn  
Commissioner Meredith Attwell Baker  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

The Honorable Christine A. Varney  
Assistant Attorney General for Antitrust  
U.S. Department of Justice  
950 Pennsylvania Avenue, NW  
Washington, DC 20530

*MP  
McDowell  
Copps  
NBCU  
PV  
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Dear Assistant Attorney General Varney, Chairman Genachowski, and Commissioners:

We write to express our concerns with Comcast Corporation's proposed acquisition of NBC Universal (NBCU). The Communications Act requires merger applicants to demonstrate that the proposed transaction will serve the public interest goals of competition, diversity, and localism. Our understanding is that Comcast must demonstrate that acquiring NBCU would further these public interest goals, not merely preserve the status quo. In the past, some of us have argued that the potential harms resulting from this transaction are such that it is doubtful that they can be remedied. Others of us contend that this merger should be permitted to go through, but the FCC should impose enforceable conditions to ensure the transaction is truly in the public interest.

With that said, we recognize that FCC Chairman Genachowski has circulated a draft order approving this merger, and the Department of Justice (DOJ) is close to completing its review. Based on news accounts, we understand that Comcast has made a number of commitments to the Commission with respect to merger conditions it is willing to accept. We hope you will ensure that these conditions are meaningful—not fleeting—particularly when it comes to Comcast-NBCU's commitments to local news, public affairs, and other public interest programming. We remain concerned that, without additional strong conditions, this transaction will result in less program choice; lead to higher cable and Internet bills for consumers; and smother the emerging market for online video.

As you know, this merger will combine the single largest cable and residential Internet provider with one of the biggest TV and movie studios in the country, making this the largest media merger in a generation. This merger will forever alter how we obtain our video entertainment, and more significantly, how we access news and information. For these reasons, alone, the Commission and DOJ should afford extra consideration to the proposed acquisition's potential anti-competitive repercussions. Absent tough, enforceable conditions, including an ironclad commitment to preserve an open Internet, and a requirement that Comcast make its content available to online video distributors at reasonable rates, this merger could hamper consumers' ability to access video content online. We want to ensure that if this deal is permitted to go through, consumers will be able to continue to download their favorite shows and movies online without restrictions that serve no other purpose but to limit competition.

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Fundamentally, we remain most concerned that this deal will result in higher cable and broadband bills for consumers. Cable rates have been spiraling out of control over the last two decades. The FCC's own reports indicate that the cost for basic cable service has risen at three times the rate of inflation, and average cable rates have more than doubled over the last decade. According to the American Cable Association, if this merger is allowed to go through, consumers will spend \$2.4 billion more on cable over the next nine years. We call on the FCC and DOJ to exact specific commitments from Comcast and NBCU as a condition of this deal to ensure that consumers are not unwittingly subject to even higher cable and Internet bills over the next several years. Such conditions must include safeguards to ensure just and reasonable program access and program carriage with respect to the proposed combination of Comcast and NBCU. Comcast should also be required to provide unbundled access to Internet service, and independent programmers and networks should be provided an expedited complaint process so that any program carriage disputes can be resolved quickly without disrupting consumers' ability to watch their favorite networks and shows. The trend of rising cable and Internet access rates in this country is unacceptable, and it would be shameful if this merger made that even worse, especially during these difficult economic times.

We hope you will give prompt and careful consideration of our views on these matters.

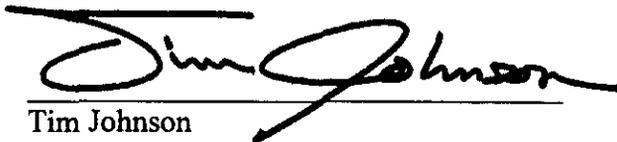
Sincerely,



Al Franken  
United States Senator



Maria Cantwell  
United States Senator



Tim Johnson  
United States Senator