

**STATEMENT OF
ACTING CHAIRWOMAN MIGNON CLYBURN**

Re: *Bloomberg L.P., Complainant v. Comcast Cable Communications, LLC, Defendant, MB Docket No. 11-104*

Anyone around in early 2011 knows that I had many concerns about the Comcast-NBC Universal deal, which combined the nation’s largest cable operator with the nation’s fourth largest owner of national cable networks. Ultimately, I voted to approve the transaction because I believed that if the parties lived up to their voluntary commitments and the conditions we imposed on them, the deal would result in more benefits to consumers than harms. That’s why I am pleased that we are taking this step today to hold Comcast to one of its commitments.

In the Order approving Comcast-NBCU, the Commission recognized that as a combined entity, they would have “increased ability and incentive to harm competition in video programming by engaging in foreclosure strategies or other discriminatory actions against unaffiliated video programming networks.”¹ The Commission expressed concern that Comcast-NBCU could “reduce the viewership of competing video programming networks, which in turn could render these networks less attractive to advertisers, thus reducing their revenues and profits.”² The Commission recognized that news programming is particularly important to the public interest. Therefore, the Commission adopted the news “neighborhooding” condition to guard independent news channels from anticompetitive behavior and to help ensure a vibrant marketplace of ideas.

In general terms, “neighborhooding” refers to the practice of grouping similarly themed TV channels together, such as sports, children’s programming, or news. Today’s decision interprets the news neighborhooding condition in the most reasonable way. It is an interpretation that is supported by the record. It is an interpretation that aligns with industry and consumer practices. And most importantly, it is an interpretation that protects independent news channels from anticompetitive harms, as the Commission intended.

When the Commission adopted this condition, my colleagues and I were concerned that Comcast-NBCU would include its affiliated programming in news neighborhoods and leave an independent news channel on an island to itself. The record in this proceeding corroborates our concern. Comcast overwhelmingly includes affiliated programming in neighborhoods of four news channels in five adjacent channel positions. CNBC is included in a news neighborhood in 99 percent of lineups that have news neighborhoods. For MSNBC, it’s 98 percent.³ This is for good reason: the record also

¹ *Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. For Consent to Assign Licenses and Transfer Control of Licensees*, 26 FCC Rcd 4238, 4284, ¶ 116 (2011).

² *Id.* at 4285, ¶ 116.

³ Letter from David H. Solomon and J. Wade Lindsay, Counsel for Comcast Cable Communications, LLC, to William T. Lake, Chief, Media Bureau, Federal Communications Commission, at Attachment A, page 2 (filed June 21, 2012).

reflects that consumers tend to “flip” between channels, particularly during breaking news events.⁴ Consumers’ tendency to “flip” also explains why a grouping of four news channels in five adjacent channel positions is so significant. Once a viewer finds a channel grouping like that, she is unlikely to hunt around the dial for other news channels. So, to sum up, if you are a news channel, you’d better be located in the “news neighborhood,” or viewers are going to be significantly less likely to find you. And Comcast now has an incentive to keep its competitors, like Bloomberg Television, out of those news neighborhoods to deter viewers from flipping to them. With this Order, we ensure that Comcast treats Bloomberg Television comparably to its affiliated news channels. This will allow Bloomberg Television to compete on an equal footing with its Comcast-affiliated competitors.

As a final note, my colleagues and I frequently stress that it is always important for the Commission to act swiftly on complaints. It is particularly important for us to resolve news neighborhooding complaints in a timely manner because the condition will expire in less than four and a half years. This was a complex proceeding with an extensive record, and it is unusual to receive four applications for review in a proceeding with only two parties. But if the Commission receives additional complaints that allege violation of the news neighborhooding condition, the groundwork laid in resolving this complaint should allow us to act on those more swiftly. Moreover, I hope that my colleagues will act quickly on other matters involving conditions adopted in connection with this transaction. Doing so will help safeguard the public as the Commission intended when it adopted the conditions in 2011.

I wish to thank the Media Bureau staff for their work on this item.

⁴ Bloomberg’s June 18 Opposition at 9-10 (citing Reply of Bloomberg at Exhibit B, ¶ 18; Exhibit C, ¶¶ 14, 15; Exhibit E, ¶ 19; Exhibit F, ¶¶ 13, 15, 17 (filed Aug. 30, 2011)).