



**Comcast Corporation Acquisition of Time Warner Cable  
and Trade of Service Territories with Charter Communications  
(MB Docket 14-57)**

**The Imperative for a Substantive Public Benefit with Accountability  
*Internet For All Now!***

**A Quarter of the Population is Not Connected**

- 25% of U.S. households do not have high-speed Internet access at home--are stuck on the other side of the Digital Divide up against a “wall of poverty”. Affordable broadband is an integral component of a comprehensive approach to tackle concentrated and persistent poverty.
- There is ample evidence that being connected enables low-income households to become more self-sufficient—technology is empowering and transforming. It is a necessity in a Digital World—a 21<sup>st</sup> Century Civil Right.
- A successful broadband adoption program for low-income households must address 3 barriers: (1) cost; (2) relevance; and (3) digital literacy. CETF and partners have documented experience in increasing broadband adoption.

**The Comcast Track Record with Internet Essentials Program**

- Comcast proposed Internet Essentials as a public benefit to secure approval to purchase NBC Universal. The burden is on Comcast to make it work.
- There are several problems with implementation of Internet Essentials:
  - The sign-up process is long, often burdensome, and has several glitches.
  - Advertising is inadequate to reach the target populations.
  - It currently addresses only one barrier: cost (it is a good price point).
  - There is insufficient investment in experienced CBOs (“trusted messengers”) to reach the target populations and to address other two barriers: relevance (outreach and specialized media) and digital literacy (training and devices).
  - There is no accountability for performance and little transparency.
- In 3 years Comcast has signed up only 14% of their stated eligible population. There must be a more focused effort to achieve acceptable performance.

**Comcast and Charter Will Have Major Markets in 26 States and District of Columbia**

- Comcast: Greater than 50% market share in 16 States and DC (87% California).
- Charter (and Successor Companies): Greater than 50% in 4 States.
- Comcast and Charter: 2 States (Indiana 70% and Washington 87%).
- Comcast and Charter will have 52% of students eligible for NSLP (87% California).
- There are almost 3 times as many other low-income households without children in school as there are families on NSLP.

## **5 Recommendations to Make Internet Essentials Work**

(Require the following of all companies proposing acquisitions or mergers.)

### 1. Include All Low-Income Households

- Expand to all low-income HHs: seniors, people with disabilities, and veterans.
- Require a wireless modem to be compatible with most school devices.

### 2. Set Performance Goals

- Increase subscriptions to 45% of eligible households in 2 years.
- Continue IE until adoption rate is 80% in low-income service areas.

### 3. Capitalize Independent Fund(s) and Coordinate with States

- Establish an independent fund in each major market state with a plan to close the Digital Divide (multi-state fund for others) to support CBOs (including libraries and schools) increase broadband adoption.
- Align state strategies and resources to accelerate broadband adoption.
- Contribute at least \$700M nationwide (\$150M-\$162M in California).
- Select fund managers by state agencies through an open competitive process and award grants based on performance (documented subscriptions).
- Foster a sincere and effective public-private partnership.

### 4. Establish a National Oversight Committee

- Include Comcast executives, federal departments, stakeholders and experts.
- Ensure transparency and accountability for results.
- Establish a mechanism to engage other partners and coordinate resources.

### 5. Require Stand-Alone Internet Service

- Ensure unbundled reasonably-priced Internet service for all consumers.
- Protect Internet service for low-income HHs if subscription if paid for IE.

## **Growing Support for 5 Recommendations to Secure Substantive Public Benefit**

- ✓ 119 organizations have endorsed the 5 Recommendations.
- ✓ 45,000+ unduplicated individuals have sent 115,000+ messages to FCC.
- ✓ FCC has the opportunity to secure a public benefit that significantly closes the Digital Divide and advances the National Broadband Plan.