

Pantelis Michalopoulos  
202 429 6494  
pmichalopoulos@steptoe.com

**Steptoe**  
STEPTOE & JOHNSON LLP

Stephanie A. Roy  
202 429 6278  
sroy@steptoe.com

1330 Connecticut Avenue, NW  
Washington, DC 20036-1795  
202 429 3000 main  
www.steptoe.com

**REDACTED – FOR PUBLIC INSPECTION**

December 7, 2015

**By ECFS**

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, DC 20554

**Re: Applications of Charter Communications, Inc., Time Warner Cable Inc., and  
Advance/Newhouse Partnership for Consent to Assign or Transfer Control of  
Licenses and Authorizations, MB Docket No. 15-149**

Dear Ms. Dortch:

In accordance with the *Protective Order* in the above-captioned proceeding,<sup>1</sup> DISH Network Corporation (“DISH”) hereby submits the attached public, redacted version of the enclosed letter. DISH has denoted with “**{{BEGIN HCI END HCI}}**” symbols where Highly Confidential Information has been redacted. The designated Highly Confidential Information in the letter was taken from Highly Confidential Information in the Applicants’ filings and submissions to the Commission in response to the Commission’s Information Requests. A Highly Confidential version of this letter is being simultaneously filed with the Commission and will be made available pursuant to the terms of the *Protective Order*.

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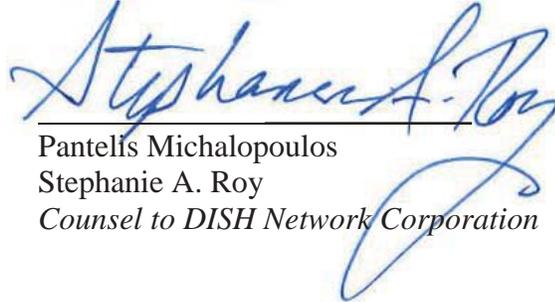
<sup>1</sup> *Applications of Charter Communications, Inc., Time Warner Cable Inc., and Advance/Newhouse Partnership for Consent to Assign or Transfer Control of Licenses and Authorizations, MB Docket No. 15-149, Protective Order, DA 15- 110 (Sept. 11, 2015) (“Protective Order”).*

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Marlene H. Dortch  
December 7, 2015

Please contact me with any questions.

Respectfully submitted,



Pantelis Michalopoulos  
Stephanie A. Roy  
*Counsel to DISH Network Corporation*

Enclosure

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pmichalopoulos@steptoe.com



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sroy@steptoe.com

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Dear Ms. Dortch:

As DISH Network Corporation (“DISH”) demonstrated in its Reply, Charter’s purported “live and let live” philosophy with respect to online video distributors (“OVDs”) is a sham.<sup>1</sup> In fact, the Applicants’ convenient assertion that OVDs are a “complement” rather than a threat to their business<sup>2</sup> is belied by internal correspondence documenting a long and unbroken history of strategies to counter the **{{BEGIN HCI** **END HCI}}**<sup>3</sup> threat to their core cable business should OVDs thrive.

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<sup>1</sup> DISH Network Corp., Petition to Deny, MB Docket No. 15-149, at 9 (Oct. 13, 2015) (“DISH Petition”)

<sup>2</sup> Charter Communications, Inc., Time Warner Cable Inc., and Advance/Newhouse Partnership, Opposition to Petitions to Deny and Response to Comments, MB Docket No. 15- 149, at 16 (Nov. 2, 2015) (“Opposition”).

<sup>3</sup> **{{BEGIN HCI**

**END HCI}}**

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As early as 2011, Charter believed that OVDs were **{{BEGIN HCI  
END HCI}}**, warning that:<sup>4</sup>

- **{{BEGIN HCI  
END HCI}};**<sup>5</sup>
- **{{BEGIN HCI  
END HCI}};**<sup>6</sup> and
- **{{BEGIN HCI  
END HCI}}.**<sup>7</sup>

Charter has been particularly concerned about OVDs that are direct substitutes for either some or all of its linear video services:

- Charter has listed among the threats to its video strategy **{{BEGIN HCI  
END HCI}};**<sup>8</sup>

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<sup>4</sup> **{{BEGIN HCI  
END HCI}}**

<sup>5</sup> **{{BEGIN HCI  
END HCI}}**

<sup>6</sup> **{{BEGIN HCI  
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<sup>7</sup> **{{BEGIN HCI  
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<sup>8</sup> **{{BEGIN HCI  
END HCI}}**

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- Charter also sees **{{BEGIN HCI**  
**END HCI}};**<sup>9</sup> and
- The prospect of new players acquiring nationwide over-the-top (“OTT”) rights was **{{BEGIN HCI**

**END HCI}}.**<sup>10</sup>

It is clear that Charter views any partnerships with OVDs only as a short term solution necessary to **{{BEGIN HCI**

**END**  
**HCI}}.**<sup>11</sup> In other words, integrating OVDs into the Charter ecosystem (by making them just another “app” available through Charter’s interface) **{{BEGIN HCI**

**END HCI}}.**<sup>12</sup> But Charter does not appear committed to even this limited integration in the long term, seeing it only as a necessary stop-gap to **{{BEGIN HCI**  
**END HCI}}.**<sup>13</sup>

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<sup>9</sup> **{{BEGIN HCI**

**END HCI}}**

<sup>10</sup> **{{BEGIN HCI**

**END HCI}}**

<sup>11</sup> **{{BEGIN HCI**

**END HCI}}**

<sup>12</sup> **{{BEGIN HCI**

**END HCI}}**

<sup>13</sup> **{{BEGIN HCI**

**END HCI}}**

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The OVD threat to Charter’s subscription video business has only become more acute over time. Charter’s internal documents reveal a company focused with laser intensity on countering that threat, particularly with respect to OVDs that could grow into full linear video substitutes for cable TV:

- **{{BEGIN HCI**  
**END HCI}};**<sup>14</sup>
- **{{BEGIN HCI**  
**END HCI}};**<sup>15</sup>  
and
- **{{BEGIN HCI**  
**END HCI}}.**<sup>16</sup>

As one document explains the cause of these concerns: **{{BEGIN HCI**

**END HCI}}<sup>17</sup>**

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<sup>14</sup> **{{BEGIN HCI**  
**END HCI}}**

<sup>15</sup> **{{BEGIN HCI**  
**END HCI}}**

<sup>16</sup> **{{BEGIN HCI**  
**END HCI}}**

<sup>17</sup> **{{BEGIN HCI**  
**END HCI}}**

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That fear appears to have culminated in the proposed transaction. As Charter's CEO, Tom Rutledge, explained to his colleagues, **{{BEGIN HCI**

**END HCI}}**.<sup>18</sup> The proposed transaction also appears to be part of Charter's plan to **{{BEGIN HCI**

**END HCI}}**.<sup>19</sup> Charter has already quietly launched an OTT service targeted toward its broadband-only customers.<sup>20</sup> The merger will only stoke its interest in this service, and therefore its incentive to thwart or destroy competing OTT services. Indeed, internal Charter documents indicate that **{{BEGIN HCI**

**END HCI}}**.<sup>21</sup> And, at least internally, Charter could not be more clear as to who its competitors are for its new OTT service: **{{BEGIN HCI**

**END HCI}}**.<sup>22</sup>

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<sup>18</sup> **{{BEGIN HCI**

**END HCI}}**

<sup>19</sup> *See supra* notes 14-18 and accompanying text; Opposition at 16; **{{BEGIN HCI**

**END HCI}}**.

<sup>20</sup> Erik Gruenwedel, *Charter Launches \$13 Monthly Streaming TV Service*, HOMEMEDIA Magazine (Oct. 12, 2015), <http://www.homemediamagazine.com/cable/charter-launches-13-monthly-streaming-tv-service-36833>.

<sup>21</sup> **{{BEGIN HCI**

**END HCI}}**

<sup>22</sup> **{{BEGIN HCI**

**END HCI}}**

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Recent Charter documents confirm that Charter intends to use any means at its disposal to ensure that OVDs never challenge its core video services. Charter has:

- {{BEGIN HCI  
END HCI}};<sup>23</sup>
- {{BEGIN HCI  
END HCI}};<sup>24</sup>
- {{BEGIN HCI  
END HCI}}.<sup>25</sup>

\* \* \*

Charter’s claim that it lacks an innate incentive to harm OVDs is undermined by the weight of its own internal documents. Charter fears OVDs because they threaten its valuable video services. New Charter can be expected to have an even greater incentive and ability to act on these fears. For these reasons, among others, the FCC should deny the merger.

Sincerely,



Pantelis Michalopoulos  
Stephanie A. Roy  
*Counsel for DISH Network Corporation*

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<sup>23</sup> {{BEGIN HCI  
END HCI}}

<sup>24</sup> {{BEGIN HCI  
END HCI}}

<sup>25</sup> {{BEGIN HCI  
END HCI}}