



May 3, 2016

EX PARTE PRESENTATION

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

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

Dear Ms. Dortch:

Pursuant to Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, the Stop Mega Cable Coalition submits this letter summarizing the following meetings on May 2, 2016:

- A meeting with Marc Paul, Legal Advisor, Media for Commissioner Rosenworcel. The following members of the Stop Mega Cable Coalition were present: David Goodfriend, beIN Sports; Todd O'Boyle, Common Cause; George Slover, Consumers Union; Jeff Blum, DISH; Alison Minea, DISH; and Hadass Kogan, DISH.
- A meeting with Commissioner Mignon Clyburn and David Grossman, Chief of Staff and Media Policy Advisor for Commissioner Clyburn. The following members of the Stop Mega Cable Coalition were present: David Goodfriend, beIN Sports; Todd O'Boyle, Common Cause; George Slover, Consumers Union; Jeff Blum, DISH; Alison Minea, DISH; Hadass Kogan, DISH; and Gene Kimmelman, Public Knowledge.¹

The Stop Mega Cable Coalition is a diverse group of public interest groups, media and telecommunications businesses, programmers, labor and other concerned parties² united in the belief that the merger of Charter Communications, Time Warner Cable and Bright House Networks (together, the "Applicants") presents significant harms for consumers, competition and innovation. This transaction will produce a new cable and broadband giant – Mega Cable – that

¹ David Goodfriend also attended the meetings on behalf of Entertainment Studios, Inc.

² Current Coalition members include: Alliance for Community Media, beIN Sports, Cincinnati Bell, Common Cause, Consumers Union, DISH, FairPoint Communications, Future of Music Coalition, Greenlining Institute, ITTA, Media Alliance, NTCA-The Rural Broadband Association, Open Technology Institute at New America, OpenMedia, Public Knowledge, The Rural Broadband Alliance, Sports Fans Coalition, Writers Guild of America, East, Writers Guild of America, West, and Zoom Telephonics.



threatens the future of video distribution services provided by over-the-top (“OTT”) distributors, and smaller and new entrant MVPDs.

During the meetings, members of the Coalition discussed the many harms that would result from this merger. Coalition members explained that while the draft Order circulated by Chairman Wheeler targets a number of key issues, it still falls short of addressing all of the threats to competition and consumers posed by this transaction.³ Among other things, the conditions proposed in the draft Order do not fully prevent Charter from using its dominant position in the marketplace to thwart competition from OTT streaming services and stifle competitors in underserved, rural communities.

Coalition members explained that additional conditions should be imposed to remedy the harms that remain insufficiently addressed by the draft Order. Among other things, Charter should be required to offer a standalone broadband service that would enable consumers wishing to ‘cut the cord’ to have that option. To address this concern, members urged the Commission to require Charter to adhere to the terms of the proposed standalone broadband condition enumerated in Appendix A, attached. This condition would require Charter to offer a standalone broadband offering at a minimum speed of 60 Mbps download/4 Mbps upload, and in no event less than the same speeds (both download and upload) that Charter offers to customers who purchase any bundle of one or more other service. In addition, members of the Coalition underscored the need to establish a meaningful condition to improve media diversity that goes beyond a Memorandum of Understanding (“MOU”). MOUs in mergers have proven to be ineffective for the most part and the MOU proffered in this merger was even lighter than most (*e.g.*, calling for the renewal of a single African-American oriented programming service). Members underscored the need for the Commission to adopt clear, strong, enforceable conditions as part of any merger Order that would address these harms. Any such remedies must be subject to effective enforcement and oversight by the Commission, including through an expedited complaint resolution process and an appointed compliance monitor, among other things.

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Charter’s proposed acquisition of Time Warner Cable and Bright House Networks threatens serious harms for consumers, competition and innovation. The Stop Mega Cable Coalition urges the Commission to solve or prevent the harms that remain unaddressed by the draft Order circulated in this proceeding.

³ See Statement of FCC Chairman Tom Wheeler on Recommendation Concerning Charter/Time Warner Cable/Bright House Networks (Apr. 25, 2016), *available at* http://transition.fcc.gov/Daily_Releases/Daily_Business/2016/db0425/DOC-339028A1.pdf.



Respectfully submitted,

/s/

Stop Mega Cable Coalition

cc: David Grossman
Marc Paul



Appendix A
Proposed Standalone Broadband Condition – MB Docket No. 15-149

Definitions

“Company” means Charter Communications, Inc., Time Warner Cable, Inc., and Advance/Newhouse Partnership both individually and collectively, including the combined entity of Charter Communications, Inc., Time Warner Cable, Inc., and Advance/Newhouse Partnership, as well as any successor-in-interest, affiliate or subsidiary directly or indirectly controlling, controlled by, or under common control with Charter Communications, Inc., Time Warner Cable, Inc., and Advance/Newhouse Partnership, or the combined entity of Charter Communications, Inc., Time Warner Cable, Inc., and Advance/Newhouse Partnership.

“Broadband Internet Access Services” means a mass-market retail service by wire or radio that provides the capability to transmit data to and receive data from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up Internet access service. This term also encompasses any service that is providing a functional equivalent of the service described in the previous sentence, or that is used to evade the protections set forth in any FCC approval order of the merger.

Condition

For a period of at least seven years from the transaction’s close,

- (i) Company shall offer standalone Broadband Internet Access Services, sold separately from any bundled product and/or service offering. Company shall offer such standalone Broadband Internet Access Services at reasonable market-based and non-discriminatory prices. The standalone Broadband Internet Access Services must be offered at a minimum speed of 60 Mbps download/4 Mbps upload, and otherwise at the same speeds (both download and upload) that Company offers to customers who purchase any bundle of one or more other Company service.
- (ii) Starting no later than 30 days after the date of this Order, Company shall visibly offer and actively market standalone retail Broadband Internet Access Service, including but not limited to (a) providing a linkable web page devoted exclusively to describing (e.g., price and speed) and permitting online purchase of all retail Broadband Internet Access Service standalone options; (b) running at least one major advertising promotion of the 60 Mbps download/4 Mbps upload standalone retail Broadband Internet Access Service offering annually; and (c) ensuring that the standalone Broadband Internet Access Service offering appears with prominence equal to that of bundled offerings on any product list or in any window, menu or other similar place on any call center screen.
- (iii) Within 30 days from the date of this Order, annually thereafter and upon any price adjustment of a standalone Broadband Internet Access Service offering, Company shall provide to the Commission a report describing: (a) its compliance with this



condition, including the number of standalone Broadband Internet Access Service lines provisioned; (b) the standalone Broadband Internet Access Service speeds and pricing being offered to customers in its top 30 markets; (c) the Broadband Internet Access Service speeds and pricing being offered as part of each package of one or more Company products and/or services in its top 30 markets as well as the package price; and (d) the prices and speeds at which competitors offer standalone Broadband Internet Access Service (to the extent known by Company) in its top 30 markets.