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*Via ECFS*

Chairman Thomas Wheeler  
Commissioner Mignon Clyburn  
Commissioner Jessica Rosenworcel  
Commissioner Ajit Pai  
Commissioner Michael O'Reilly  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

RE: Written Ex Parte Notice

Proposed Transfer of Control of Time Warner Cable, Inc.  
and Charter Communications Inc. and Proposed Transfer of  
Control of Bright House Networks from Advance/New-  
house Partnership to Charter Communications Inc.  
Docket 15-149

Proposed Assignment or Transfer of Control of Licenses  
and Authorizations from Cablevision Service Corporation  
to Altice N.V.  
Docket 15-257

Dear Mr. Chairman and Commissioners:

In light of the staff's Altice/Cablevision decision released late last night (Docket 15-257), Zoom Telephonics, Inc. wishes to call your attention to an important distinction between that case and the Charter/Time Warner Cable/Bright House Networks matter now before the Commission in Docket 15-149.

For reasons explained below, Zoom renews its request that the Commission impose a condition prohibiting Charter from bundling cable modem leases with Internet service at a subsidized price. ***At the very least, the Commission should prohibit Charter from changing pricing policies for Time Warner Cable and Bright House Network customers until the completion of the so-called set-top box proceeding being conducted in Docket 16-42.***

There is currently a robust retail market for cable modems in Comcast, Time Warner Cable and other markets. This is exactly what the Commission has said it wishes to achieve, and which it has proposed to do, for set-top boxes. Unless the Commission takes action to address Charter's practices in Docket 15-149, the Commission will be doing exactly the opposite of what it has proposed for set-top boxes. This cannot possibly be consonant with the public interest.

Zoom has filed a petition to deny in Docket 15-149 because Charter currently bundles the price of cable modems and Internet service, describing this as providing "free" modems. Charter

has told the Commission it intends to apply this practice to Time Warner Cable and Bright House Networks customers. Cable modems are indisputably covered by Section 629 of the Communications Act. Zoom maintains Charter's practices are not permitted by Section 629, and - of immediate importance here - are in any event contrary to the public interest.

Cablevision formerly employed a similar bundling policy, but it has for some time offered modem leases on an unbundled basis at an apparently unsubsidized price. Zoom was, however, concerned about Cablevision customers grandfathered under the prior policy, and therefore filed a petition to deny to address that issue in Docket 15-257.

In the newly released decision in Docket 15-257, the staff found that because Cablevision currently offers cable modems as a separate line item at an appropriate price, no public interest issues are raised. It noted that the question about the proper application of Section 629 is being addressed in the so-called set-top box rulemaking in Docket 16-42 and deferred addressing that question until resolution of that matter.

While Zoom does not agree with the staff's handling of the Altice/Cablevision matter, it wishes to call attention to the significant difference in the two cases. Right now, Charter customers do not receive the benefit of having a financial advantage by purchasing their own cable modems at retail, since the price of their cable modem is bundled into the price of their Internet service. In its applications, Charter has stated that it intends to extend this pricing policy to Time Warner Cable and Bright House Networks customers.

It is not necessary for the Commission to reach and decide the Section 629 issue to determine that it is contrary to the public interest to allow Charter to deny access to unbundled, unsubsidized cable modem pricing to current Time Warner Cable and Bright House Network customers. This change of policy for Time Warner Cable and Bright House Network customers would harm retailing of cable modems and jeopardize the potential savings for customers having their own modems.

Accordingly, Zoom asks for an appropriate condition, or at the least, that the Commission freeze current pricing-related cable modem policies for Time Warner Cable and Bright House Network customers until completion of Docket 16-62.

Respectfully submitted,



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cc. Legal Assistants to the Commissioners  
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Philip Verveer  
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