

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

***Applications filed to Transfer Control of Cablevision Systems  
Corporation to Altice N.V., WC Docket No. 15-257***

**Comment of MFRConsulting**

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Attached please find two Comments<sup>1</sup> that from different perspectives reiterate serious concerns about, and evidence of the hostility at worst and indifference at best of Altice's ethos, corporate culture and behavior towards the public interest and the goals of public policy and regulation. Ample supporting evidence has been presented of Altice's unworthy character for ownership of network facilities that necessarily exploit public resources and of its disturbing record over several years of ownership and operation of network operators outside the US<sup>2</sup>. The services offered by Cablevision are essential (broadband access) and the market is not effectively competitive, which allows players to pursue customer-hostile tactics with limited risk of negative consequences for them.

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<sup>1</sup> Fair Media Council,  
<http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={E752A032-3DA4-4105-B285-697200B91904}>;

MFRConsulting,  
<http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={C2111582-641A-422D-ABA0-77732E14FC5F}>

<sup>2</sup> MFRConsulting - <http://apps.fcc.gov/ecfs/document/view?id=60001351844>;

<http://apps.fcc.gov/ecfs/document/view?id=60001395403>;

<http://apps.fcc.gov/ecfs/document/view?id=60001398658>;

<http://apps.fcc.gov/ecfs/document/view?id=60001351844>;

<http://apps.fcc.gov/ecfs/document/view?id=60001514943>;

<http://apps.fcc.gov/ecfs/document/view?id=60001422856>;

<http://apps.fcc.gov/ecfs/document/view?id=60001422857>;

<http://apps.fcc.gov/ecfs/document/view?id=60001518346>;

<http://apps.fcc.gov/ecfs/document/view?id=60001518340>;

<http://apps.fcc.gov/ecfs/document/view?id=60001518339>;

<http://apps.fcc.gov/ecfs/document/view?id=60001514900>;

<http://apps.fcc.gov/ecfs/document/view?id=60001523781>;

<http://apps.fcc.gov/ecfs/document/view?id=60001531428>

Evidently Commission staff have decided nevertheless to trust Altice and accept its key claims and promises while rejecting the core contents of filings that oppose its acquisition of Cablevision<sup>3</sup>. As one example the FCC characterizes as an “unsupported allegation” that one individual, Patrick Drahi, would have too much control over essential broadband infrastructure. The Order disagrees with this finding that is derived from independently documented evidence presented in this Docket that Mr. Drahi does have sole control of Altice, while his widely reported style of autocratic or even dictatorial management makes him the driving force behind key decisions in the companies Altice controls. These decisions are then faithfully executed by a small coterie of close, highly compensated associates. Some of the same individuals are playing key roles in the management of Altice’s US assets after having demonstrated their willingness to implement harmful actions in its operations in Europe and elsewhere.

In another example the Order finds no evidence in the record that Altice’s long term goal may be vertical integration, based on its holdings in Europe that are in the record. The FCC surprisingly dismisses as non-probative evidence presented in the record of Altice’s extensive media holdings in Europe as an element of Mr. Drahi’s global strategy, even though a global presence is one of the supposed benefits being brought to Cablevision. Yet it is very reasonable and requires no stretch of imagination to foresee that Altice could well pursue a similar strategy in the US. Moreover the attachment from the Fair Media Council describes disturbing behavior, namely neglect of the crucial issue for Long Island residents of a change in ownership of Cablevision at an important publication, Newsday, in anticipation of its acquisition by Altice as part of this very transaction. This behavior does not bode well for the future of any additional media properties that Altice may eventually decide to acquire in the US.

Furthermore the Order notably omits consideration of the evidence presented in the record of Altice’s behavior in France with respect to contractors (unilateral demands for substantial discounts in their invoices) and the litigation that has resulted and its outcomes, as well as its disputes with the French regulator Arcep. This behavior is one important indicator of Altice’s character and ethos. Is the assumption that the attitudes and behavior exhibited by Altice and its leadership are confined to France, i.e. “whatever is done in Paris stays in Paris,” and therefore have no bearing on Altice’s predictable behavior in the US?

It would indeed be welcome were Altice to bring a breath of fresh air, vigor, improved efficiency, superior resources and entrepreneurship to the benefit of Cablevision and all its stakeholders and the society and economy of the Greater New York Area which it serves. But the balance of evidence, belying faith and trust in Altice, does not point to this scenario. It predicts a negative outcome not any net benefit for Cablevision’s customers, employees, contractors and the pro-competitive

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<sup>3</sup> Memorandum Opinion and Order, Consent to Transfer of Control from Cablevision to Altice, [http://transition.fcc.gov/Daily\\_Releases/Daily\\_Business/2016/db0503/DA-16-485A1.pdf](http://transition.fcc.gov/Daily_Releases/Daily_Business/2016/db0503/DA-16-485A1.pdf) (“Order”)

goals of public policy for the broadband and video markets in the Greater New York Area.

Signed on Wednesday June 1 2016

A handwritten signature in blue ink, appearing to read "Mark R. Karch", written over a light blue horizontal line.