

LAWLER, METZGER & MILKMAN, LLC

2001 K STREET, NW
SUITE 802
WASHINGTON, D.C. 20006

A. RENEE CALLAHAN
PHONE (202) 777-7723

PHONE (202) 777-7700
FACSIMILE (202) 777-7763

August 15, 2002

By Electronic Delivery

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

Ex Parte Notice

Re: Applications for Consent to the Transfer of Control of Licenses from Comcast Corporation and AT&T Corp., Transferors, to AT&T Comcast Corporation, Transferee, MB Docket No. 02-70

Dear Ms. Dortch:

On August 14, representatives of Comcast Corporation ("Comcast") and AT&T Corp. ("AT&T") spoke by telephone with Erin Dozier, Roger D. Holberg, and Royce D. Sherlock of the Media Bureau; and James R. Bird, Neil Dellar, Nandan Joshi, and Kimberly Reindl of the Office of General Counsel. During that call, AT&T was represented by Betsy Brady and Michael H. Hammer, Willkie Farr & Gallagher, outside counsel to AT&T. Comcast was represented by Arthur R. Block, James R. Coltharp, and A. Richard Metzger, Jr., Lawler, Metzger & Milkman, LLC, outside counsel to Comcast. Subsequently on the same day, representatives of Comcast and AT&T spoke again by telephone with Erin Dozier, Roger D. Holberg, John I. Scott, Royce D. Sherlock, and Patrick Webre of the Media Bureau; James R. Bird, Neil Dellar, and Kimberly Reindl of the Office of General Counsel; and Simon Wilkie of the Office of Plans and Policy. During the subsequent call, Comcast was represented by Arthur R. Block, William E. Dordelman, James R. Coltharp, James L. Casserly, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., and the undersigned, outside counsel to Comcast.

During the first call, Mr. Block, Senior Vice President and General Counsel for Comcast, described some of the possible types of alternate transactions involving AT&T Broadband's interest in Time Warner Entertainment ("TWE") that the parties may consider in which all or a portion of the economics underlying the TWE interest could be

converted to cash while the legal and record ownership of the TWE interest remained in trust. Mr. Block noted that a principal advantage of such transactions is that they would allow AT&T Comcast to generate cash from the TWE interest reasonably promptly, which could then be used to reduce the company's debt. It was agreed that the parties would schedule a subsequent telephone call later on the same day to discuss the issue in further detail.

During the subsequent call, Mr. Dordelman, Vice President – Finance and Assistant Treasurer for Comcast, explained the mechanics and benefits of different forms of securitizations that an alternate transaction could take. He explained that these transactions, although often identified by different terms (such as a “forward sale” or a “monetization”) typically involve the purchase of a “put” and the sale of a “call” to a counterparty, such as an investment bank. Mr. Dordelman explained that an alternate transaction can limit the ability of the legal owner of the asset in question to participate in any depreciation or appreciation of the monetized asset that might occur, thus limiting its ability to benefit (or be harmed) by any fluctuations in the asset's value. If some of the TWE assets remained in trust after settlement of an alternate transaction, Mr. Block noted that the Trustee might be able to dispose of those assets within a matter of months, depending on market conditions. In addition, Mr. Block indicated that, depending on securities law requirements, it was possible that certain alternate transactions could be limited to a cash rather than stock settlement.

Pursuant to section 1.1206(b)(2) of the Commission's rules, this letter is being filed electronically with the Office of the Secretary. If you have any questions, please contact me.

Very truly yours,



A. Renée Callahan

cc: Erin Dozier
Roger D. Holberg
John I. Scott
Royce D. Sherlock
Patrick Webre
James R. Bird
Neil Dellar
Nandan Joshi

Kimberly Reindl
Simon Wilkie
William Dever
Cynthia Bryant
Jeff Tobias
Lauren Kravetz Patrich
Qualex International