

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

701 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004

James L. Casserly

Direct dial 202 661-8749  
jlcasserly@mintz.com

202 434 7300  
202 434 7400 fax

October 28, 2002

Ex Parte Notice

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

**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 October 25, 2002, representatives of AT&T Corp. (“AT&T”) and Comcast Corporation (“Comcast”) met with Alexis Johns, Legal Advisor to Commissioner Copps. AT&T was represented by Mike Hammer and Betsy Brady, and Comcast was represented by Jim Coltharp and Jim Casserly. Subsequently, Mr. Coltharp and I met with Ken Ferree, Chief of the Media Bureau, and Media Bureau Chief of Staff, Deborah Klein.

The discussion with Ms. Johns reviewed in general terms the Applicants’ arguments, previously presented on the public record, regarding the public interest benefits of Comcast’s proposed merger with AT&T Broadband, the lack of any corresponding public interest detriments, and the thorough review process that the merger has undergone – on a multiplicity of issues – over the eight months since the applications for consent to transfer of control were first filed. The AT&T and Comcast representatives also discussed two joint ventures between AT&T and Time Warner – Texas Cable Partners, L.P. and Kansas City Cable Partners. We noted that, in conjunction with discussions with the Media Bureau regarding the terms of the trust that will hold AT&T’s limited partnership interest in TWE, Applicants have agreed to restrictions on communications with the Texas and Kansas City enterprises, but contended that these restrictions should expire once the TWE interest is divested and the trust is dissolved. Thereafter, there is no merger-specific reason why Applicants should be under any constraints that do not apply to other joint ventures in the cable industry. Moreover, we explained that these non-consolidated systems, although under the management of Time Warner Cable, are already attributed to AT&T and are counted in the subscriber numbers that would give AT&T Comcast 28.9% of MVPD subscribers, a number which is below the 30% horizontal ownership cap that the Court of Appeals previously found to be unlawful. Finally, we noted that merger conditions

October 28, 2002

Page 2

– other than those voluntarily agreed to by applicants – cannot properly be imposed by the Commission where the merger is otherwise in the public interest.

Finally, the AT&T and Comcast representatives briefed Ms. Johns on their views regarding the irrelevance of the AOL ISP Agreement to the pending merger. In this regard, we reviewed the main arguments reflected in ex parte reports filed October 24 and summarized various legal arguments that were subsequently filed in an ex parte report dated October 25 (a copy of which was thereafter submitted to Ms. Johns). We also reviewed the third-party ISP agreements that AT&T and Comcast have entered into over the course of the year, reported on progress in implementing those agreements, and reiterated Applicants' commitment to continue to pursue additional third-party ISP agreements.

Thereafter, Mr. Coltharp and the undersigned met briefly with Mr. Ferree and Ms. Klein. We discussed the Applicants' views as reflected in the ex parte reports cross-referenced in the prior paragraph and also mentioned that corporate officers of AT&T have provided representations, on the record, which refute Earthlink's claim that the AOL ISP Agreement is "exclusive" and refute Media Access Project's speculation that the AOL ISP Agreement supercedes or alters the terms of the TWE Restructuring Agreement. We also explained, with the assistance of Art Burke (another outside counsel to Comcast who joined by telephone), that the AOL ISP Agreement contains a confidentiality provision that precludes the disclosure of its terms and conditions except by consent of the parties (including AOL Time Warner) or under compulsion of law.

Pursuant to section 1.1206(b)(2) of the Commission's rules, this letter is being filed electronically with the Office of the Secretary. Copies of this letter are also being sent to Ms. Johns, Mr. Ferree, and Ms. Klein, as well as the merger review team. Please let me know if you have any questions.

Sincerely,

James L. Casserly

cc:	W. Kenneth Ferree	Alexis Johns	Deborah Klein
	Royce D. Sherlock	Roger D. Holberg	Erin Dozier
	Simon Wilkie	James R. Bird	William Dever
	Cynthia Bryant	Jeff Tobias	Patrick Webre
	Lauren Kravetz Patrich	Qualex International	