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July 21, 2005

Ms. Kathleen M. H. Wallman
Government Affairs Advisor
The America Channel
Suite 220
120 International Parkway
Heathrow, FL 32746

Re: The America Channel

Dear Ms. Wallman:

On behalf of Comcast Corporation ("Comcast"), I write to respond to your letters dated July 11, 2005 (to me) and July 12, 2005 (to Ralph J. Roberts and Brian L. Roberts).

In your capacity as an advisor to The America Channel, LLC, your July 12 letter presents what you style as a "Final Demand for Fair Access to Comcast Distribution." Your letter is based on a series of mistaken assumptions.

You are surely wrong in thinking that the inability of The America Channel to secure a program carriage agreement with Comcast results from a lack of "fair access." Comcast has in fact fairly considered the proposals that it has received from The America Channel and has exercised reasonable editorial and business judgment (and exercised its First Amendment rights) in declining to enter into a carriage agreement at this time.

Although there are many people who think they have compelling ideas for new cable networks, those ideas often do not ripen -- despite fair consideration by cable operators and other multichannel video programming distributors ("MVPDs") -- into carriage agreements. The bandwidth on a cable system is limited, and it is already a great challenge to accommodate the spectrum requirements for delivery of conventional analog cable services, the digital tiers and specialized sports and ethnic programming packages that have been launched over the past several years, the growing number of high-definition television ("HDTV") signals that we carry, the video-on-demand ("VOD") services that are receiving such a favorable consumer response as they are rolled out, our increasingly popular and ever-faster cable Internet services, and the digital phone services we are now beginning to offer -- with still more services under development. Given these factors, commitments to new carriage arrangements necessarily require extremely careful consideration.

In evaluating new carriage proposals, cable operators and other MVPDs must consider the nature of the programming involved, its target demographics, its likely appeal to consumers, its similarities and differences from other programming available to the MVPD, its cost, and numerous other factors. As a result, obtaining carriage agreements

can be a long and difficult process, even in the case of a network that is based on a brilliant idea, has developed and refined plans for translating that idea into specific programming plans, has already attracted management, programming experts, and other personnel with a demonstrated record of success, and has raised tens of millions of dollars to buy or create compelling programming, to build brand awareness, and to cover the many other costs of a new network. I thus find it puzzling that The America Channel "demands" carriage, even though -- to be frank -- it lacks most of the ingredients for success that I just mentioned. (That is not just Comcast's judgment but, apparently, that of most of the other MVPDs The America Channel has approached.)

You are also mistaken in your notion that lack of carriage by Comcast creates a disincentive for satellite or cable operators to carry a new channel. To the contrary, satellite operators have in many cases initiated carriage of new channels that cable operators did not carry precisely because that gave them an opportunity for competitive differentiation and subscriber growth. And cable operators always have an incentive to carry new and compelling content, in part to compete with and differentiate themselves from satellite. Indeed, channels that started with limited distribution by one satellite system or cable operator have frequently gained additional distribution as they proved their value -- with growing viewership in one area leading to increased distribution and revenues, allowing for greater investment in programming quality, and so on. But this success comes to networks that earn it, over periods of years, not those who demand that it be given to them, at the outset.

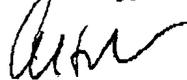
Contrary to your assertion, carriage by Comcast is *not* an essential requirement for a new channel -- or even a high-cost existing channel -- to succeed. One of the most expensive packages of programming in existence, the NFL Sunday Ticket, succeeds even though it is distributed solely by one satellite provider. A new network of course has a much lower cost structure than an existing network and therefore can survive with lesser distribution. Many viable networks today have distribution to five or 10 or 20 million households. Today, there are about *70 million* MVPD households that Comcast does not serve. Surely you cannot blame Comcast for The America Channel's inability to obtain carriage on the MVPDs that serve those households!

Your letter to Ralph and Brian Roberts suggests, and your letter to me claims explicitly, that Comcast discriminates against independent programming networks. We categorically reject that claim. The vast majority of the networks we carry are, in fact, unaffiliated. Your letter to me also makes a number of other assertions that, while not specifically discussed above, are also unsupported and erroneous.

Your letter to me claims that Comcast has violated the Federal Communications Commission's ("FCC") program carriage rules. Comcast understands and abides by all applicable provisions of the Communications Act and FCC rules. Its posture in all negotiations regarding potential carriage agreements has been and will continue to be in good faith, in conformance with the standards common to a competitive marketplace, and governed by an unwavering commitment to serve our customer's interests.

You threaten to file a program carriage complaint. Please bear in mind that the filing of frivolous program carriage complaints with the FCC is subject to sanction. Comcast will vigorously contest any complaint you may file and will seek all redress afforded by FCC rules and regulations in connection with any such complaint.

Sincerely,



Arthur R. Block
Senior Vice President, General
Counsel, and Secretary