Communications Workers of America
AFL-CIO, CLC

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December 16, 2005

Ms. Marlene Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Dear Ms. Dortch:

RE: Ex Parte Notice. MB Docket No. 05-192. In the Matter of Adelphia Communications Corporation, Debtor-in-Possession, Time Warner, Inc. and Comcast Corporation Seek Approval to Transfer Control and/or Assign FCC Authorizations and Licenses.

On December 15, 2005, Debbie Goldman and Kenneth Peres of the Communications Workers of America met with Rudy N. Brioche, the Legal Advisor in the Office of Commissioner Jonathan Adelstein. They distributed the attached materials.

Ms. Goldman and Dr. Peres discussed the deleterious effects of the proposed transaction on competition, workers and company finances.

In relation to the anti-competitive impact of the merger they discussed the significant increases in concentration levels at a national level creating a video duopoly in which Time Warner and Comcast become gatekeepers to video programming. In addition, they discussed increased regional concentration which would provide the parties with the ability and incentive to discriminate against non-affiliated programmers and to foreclose video competitors, particularly by denying competitors access to "must-have" regional sports programming.

In relation to the negative impacts on workers, they pointed out that the Asset Purchase Agreement requires employees to reapply for their jobs but that an Adelphia memo states that job offers will be given to workers but only non-union employees will obtain comparable compensation. This type of discriminatory treatment would undermine one of the essential conditions for the provision of quality service – the stable employment of an experienced workforce.

In relation to financial issues, they provided an analysis of the effect of the proposed transaction on Time Warner Cable. The analysis, conducted by Action Audits and

Racine Financial Consulting, found that the transaction would saddle Time Warner Cable with a significant increase in debt, a much higher debt to equity ratio and reduced liquidity. The analysis concludes that the transaction will lead to "higher cable rates, minimal likelihood of cable system upgrade and reduced customer and technical service due to the need to pay down significant debt and produce revenues for shareholders."

CWA's preference is for the Commission to deny the transaction. However, in the alternative, the Commission should, at a minimum, attach the following conditions to any approval in order to mitigate the public interest harms created by this transaction.

- The Commission should require Time Warner and Comcast to make affiliated programming – including regional sports programming – available to all competitors at non-discriminatory prices, terms and conditions. The FCC News Corp/Hughes Order provides a precedent in its prohibition of exclusive arrangements between DirecTV and affiliated regional sports networks with arbitration mechanisms.

- The Commission should ensure that transferred employees experience no loss of employment in their current location, no reduction in compensation, and no loss of union representation as a result of the transfer. Precedents for such assurances are attached.

- The Commission should, at the very least, monitor the build-out of advanced services, especially in rural areas as well as service and employment levels, in order to determine whether the financial strains created by the merger lead to further deleterious impacts on consumers, workers and communities.

Sincerely,

Kenneth R. Peres

Kenneth R. Peres, PhD.
Research Economist
Research and Development Department
Communications Workers of America

encl:

cc: Rudy N. Brioche