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May 16, 2006

EX PARTE

VIA ELECTRONIC FILING

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Room TW-A325
Washington, DC 20554

Re: In the Matter of Applications for Consent to the Assignment and/or Transfer of
Control of Licenses, Adelphia Communications Corp., MB Docket No. 05-192

Dear Ms. Dortch:

I am writing to call the Commission's attention to recent developments that we believe further support our contention that the above-referenced transaction should not proceed without significant conditions placed upon it. Specifically, we attach a letter from Mr. Stephen B. Burke, President of Comcast Corporation ("Comcast"), to Mr. Allan H. (Bud) Selig, Commissioner of Major League Baseball ("MLB"), which bears directly upon Comcast's proposed acquisition of Adelphia Communications Corporation ("Adelphia"). In particular, the letter provides further evidence of Comcast's unlawful discrimination against TCR Sports Broadcasting Holding, L.L.P. ("TCR"), and of the fact that Comcast has no legitimate business justification for its continued refusal to deal with TCR. In addition to that letter, a subsequent letter by Mr. David Cohen to Mr. Peter Angelos confirms that Comcast is using its dominant position in cable distribution to protect its monopoly in regional sports programming. Both letters are attached hereto as Exhibits A and B, respectively.

In its initial comments in this proceeding (filed July 21, 2005), TCR argued that Comcast had "improperly discriminate[ed] against TCR in an effort to undo TCR's agreement with MLB to obtain the broadcast rights for the Nationals for Comcast's wholly-owned subsidiary." Comments at 1. That discrimination, TCR argued, reflected not only Comcast's effort to favor its own affiliate but also its desire to extend its monopoly position in the multichannel video programming distributor ("MVPD") market. *Id.* at 15-16. Comcast's proposed acquisition of

Adelphia would only increase Comcast's incentive and ability to carryout such program carriage discrimination. *Id.* at 2, 11-18.

Mr. Burke's letter of April 6 plainly confirms TCR's allegations. In that letter, Comcast has now expressly proposed to MLB that the 2005 agreement between the Orioles and MLB be "terminate[d]," that the Nationals receive local television rights contrary to that agreement, and that Comcast broadcast Nationals games, presumably via its affiliated regional sports network, Comcast SportsNet ("CSN"). Letter at 2. Those demands demonstrate, in clear terms, that Comcast's objective is to acquire exclusive access to valuable regional sports programming, thereby advancing the interests of its affiliated regional sports network, while at the same time solidifying its monopoly position in the MVPD market. The letter also demonstrates that Comcast has no legitimate business justification for its failure to carry TCR, and that its conduct can be explained only as unlawful discrimination. In particular, Comcast reiterates its offer to pay a considerable sum for the rights to broadcast the Nationals, which demonstrates that Comcast views this programming as highly valuable to its subscribers. Despite that fact, Comcast has refused even to negotiate with TCR on reasonable terms.

The letter thus gives further reason for the Commission to reject Comcast's proposed acquisition of Adelphia or, alternatively, for the Commission to impose strict conditions on that acquisition to guard against program carriage discrimination.

At a congressional hearing on the following day, April 7, Comcast's representative Mr. David L. Cohen, Executive Vice President of Comcast, testified that Major League Baseball's agreement with TCR was the "original sin" that supposedly prevented Comcast from distributing TCR's productions of Nationals games – despite the fact that five other cable distributors have agreed to do so on the same just and reasonable terms. Mr. Cohen emphasized that Comcast's aim was to undo the 2005 agreement between TCR and MLB. A copy of Mr. Cohen's written testimony to the House Government Reform Committee is attached hereto as Exhibit C.

Finally, in a letter dated April 17, 2006, from Mr. Cohen to Mr. Peter Angelos, Mr. Cohen reaffirms Comcast's demands. In that letter, Mr. Cohen confirms that Comcast will not agree to carry TCR's programming of Nationals games unless TCR agrees to abrogate its March 28, 2005 agreement with Major League Baseball.

Subsequent meetings between officials from Comcast and TCR have resulted in no carriage agreement between the two entities, because Comcast has refused even to discuss the terms of carriage unless and until TCR either gives Comcast equity in the network that produces Nationals games or abrogates its agreement with MLB. Because the Adelphia transaction would increase Comcast's incentives and power to use its dominant positions in both the regional sports programming market in the mid-Atlantic and the cable distribution network to harm competing non-affiliated regional sports networks such as TCR and rival MVPD distributors such as DirecTV, the conditions urged by TCR in its submissions to the Commission should be imposed if the Commission decides to approve the transaction at all.

KELLOGG, HUBER, HANSEN, TODD, EVANS & FIGEL, P.L.L.C.

Sincerely,
/s/

David C. Frederick

Counsel for TCR Sports Broadcasting
Holding, L.L.P.

Enclosures

cc: Fred Campbell
Rudy Brioché
Aaron Goldberger
Jordan Goldstein
Donna Gregg
Sarah Whitesell
Royce Sherlock
Tracy Waldron
Julie Salovaara
Leslie Marx
Jim Bird
Ann Bushmiller
Neil Dellar

EXHIBIT A



Comcast Corporation
1500 Market Street
Philadelphia, PA 19102-2148

April 6, 2006

Via Telecopier and First Class Mail

Mr. Allan H. (Bud) Selig
Commissioner
Major League Baseball
245 Park Avenue, 31st Floor
New York, NY 10167

Re: Washington Nationals Baseball

Dear Commissioner Selig:

As you know, Comcast has had a long-standing interest in supporting the return of Major League Baseball (MLB) to Washington and in carriage of the Nationals games.

We are a major distributor of MLB games through our various regional sports networks, including Comcast SportsNet Mid-Atlantic. We pride ourselves on offering our customers the best in television sports and entertainment, and we consider our significant partnership with MLB teams to be an integral part of that offering. In addition, we distribute MLB's out-of-market baseball package, *Extra Innings*, in Comcast systems serving over 20 million customers and carry numerous other baseball teams' games through relationships with many other unaffiliated regional sports networks.

In Washington and Baltimore, however, our customers will be unable to watch many of the games of the Washington Nationals. This unfortunate result has occurred because MLB has taken the unprecedented step of granting to a competing team's owner control over the local broadcast television rights of the Nationals, apparently in perpetuity. We are not aware of a similar situation anywhere else in major league baseball, or in any other professional sport, for that matter. As a result of this unique arrangement, MLB has declined to offer Comcast the opportunity even to make an offer to acquire the local cable television rights to the Nationals' games at any price. Rather, the rights to televise the games were granted to Mid-Atlantic Sports Network (MASN) without any consideration of other buyers' interest. MASN is a network formed by the Baltimore Orioles and MLB that has yet to reach full distribution in the marketplace. (In fact, MASN does not even have a full-time programming schedule today -- either during the baseball season or for the rest of the year.) In addition, those rights were

granted to MASN at what we believe is a below-market rights fee to the Nationals (a rights fee lower than that which we were willing to pay), thereby depriving the new Washington team of critical revenues it needs to compete effectively in the market.

This situation has been detrimental not only to MLB and the Nationals, but also to the residents who live in the territory of the Washington Nationals, including Washington and Baltimore. For example, as a result of this structure, Peter Angelos, as owner of the competing Baltimore Orioles franchise, has been put in the position to control how many Nationals games are carried on over-the-air broadcast television and in which segments of the market.

In an attempt to do what is best for your fans and our customers, we would like to propose a resolution that allows the games of the Nationals to be seen across the Nationals' territory immediately and that ensures that the Nationals and their fans are treated fairly and equitably in the future. This proposal is as follows:

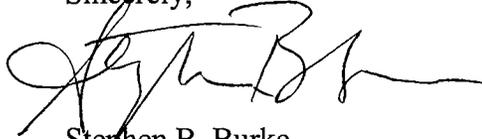
1. MLB and Mr. Angelos should agree to terminate their current arrangement and enter into an alternative compensation arrangement as you deem appropriate – financed by your owners and not by the fans and our customers. You can then return the local television rights for the Nationals to the team and the new owner of the team can commit to a process for the sale of the Nationals' television rights in which all legitimate telecast partners (including MASN and Comcast SportsNet) would be invited to make proposals. This will ensure that the Nationals – like every other team in MLB – is in control of its own local television rights and that the team receives a market rate for those rights.
2. Should the above actions take place, Comcast will agree to carry all of the Nationals games that are available for local cable broadcast for this season, effective immediately. We will carry the games on Comcast SportsNet, CN8, or another available cable channel. In this way, all of the fans in the market will have immediate access to all Nationals games while the long-run solution outlined above is put into place.
3. In exchange for these rights, Comcast is prepared to pay to the Nationals a rights fee for this season equal to the rights fee being paid by MASN for the *non-exclusive* rights to carry Nationals games as part of this interim arrangement. This offer will enable MASN to continue its carriage of the Nats and will also double the rights fee being earned by the Nationals this year.
4. Comcast is prepared to take the MASN feed of Nationals games, to take a MLB feed of those games, or to produce the games itself.

Mr. Allan H. (Bud) Selig
April 6, 2006
Page 3

We believe that this proposal is in the best interests of all parties and especially is in the best interests of your fans and our customers.

We look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen B. Burke". The signature is fluid and cursive, with a long horizontal stroke at the end.

Stephen B. Burke
President, Comcast Cable

EXHIBIT B



David L. Cohen
Executive Vice President

Comcast Corporation
1500 Market Street, 35th Floor
Philadelphia, PA 19102-2146
215.981.7585 Tel
215.981.7546 Fax
david_cohen@comcast.com

April 17, 2006

Via Facsimile & First Class Mail

Peter G. Angelos, Esquire
Law Offices of Peter Angelos
100 N. Charles Street
Baltimore, MD 21201

Re: **Washington Nationals**

Dear Peter:

Thank you for your letter dated April 13, 2006 regarding the on-going discussions between MASN, Major League Baseball, and Comcast with respect to the telecasting of Washington Nationals baseball games. Comcast remains committed to a prompt resolution of this issue that is fair and in the best interests of the Washington Nationals, their fans, and our customers.

We also want to reiterate our continued interest in meeting promptly to discuss this matter. To correct the record, there was no meeting scheduled for Friday, April 13th, as your letter states. Rather, while there had been a telephone call scheduled for Friday, consistent with the discussions that took place at the April 7th hearing of the House Government Reform Committee hearing, we believed that a promptly scheduled meeting involving all relevant parties – MASN, Major League Baseball, and Comcast – would be a more productive way of addressing your suggestion of an "amalgamation" of MASN and Comcast SportsNet. To this end, we proposed three alternative dates for an in-person meeting and are awaiting confirmation of MASN's availability before attempting to schedule such a meeting with MLB.

In addition to our willingness to meet to further explore your suggested resolution, I also want to reiterate Comcast's offer to commence televising Nationals games immediately, subject only to Major League Baseball and the Baltimore Orioles doing the right thing and agreeing to return the television rights of the Washington Nationals to the team -- a time-honored ownership right of every professional baseball team. Furthermore, as we have said previously, we do not object if MLB wishes to find other compensation to offset any adverse effect that the location of a professional baseball team may have on you or the Orioles. We continue to believe that this solution remains the best way to meet all of the legitimate interests of Major League Baseball,

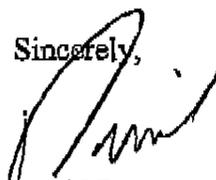
Peter G. Angelos, Esquire
April 17, 2006
Page 2

the Baltimore Orioles, the Nationals and their fans, and cable television customers throughout the Washington area.

We are happy to discuss this proposal further at our meeting.

Thank you again for your letter.

Sincerely,



David L. Cohen
Executive Vice President

DLC:jjp

cc: Robert DuPuy
Honorable Tom Davis
Members of the House Government Reform Committee

EXHIBIT C

**TESTIMONY OF
DAVID L. COHEN
EXECUTIVE VICE PRESIDENT
COMCAST CORPORATION**

**BEFORE THE
U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON GOVERNMENT REFORM
APRIL 7, 2006**

Mr. Chairman, Ranking Member, and Members of the Committee:

Thank you for providing us the opportunity to testify here today.

Let me start by making a clear and unmistakable point: we, at Comcast, are fans of the Washington Nationals, we want to carry as many of the team's games as possible, and we are absolutely committed to solving the current dilemma. As you may have heard, we have proposed a solution to Major League Baseball (MLB) which we hope will get a full review and will serve as a basis to resolve this situation once and for all. A copy of our proposal is attached to this testimony.¹

It is also important to note that Comcast has always supported the return of major league baseball to the Washington D.C. area. This position distinguishes us from the Baltimore Orioles, which consistently opposed the return of baseball to Washington. The Orioles apparently believed that a Washington baseball team would result in a loss of fans and television revenue and, therefore, would reduce the value of that team. For instance, Peter Angelos told the Associated Press on March 13, 2005 that a Washington baseball team would have a "profound adverse impact" on the Orioles. On July 24, 2004, the Associated Press quoted Mr. Angelos as saying that a Washington baseball team would cost the Orioles \$40 million a year. It is certainly Mr. Angelos' right to advocate on behalf of the economic interests of the Orioles. And this is properly a matter that should have been resolved between MLB and the Orioles.

The MLB Deal With Mr. Angelos Will Impose Substantial Costs On Consumers.

The problem that confronts us today began when MLB came up with its very odd solution to this problem – it's what I refer to as the "original sin" in this entire episode.

MLB chose to compensate the Orioles by giving the team control of the Nationals' local television rights – the first time in history, of which we are aware, that a team's rights

¹ See Letter from Stephen B. Burke, President, Comcast Cable Communications, to Allan H. (Bud) Selig, Commissioner, Major League Baseball (Apr. 6, 2006) (attached hereto as Exhibit A).

have been handed over to a rival franchise.² There was no sale process to protect the Nationals' interests.³ The usual market-based procedures for licensing a team's rights were cast aside.

Comcast is agnostic as to whether or not MLB owes the Orioles compensation as a result of the relocation of the Nationals to the Washington area. But we do object to how MLB has chosen to compensate the Orioles -- by assigning the television rights of the Nationals to the Orioles. By doing this, MLB has tried to foist onto D.C. area cable customers -- your constituents, Mr. Chairman -- the obligation that they believed they had to compensate the Orioles. That is unfair to our customers and it's just plain wrong. Let me explain.

The Orioles and MLB have created a new regional sports network -- Mid-Atlantic Sports Network (MASN). MASN is trying to charge satellite and cable providers more than \$2 a month per subscriber once MASN is carrying Nationals and Orioles games.⁴ This charge is for a channel that has no programming right now other than Nationals games and --if the Orioles succeed in violating the team's current contract with Comcast SportsNet Mid-Atlantic (CSN) -- Orioles games. Even today, one year after its launch, MASN offers no sports newscasts, no college games, and no other sports contests.⁵ In fact, for nearly 8,000 hours a year, MASN offers nothing but a dark screen. It is no wonder that *Communications Daily* reported last week that independent analysts, such as Bruce Leichtman, believe that MASN is asking "too much" for carrying its network.⁶

What does this mean for Washington area consumers? Only this -- over the next decade, assuming the cable and satellite companies pass along these increased programming costs to their customers, this arrangement will transfer more than \$600 million from Comcast customers -- and more than \$1.3 billion from all D.C. area cable customers -- to a business that is controlled, and majority owned, by the Orioles.

The MLB Deal With Mr. Angelos Does Not Serve The Interests Of The Nationals Or Their Fans.

Of course, at the same time that this assignment of the television rights to the Orioles hurts our customers, it also hurts the Nationals. According to MASN's own website, the

² See Jayson Stark, *Stark: Rumbings & Grumbings*, ESPN.com (Apr. 30, 2005) ("It's hard to think of any franchise that has its games televised by a network controlled by another team. But maybe that's because there aren't any.").

³ See Andrew Zimbalist, *In the Best Interests of Baseball? The Revolutionary Reign of Bud Selig* 183-188 (2006) (describing MLB's negotiations with Mr. Angelos).

⁴ "Prices such as MASN wants more commonly are associated with ESPN and other national sports networks[.]" Josh Wein & Jonathan Make, *MASN Seen Retreating on High Comcast Carriage Fee*, Comm. Daily, Mar. 29, 2006, at 9-10.

⁵ See Mike Reynolds, *Hard Ball: Regional Nets at Bat in Baseball Battles*, Multichannel News, Mar. 27, 2006 (noting that MASN only shows Nationals games and pre- and post-game shows).

⁶ Josh Wein & Jonathan Make, *MASN Seen Retreating on High Comcast Carriage Fee*, Comm. Daily, Mar. 29, 2006, at 9-10.

network paid only \$20 million to the Nationals in 2005.⁷ This is well below what we believe the market rate is. We know this because we offered to pay more for the rights. And, unbelievably, the rights deal states that, at least until 2011, the Orioles will not get less for its TV rights than the Nationals – placing an added constraint on what MASN will be willing to pay for the Nationals' TV rights and contractually eliminating the real differences in the value of the Washington market compared to the Baltimore market – all only for the benefit of the Orioles.⁸

Moreover, we believe this deal creates a real and substantial conflict of interest. Because the Orioles control their rival's TV exposure, and as the Orioles have stated that the Washington team will harm the Orioles' financial interests, the Orioles have every natural incentive to promote themselves while limiting the exposure and growth of the Nationals' fan base.

Last year, for instance, the Orioles negotiated over-the-air broadcast deals that did not provide the Nationals with carriage in many D.C. suburbs and in certain Baltimore markets, while negotiating over-the-air broadcast deals for the Orioles that included *all* homes in the D.C. and Baltimore markets.⁹ And this year, it was the Orioles – not Comcast – that decided to slash the number of Nationals games on over-the-air broadcast television from 81 to 39 games.¹⁰

MASN Is The Product Of A Breach Of Comcast Sports Net's Contractual Rights To Orioles' Baseball Games.

As noted, MLB's agreement with Mr. Angelos included the TV rights to the Nationals. Mr. Angelos, in turn, used those rights to create MASN with MLB. But, because regional sports networks (RSNs) typically will not survive with TV rights to only one major league team, Mr. Angelos wanted to package the Nationals' TV rights with the Orioles' TV rights.¹¹ However, those rights belong to CSN. Specifically, CSN has carriage rights for the Orioles through the 2006 season. CSN also has an exclusive right to negotiate for the extension of that agreement and, after the period of exclusivity expires, the right to match any offer from a "third party" for the Orioles' TV rights. (In

⁷ See MASN, *Frequently Asked Questions*, at <http://www.masn.tv/faqs/> (visited Apr. 5, 2006).

⁸ See Exhibit B, Section 2.G. The MLB agreement with Mr. Angelos to create MASN is attached hereto as Exhibit B. This is the redacted version of the agreement that TCR (an Orioles-owned entity) filed with the FCC as an exhibit to its program carriage complaint against Comcast. Comcast has never seen an unredacted version of this agreement.

⁹ See Childs Walker, *Annoyed Fans Stay Tuned to TV Talks*, Balt. Sun, Apr. 16, 2005 (noting the lack of broadcast carriage of Nationals games in the Baltimore market); Ed Waldman, *Orioles, MLB Reach Tentative Deal On TV Network To Show Nationals*, Balt. Sun, Mar. 31, 2005 (same).

¹⁰ Compare Thomas Heath, *Nats to Have Fewer Games Over the Air*, Wash. Post, at E1, Feb. 24, 2006 (noting that 81 Nationals games were broadcast in the 2005 season), with Washington Nationals, *Broadcast Schedule*, at <http://washington.nationals.mlb.com/NASApp/mlb/was/schedule/broadcast.jsp> (last visited Apr. 4, 2006) (indicating that 39 Nationals games will be broadcast in the 2006 season).

¹¹ See Exhibit B.

1996, CSN's predecessor, Home Team Sports, paid a premium price to secure these provisions in the contract.)

Notwithstanding these contractual requirements, Mr. Angelos agreed to license the Orioles' TV rights after 2006 to MASN for the same license fees paid to the Nationals for its rights. CSN filed a breach of contract claim in Maryland Circuit Court last May.¹² The court sided with the Orioles in the first round of litigation (on the grounds that MASN was not a "third party" under the contract, but rather a registered trade name of TCR, another Orioles-owned entity that handles telecast licensing for the Orioles). The case is now on appeal to Maryland's highest court. The case will be briefed and argued this summer and fall. Comcast firmly believes that its contractual rights with respect to the Orioles will be vindicated on appeal.

MASN's Program Carriage Complaint At The FCC Is Without Merit.

We also want to touch on the program carriage issues that have been raised regarding MASN. As the Committee knows, last June, TCR filed a complaint with the FCC, alleging that Comcast violated the FCC's program carriage rules.¹³ TCR made two basic claims in its complaint. First, it alleged that Comcast demanded an equity interest in MASN as a condition of carriage. In particular, TCR claimed that Comcast had made these demands for equity through Steve Greenberg, an investment banker with Allen & Company, who was hired by MLB to develop various RSN proposals involving the Nationals' telecast rights prior to MLB's agreement with Mr. Angelos. Second, TCR alleged that Comcast discriminated against MASN on the basis of affiliation in refusing to carry MASN while carrying CSN.

As Comcast detailed in its answer to the complaint last July, TCR's claims are without merit.¹⁴ As to the first claim, Comcast denied that it ever demanded an equity interest in TCR or MASN. It also noted that Allen & Co. had sent the FCC two letters expressly denying TCR's accusations that Steve Greenberg had secretly operated on Comcast's behalf to demand that TCR give Comcast a financial interest in MASN.¹⁵ In fact, Mr. Greenberg acted solely on behalf of MLB.

¹² See *Comcast SportsNet Mid-Atlantic, L.P., Plaintiff, v. Baltimore Orioles L.P., TCR Sports Broadcasting Holding, L.L.P., Major League Baseball, Mid-Atlantic Sports Network*, First Amended Complaint, Civ. Action No. 260751-V (Md. Cir. Ct. filed May 24, 2005).

¹³ See *In the Matter of TCR Sports Broadcasting Holding, L.L.P. v. Comcast Corporation*, Carriage Agreement Complaint, File No. CSR-6911-N (June 14, 2005).

¹⁴ See *In the Matter of TCR Sports Broadcasting Holding, L.L.P. v. Comcast Corporation*, Answer of Comcast Corporation, File No. CSR-6911-N (July 14, 2005) ("Answer"). Comcast's Answer is attached hereto as Exhibit C.

¹⁵ See Letter from Richard R. Zaragoza, Counsel for Allen & Company, to the Hon. Kevin J. Martin, Chairman, Federal Communications Commission (July 11, 2005); Letter from Richard R. Zaragoza, Counsel for Allen & Company, to the Hon. Kevin J. Martin, Chairman, Federal Communications Commission (July 13, 2005). These letters from Allen & Company to the FCC are attached hereto as Exhibit D.

As to the second claim, Comcast noted, among other things, that:

- Comcast has numerous legitimate business reasons for not carrying MASN (such as the high price for MASN and the lack of programming on the network, other than the Nationals games).
- Comcast has a proven track record of carrying unaffiliated RSNs in markets where it also had affiliated RSNs, including Atlanta, Chicago, New York, Boston, the Bay Area, and South and Central Florida, so claims of anti-competitive conduct are untrue. Comcast has no financial interest in over 90% of the programming we carry and most of the sports programming we carry is unaffiliated.
- Other MVPDs, such as Time Warner, Adelphia, and EchoStar, have also elected not to carry MASN either and clearly made their decisions for reasons unrelated to affiliation.
- The carriage agreements that MASN offered to Comcast were long-term carriage contracts that included the carriage of future Orioles' games, notwithstanding that MASN's asserted rights to these games were acquired in violation of the Orioles' existing contract with CSN.
- Comcast does not have the power to unreasonably restrain the ability of MASN to compete fairly. First, MASN overstated Comcast's position in MASN's service area, which extends from Harrisburg, Pennsylvania to Charlotte, North Carolina. Comcast pointed out that it serves less than 30% of TV households in that service area (*i.e.*, 1.9 million out of 6.3 million TV households). Second, Comcast noted that there are multiple actual and potential competing distributors of Nationals' games in the Washington market, and that DirecTV, Verizon, and RCN had agreed to carry MASN.¹⁶

The complaint is still pending at the FCC. Comcast has asked that the complaint be dismissed with prejudice.

MLB Bears Significant Responsibility For Creating This Unfair Situation And Is Uniquely Positioned To Help Resolve It.

Comcast is not here today to assign blame. We're here to find a solution that is in the best interests of the Nationals, their fans, and all consumers, that allows Mr. Angelos to protect his legitimate interests, and that gets the Nationals' games televised.

Thus, Comcast has stepped up to the plate with the following proposal, which can solve the impasse immediately.

¹⁶ As detailed in Comcast's Answer, MASN itself has acknowledged that the distribution deals it had already struck with DirecTV and others fully addressed its foreclosure concerns. See Answer ¶ 52 (quoting MASN officials about deal with DirecTV).

We have suggested that MLB and Mr. Angelos return control of the Nationals' television rights to the Nationals, their rightful owner. Let the team engage in a process for the sale of its local television rights in which all legitimate telecast partners are invited to make proposals, like any good business would do. MASN can bid on those rights, as can CSN and any other regional sports network or broadcast television station. If MLB's owners believe their colleague Mr. Angelos deserves compensation, let them pay him directly – rather than shifting this burden to cable and satellite consumers, and to vast numbers of your constituents. Our proposal will ensure that the Nationals get the full market value for the team's television rights so that the new owner can build and maintain a competitive team, and that Mr. Angelos and the Orioles receive the compensation that they may deserve from MLB.

If MLB will agree to this solution, Comcast will immediately begin televising all Nationals games that are available for local cable broadcast. We have also offered the Nationals an additional rights fee – equal to what MASN is paying the team – for the *non-exclusive* rights (along with MASN) to televise these games this year. This will give the Nationals twice the rights fee that they are getting this season, plus a fair market deal going forward. The fans will benefit because all of the games will be on television, and the Nationals will prosper, as they deserve to. The new owners of the Nationals – and we hope they are announced soon – deserve nothing less.

We have to find a solution that is in the best interests of all the interested parties. It means undoing the “original sin” of the disinheritance of the Nationals of their TV rights. Instead, the free market should be left to work unconstrained by the artificial situation created by MLB.

Our proposal will get the Nationals' games on the air fast, give the Nationals fair-market value for the team's local cable rights, and allow MLB and the Orioles to work out their issues in a way that does not raid the wallets of our customers. That, Mr. Chairman, would be a grand-slam.

Thank you for this opportunity to testify today.