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June 24, 2010

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VIA HAND DELIVERY

FILED/ACCEPTED

JUN 25 2010

Federal Communications Commission
Office of the Secretary

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

Re: **REDACTED – FOR PUBLIC INSPECTION**
In the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licenses or Transfer Control of Licensees, MB Docket No. 10-56

Dear Ms. Dortch:

On behalf of Bloomberg, L.P., and in accordance with the First and Second Protective Orders adopted in this proceeding, please find enclosed and original and two copies of the Bloomberg, L.P.'s Erratum to Petition to Deny and Exhibit 4, redacted for public inspection. Highly Confidential and Confidential versions of Bloomberg, L.P.'s Erratum to Petition to Deny and Exhibit 4 are being filed simultaneously with the Office of the Secretary under separate cover.

No. of Copies rec'd 0+2
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Two copies of each the Highly Confidential version and Confidential version of the Bloomberg Erratum to Petition to Deny and Exhibit 4 are being simultaneously delivered to Vanessa Lemmé, Industry Analysis Division, Media Bureau, Federal Communications Commission, 445 12th Street, S.W., Washington, D.C. 20554, and a Highly Confidential version is being sent to the Submitting Parties through counsel.

Very truly yours,

Stephen D. Gavin / REA

Stephen Díaz Gavin
Partner

Counsel for Bloomberg, L.P.

Enclosures

SDG:rea

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of Applications for Consent to the Transfer of Control of Licenses **General Electric Company,** Transferor, To **Comcast Corporation,** Transferee	))))))))))))	Docket No. MB 10-56

To The Commission:

ERRATUM TO PETITION TO DENY

BLOOMBERG, L.P. ("Bloomberg"), hereby submits this Erratum to Petition to Deny to correct typographical and grammatical errors in its Petition to Deny submitted on June 21, 2010 in the above-referenced proceeding. The specific corrections are set forth below and in the attached, corrected Petition to Deny:

1. In the first paragraph of the Executive Summary, Bloomberg removed the footnote at the end of the second sentence and added the citation to the end of the second sentence, to read as follows:

> GE and Comcast have not met their burden to demonstrate that the application serves the public interest. 47 U.S.C. § 310(d).

2. In the first paragraph of the Executive Summary, Bloomberg removed the word "tier" from the third sentence, to read as follows:

> In the alternative, if the Commission determines to grant the application, it must require Comcast's acceptance of the conditions set forth in Exhibit 1 to the Petition, specifically including but not limited to "neighborhooding" of all existing business news channels with CNBC, i.e., carriage of the business news channels on contiguous and adjacent channels wherever tier CNBC is carried. In the absence of the imposition of such conditions, the Commission would have to compel the divesture of CNBC if it were to grant the Application.

3. In the second paragraph of the Executive Summary, Bloomberg added to word "is" to the first sentence, to read as follows:

> Bloomberg's television news service, Bloomberg TV®, an internationally recognized provider of financial news and information, provides 24-hour business news programming delivered over MVPDs, but is also available online.

4. In the second paragraph of the Executive Summary, Bloomberg removed the comma between "March" and "2008" in the second sentence, to read as follows:

> Comcast will have every incentive available to harm and discriminate against BTV to protect CNBC, which is estimated to be the second most profitable of NBC's cable networks, with an estimated profit of $333 million as of March, 2008.

5. In the fifth paragraph of the Executive Summary, Bloomberg added the words "a" and "do" in the second sentence, to read as follows:

> The public interest objectives considered for cable systems in the context of a review of an application like this Merger specifically include (i) ensuring cable operators or a group of operators do not impede the free flow of video programming to the consumer, including news programming, and (ii) cable operators affiliated with video programmers do not favor such programmers in determining carriage on their cable systems.

6. In the sixth paragraph of the Executive Summary, Bloomberg removed the words "bundling of" in the fourth sentence, to read as follows:

> In addition, Bloomberg would also be harmed by Comcast's ability to bundle both programming in its negotiations with other MVPDs, which could result in decisions by other MVPDs not to carry BTV, as well as advertising that would harm BTV's ability to compete in the sale of advertising aimed at the audience shared with CNBC.

7. In the seventh paragraph of the Executive Summary, Bloomberg corrected the spelling of "MVPD" and added the word "the" to the fifth condition, to read as follows:

> Comcast would be prohibited from offering any discount or other inducement to any MPVPD or other distributor of news content by electronic means on the condition that such MVPD or distributor provide business news channels less favorable terms or conditions of carriage.

8. In the first full paragraph on page 3, Bloomberg changed the double quotes to single quotes in the last sentence, to read as follows:

> Indeed, Comcast CEO Brian Roberts has been recently quoted as saying that "NBC News is the 'single most awesome asset that comes from this deal.'"

9. In the first full paragraph on page 4, Bloomberg added the word "the" to the first sentence, to read as follows:

> The creation of such a combination runs directly contrary to decades of communications law and policy founded on the principle that the public interest is served by "the widest possible dissemination of information from diverse and antagonistic sources."

10. In the second full paragraph on page 4, Bloomberg added the word "of" to the third sentence, to read as follows:

> The vertical integration, complete with the incentive for Comcast to cause substantial harm to BTV, of CNBC's principal competitor, would threaten the elimination of the last independent news voice.

11. In the first full paragraph on page 5, Bloomberg replaced "Bloomberg TV" with "BTV" to the first sentence, to read as follows:

> BTV is wholly owned by Bloomberg L.P., an internationally recognized provider of financial news and information.

12. In the first full paragraph on page 5, Bloomberg added the word "is" to the second sentence, to read as follows:

> BTV provides 24-hour business news programming delivered over MVPDs, but is also available online.

13. In the first paragraph on page 6, Bloomberg replaced "multichannel video programming distributor" with "MVPD" to the third sentence, to read as follows:

> BTV is the principal U.S. news and information channel that is not affiliated with a multichannel network owner, MVPD or other national producer of video programming.

14. In the first paragraph on page 7, Bloomberg added the word "the" to the first full sentence, to read as follows:

> When neighborhooded with CNBC, the hours BTV is watched per week increases [[[redacted]]], relative to average hours watched.

15. In the last paragraph on page 7, Bloomberg removed the letter "s" from the last sentence, to read as follows:

> These international programs enjoy widespread success. Bloomberg has received numerous awards for BTV.

16. In the last paragraph on page 9, Bloomberg changed the Exhibit reference to "3" in the last sentence, to read as follows:

> The attached economic report by Dr. Leslie Marx, formerly Chief Economist at the Commission, concludes that CNBC and BTV are substitutes for one another. <u>See</u> Exhibit 3.

17. In the first paragraph on page 13, Bloomberg changed the Exhibit reference to "2" and added the word "and" to the first full sentence, to read as follows:

> Alternatively, the Commission could allay the harm through the imposition of the conditions proposed in Exhibit 2, specifically including restrictions on the ability of Comcast to place BTV on channel positions far from Comcast's own CNBC, restrictions on carriage termination, streamlined resolution of subscriber fee disputes, restrictions on anti-competitive practices involving sales of bundled programming and bundled advertising time, and restrictions on degrading, impeding or discouraging content distribution via the Internet.

18. In heading to the first full paragraph on page 19, Bloomberg changed the capitalization of the heading, to read as follows:

> <u>There is a long history of federal policy favoring diverse sources of news and information.</u>

19. In the first paragraph on page 21, Bloomberg changed "BTV" to "Bloomberg" in the first full sentence, to read as follows:

> Bloomberg submits that a continuation of this trend is not in the public interest; the Commission must ensure that independent news outlets survive and will not be further harmed by Commission action, including approval of the Transaction.

20. In the second full paragraph on page 22, Bloomberg changed "FCC" to "Commission" in the first sentence, to read as follows:

> Competition in the provision of service to the public has long been a central goal of communications policy. Since its establishment in 1934, the Commission has been charged with guarding against anti-competitive practices

21. In the first full paragraph on page 25, Bloomberg changed the close quotation mark reference to an open quotation mark in the first sentence, to read as follows:

> As demonstrated in the "Economic Report on the Proposed Comcast NBC Universal Transaction," authored by Dr. Leslie Marx, former Chief Economist of the FCC (Exhibit 3), the Transaction will result in significant competitive harms to independent news programming that raise substantial and material questions of fact as to whether the Transaction is in the public interest.

22. In the first full paragraph on page 27, Bloomberg changed the word "over" to "a greater than" in the first sentence, to read as follows:

> Moreover, Comcast has a greater than over 50% market share of cable distribution in the top ten major markets, where sophisticated business news consumers are most densely concentrated.

23. In the second full paragraph on page 28, Bloomberg added the word "the" to the third sentence, to read as follows:

> In her report, Dr. Marx concludes that BTV and CNBC compete in the business news market.

24. In footnotes on page 32, Bloomberg added the word "at" to footnote 103, to read as follows:

Marx Report Appendix at 23.

25. In the third paragraph on page 38, Bloomberg added a hyphen between "Comcast" and "NBCU" to the first sentence, to read as follows:

> The Marx Report documents both short- and long-term benefits of foreclosure. In the short term, Comcast-NBCU will increase viewers and advertising revenue for CNBC without competition from BTV.

26. In the second full paragraph on page 46, Bloomberg removed a space and added a semicolon to the first sentence, to read as follows:

> In order to avoid this result, the Commission should adopt remedies that 1) prohibit Comcast-NBCU from selling advertising on non-Comcast-owned business news channels together with advertising on Comcast networks as part of a bundled sale of advertising by Comcast; 2) prohibit Comcast-NBCU from offering discounts or other inducements to advertisers that are tied directly or indirectly to reducing or refraining from advertising purchases on any business news channel other than CNBC or any other similar Comcast-NBCU-owned business news channel; and 3) prohibit Comcast-NBCU from offering discounts or other inducements for bundled advertising purchases that include advertising on CNBC or other Comcast-NBCU-owned business news channel.

27. In the second full paragraph on page 51, Bloomberg made the word "help" plural in the first sentence, to read as follows:

> Diversity of ownership helps ensure that the public receives unbiased information in order to participate in the democratic process.

28. In the heading to the first full paragraph on page 58, Bloomberg removed the phrase "IF IT GRANTS THE MERGER APPLICATIONS" from the heading, to read as follows:

> IF THE COMMISSION GRANTS THE APPLICATION, IT MUST IMPOSE CONDITIONS TO PROTECT THE PUBLIC INTEREST.

29. In the heading to the first paragraph on page 61, Bloomberg changed the capitalization, to read as follows:

> <u>Bloomberg's remedies are a reasonable response to the competitive harm posed by Comcast's control over the competitor with an 85% share of the business news market</u>

30. In the first paragraph on page 62, Bloomberg changed "requirement" to "requiring" and the capitalization of business news channels in the first sentence, to read as follows:

> Requiring of carriage of particular channels, in this case the business news channels, in the interest of preservation of diverse, independent sources of news and information programming is hardly unprecedented.

31. In the first paragraph on page 62, Bloomberg relocated a comma in the second sentence, to read as follows:

> Although the "must carry" rules applied to over-the-air broadcast stations, , in ordering cable systems to carry the local broadcast signals, as well as provide carriage of leased access stations, Congress specifically intended to "assure the widest possible diversity of information sources are made available to the public."

32. In the third sentence on page 62, Bloomberg deleted a comma after footnote 164 and inserted a comma before footnote 164, to read as follows.

> Moreover, when it imposed the "must carry" obligation, Congress went further and required placement of channels on the same position as broadcast over-the-air,164 demonstrating that Congress recognized channel placement as a similarly important objective.

33. In the last full sentence on page 62, Bloomberg deleted a comma after footnote 167 and inserted a comma before footnote 167, to read as follows.

> The Commission, in addition to imposing this requirement on cable MVPDs, has also determined to apply this to DBS operators,167 with no significant difficulties encountered by either type of MVPD.

34. In the second full paragraph on page 63, Bloomberg changed the words "Business News Channels" to "business news channels" in the last sentence, to read as follows:

> Taking the next step of carriage that involves neighborhooding, specifically including the requirement that Comcast carry the Business News Channels on all tiers where CNBC is carried, is a reasonable way of preventing the competitive harm that Comcast has the incentive to cause to the business news channels.

35. In the first full paragraph on page 67, Bloomberg changed the word "internet" to "Internet" in the second sentence to read as follows:

> For BTV, which makes its content available via television and the Internet, Comcast's proposed "TV Everywhere" could result in BTV being forced to decide between carriage on Comcast's systems and continuing to provide its highly valued content to its customers via the internet.

36. In the first full paragraph on page 69, Bloomberg changed the words "from selling" to "the sale of" in the first sentence, to read as follows:

> Accordingly, the Commission should prohibit the sale of advertising on non-Comcast owned Business News Channels such as BTV together with advertising on affiliated Comcast networks as part of a bundled sale of advertising by Comcast without the consent of the competing Business News Channel.

37. In the first full paragraph on page 71, Bloomberg deleted the word "or" in the second sentence, to read as follows:

> The Commission must deny the Merger as presently proposed.

38. In the first full paragraph on page 71, Bloomberg inserted the word "so" in the third sentence, to read as follows:

> In the alternative, if it determines to grant the Application it can only do so with the imposition of the conditions set forth in Exhibit 2 to prevent the anti-competitive harm to BTV, the last independent source of news.

39. In the Summary of Results section in Exhibit 4, Bloomberg corrected 1)a. to reflect the changes in the respective chart by replacing "Over" with "Approximately", to read as follows:

1) Baltimore, MD
    a. Approximately 120 channels changed on 8/25/2008

40. In the Summary of Results section in Exhibit 4, Bloomberg corrected a typographical error in 3)b. by replacing "2008-2003" with "2003-2008," to read as follows:

2) Chicago, IL
   a. More than 60 channels changed on 5/14/2003
   b. Small adjustments made throughout 2003-2008 (None after 2008)

41. In the Summary of Results section in Exhibit 4, Bloomberg corrected 4)a. to reflect the changes in the respective chart by replacing the phrase, "(5 times in past 5 years)" with "(3 times in past year)," to read as follows:

4) Denver, CO
   a. Changes only made on specific dates (3 times in past year)

42. In the Summary of Results section in Exhibit 4, Bloomberg corrected 6)a. to reflect the changes in the respective chart by replacing the word, "Five" with "Three," to read as follows:

6) Miami-Ft. Lauderdale, FL
   a. Three instances where more than 30 channels were changed over the past six years

43. In the Summary of Results section in Exhibit 4, Bloomberg corrected 7)a.i. to reflect the changes in the respective chart by replacing the word, "more" with "nearly," to read as follows:

7) New York Market
   a. New York Section
      i. On June 2, 2010, nearly 60 channels were changed

44. In the Summary of Results section in Exhibit 4, Bloomberg corrected 7)d.i. to reflect the changes in the respective chart by replacing the word, "Six" with "Five," to read as follows:

   d. New Jersey Part 4
      i. Five instances of more than 50 channels being changed in the past 8 years

Respectfully submitted,

/REH

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June 24, 2010

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Applications for Consent to the Transfer of Control of Licenses	)	
	)	
General Electric Company, Transferor,	)	Docket No. MB 10-56
	)	
To	)	
	)	
Comcast Corporation, Transferee	)	

To the Commission:

PETITION TO DENY

Stephen Díaz Gavin
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EXECUTIVE SUMMARY

Bloomberg L.P. ("Bloomberg") submits that the Commission should deny the application for transfer of control of NBC Universal, Inc. ("NBCU") from General Electric Company ("GE") to Comcast Corporation ("Comcast"). GE and Comcast have not met their burden to demonstrate that the application serves the public interest. 47 U.S.C. § 310(d). For the reasons set forth herein, the Commission must deny the Application as filed. In the alternative, if the Commission determines to grant the application, it must require Comcast's acceptance of the conditions set forth in Exhibit 1 to the Petition, specifically including but not limited to "neighborhooding" of all existing business news channels with CNBC, i.e., carriage of the business news channels on contiguous and adjacent channels wherever CNBC is carried. In the absence of the imposition of such conditions, the Commission would have to compel the divesture of CNBC if it were to grant the Application.

The Merger, as filed with the Commission, will create a fully vertically and horizontally integrated communications behemoth that for the first time in the history of the regulation of the communications industry, will combine under the control of one entity – Comcast –the Nation's largest multichannel video programming distributor ("MVPD") with 24 million subscribers, two national television broadcast networks (NBC and the Telemundo Spanish-language network), the largest broadband service provider, 25 local broadcast stations, numerous cable television programming networks owned by Comcast (e.g., E! and the Golf Channel) with those of NBC Universal (e.g., CNBC and the Weather Channel), Universal movie studios and numerous on-line properties.

Bloomberg's television news service, Bloomberg TV®, an internationally recognized provider of financial news and information, provides 24-hour business news programming delivered over MVPDs, but is also available online. Bloomberg employs more than 2300 reporters and editors worldwide, making it among the largest newsgathering organizations in the world. BTV is the last major source of news independent of either MVPDs or integrated programmers.

The competitive threat posed by the combination of the Nation's largest MVPD with CNBC, BTV's principal competitor, and which currently has 85% of the business news market audience, could not be more apparent: Comcast will have every incentive available to harm and discriminate against BTV to protect CNBC, which is estimated to be the second most profitable of NBC's cable networks, with an estimated profit of $333 million as of March 2008.

The Commission has the authority and a duty under the public interest standard to preserve independent sources of news and information. Promoting diversity of voices in news is a critical element of the public interest analysis. The public interest objectives considered for cable systems in the context of a review of an application like this Merger specifically include (i) ensuring cable operators or a group of operators do not impede the free flow of video programming to the consumer, including news programming, and (ii) cable operators affiliated with video programmers do not favor such programmers in determining carriage on their cable systems. Such considerations merit special review of the Application because of the potential for Comcast to cause harm and discriminate against BTV.

As set forth in the Petition and the accompanying Economic Report of Dr. Leslie Marx, the transaction as proposed would adversely affect Bloomberg by giving Comcast the incentive and ability to prefer CNBC in channel position and to exclude unaffiliated programmers like BTV from channel positions close to CNBC. In addition, Comcast would have the incentive and ability to require competitors of CNBC to be carried on less widely subscribed tiers or to refuse to carry BTV and other competitors all together. Further, the Merger increases the ability and incentive of Comcast, a major Internet provider and one which has already demonstrated its ability to restrict or degrade service, to place restrictions on the online distribution of network programming as a condition of carriage. In addition, Bloomberg would also be harmed by Comcast's ability to bundle both programming in its negotiations with other MVPDs, which could result in decisions by other MVPDs not to carry BTV, as well as advertising that would harm BTV's ability to compete in the sale of advertising aimed at the audience shared with CNBC.

In the event that the Commission were to grant the Application, the harm can only be alleviated by the imposition of strict conditions on the merger:

1. Comcast must "neighborhood" all existing business news channels, i.e., placement of BTV and other business news channels on channel positions contiguous and adjacent to CNBC.

2. Comcast is required to carry all existing business news channels on all platforms on which it carries CNBC.

3. Comcast must carry BTV and other business news channels on the same tier of service as CNBC at each channel position where CNBC is carried.

4. Comcast would be prohibited from selling advertising on non-Comcast owned business news channels together with advertising on affiliated Comcast networks as part of a bundled sale of advertising by Comcast without the consent of the owner of the unaffiliated business news channel.

5. Comcast would be prohibited from offering any discount or other inducement to any MVPD or other distributor of news content by electronic means on the

condition that such MVPD or distributor provide business news channels less favorable terms or conditions of carriage.

6. Comcast would be prohibited from imposing any restriction, limitation or disincentive on the ability of competing Business News Channels to offer their content on other platforms, including but not limited to the Internet.

7. Comcast would be prohibited from offering to any MVPD or requiring any MVPD to accept any combination of NBCU's and Comcast's network programming, as a condition of receiving more favorable licensing terms than Comcast offers on an "a la carte" basis.

8. Comcast would be prohibited from diminishing or degrading the terms or level of service or quality of signal delivery of any business news channel on any of its content-distribution platforms (e.g. cable, Internet, mobile devices) without the consent of the owner of the competing business news channel.

9. Comcast must provide business news channels like BTV with non-discriminatory terms of carriage, including the provision of subscription fees.

10. There would be established an accelerated arbitration procedure to resolve such claims.

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
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Applications for Consent to the Transfer of Control of Licenses	))	
	)	
General Electric Company, Transferor,	))	Docket No. MB 10-56
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To	)	
	)	
Comcast Corporation, Transferee	))	

To the Commission:

PETITION TO DENY

I. INTRODUCTION

Bloomberg L.P. ("Bloomberg"), pursuant to Section 309(d) of the Communications Act of 1934, as amended (the "Communications Act"),[1] and Section 73.3584[2] of the Commission's Rules,[3] hereby petitions to deny the above-captioned application for transfer of control of NBC Universal, Inc. ("NBCU") from General Electric Company ("GE") to Comcast Corporation ("Comcast").[4]

[1] 47 U.S.C. § 309(d) (2006 & Supp. III).

[2] This Petition extends to all of the licenses and authorizations included in the Application.

[3] 47 C.F.R. § 73.3584 (2009).

[4] See Applications for Consent to the Transfer of Control of Licenses, General Electric Company, Transferor, to Comcast Corporation, Transferee, Public Notice, MB Docket No. 10-

There are substantial and material questions of fact as to whether grant of the Comcast-NBCU Transaction will serve the public interest, in particular by permitting one company to own the single largest video distribution platform in the U.S. and also control the editorial content of a substantial portion of the news programming available in the United States. The proposed combination will create a fully vertically and horizontally integrated communications behemoth that for the first time in the history of the regulation of the communications industry, will combine under the control of one entity – Comcast –the Nation's largest multichannel video programming distributor ("MVPD") with 24 million subscribers, two national television broadcast networks (NBC and the Telemundo Spanish-language network), the largest broadband service provider, 25 local broadcast stations, numerous cable television programming networks owned by Comcast (*e.g.*, E! and the Golf Channel) with those of NBC Universal (e.g., CNBC and the Weather Channel), Universal movie studios and numerous on-line properties.

Specifically, the proposed merger would harm the public interest by granting Comcast-NBCU the ability and incentive to cause harm to, and discriminate against, independent programmers in order to restrain competition. This discrimination threatens imminent injury to independent programmers -- particularly independent news programmers -- and this will negatively affect the viewing public.

The Commission must deny the Application as currently proposed. In the alternative, if the Commission were to grant the Application, it must insist upon strict and enforceable conditions on the Merger – in addition to and independent of present mechanisms such as the

56, DA 10-457 (Mar 18, 2010) (hereinafter, the applications referred to therein, "Application" and the transaction referred to therein, the "Transaction" or the "Merger").

program carriage rules – to prevent Comcast from acting in an anti-competitive manner to protect its substantial interest in NBC Universal's programming. If the Commission does not adopt such conditions, the Commission should require divestiture of CNBC.

Of particular concern is the area of news and information programming. Following consummation of the Merger, one entity will control several major news outlets including NBC News, MSNBC, CNBC, the Spanish-language Telemundo news programming and the Weather Channel, as well as regional news channels such as New England Cable News. The news programming networks are critical to the Merger. Of these programming networks, CNBC is the second most profitable property in the Transaction.[5] Indeed, Comcast CEO Brian Roberts has been recently quoted as saying that "NBC News is the 'single most awesome asset that comes from this deal.'"[6]

Bloomberg's television news service, Bloomberg Television® ("BTV"), the only worldwide 24-hour business and financial television network, is a party "likely to be financially injured" by the proposed combination.[7] Grant of the Application will provide Comcast the ability to, and create substantial incentives for, Comcast to acutely harm and discriminate against

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[5] Andrew Edgecliffe Johnson, CNBC Profits From A Crisis, http://cachef.ft.com/cms/s/0/58992544-0b77-11df-8232-00144feabdc0,s01=1.html?SID=google (last visited June 4, 2010) ("NBC Universal does not disclose such numbers, but CNBC is reputed to have become its second-most lucrative channel after USA Networks, with an operating profit of between $300m and $400m. As such, it serves as a microcosm of what Comcast sees in NBC Universal").

[6] Joe Flint, Comcast CEO Brian Roberts Says Cable Gets Bum Rap and he likes 'Californication', LA TIMES, May 11, 2010, available at http://latimesblogs.latimes.com/entertainmentnewsbuzz/2010/05/comcast-ceo-brian-roberts-says-cable-gets-bum-rap-and-he-likes-californication.html.

[7] See FCC v. Sanders Bros. Radio Station, 309 U.S. 470, 477 (1940).

BTV. Specifically, Comcast will be able to maximize its subscriber and advertising revenue for CNBC at the expense of BTV without the threat of losing MVPD customers.

The creation of such a combination runs directly contrary to decades of communications law and policy founded on the principle that the public interest is served by "the widest possible dissemination of information from diverse and antagonistic sources."[8] The Transaction not only merges two currently independent news voices, but also creates an entity that will have every incentive and ability to foreclose other independent sources of news and information. The Commission can only grant the Application with the imposition of substantial conditions to prevent anti-competitive practices and conduct by the entity controlled by Comcast. If the Commission does not adopt such conditions, it should require divestiture of CNBC. In the alternative to such a condition, it must designate specific operational conditions, as well as remedies to ensure the enforcement of the conditions, as set forth in Exhibit 2.

The proposed Merger will result in an unprecedented vertically integrated media venture, which will control a significant amount of programming content. The merged venture will also have the capacity to substantially harm competitors' programming, particularly in the area of news. The vertical integration, complete with the incentive for Comcast to cause substantial harm to BTV, of CNBC's principal competitor, would threaten the elimination of the last independent news voice. The Merger, therefore, requires a concomitant, unprecedented level of

[8] Associated Press v. United States, 326 U.S. 1, 20 (1945). The Commission has long held that the public interest standard obliges it to review the impact of mergers on competition, even those nominally complying with the various media ownership rules. See generally Applications of Great Scott Broadcasting, Assignor and Nassau Broadcasting II, L.L.C., Assignee, Memorandum Opinion and Order, 17 FCC Rcd 5397, 5398 ¶ 2 (2002).

scrutiny by the Commission. The Commission cannot approve the Merger in the form presently proposed by GE and Comcast.

A. Bloomberg History, Recent Investments and Hires

BTV is wholly owned by Bloomberg L.P., an internationally recognized provider of financial news and information. BTV provides 24-hour business news programming delivered over MVPDs, but is also available online. Although BTV was launched in 1994, it was initially targeted to serve the narrow market of professional investors who were already clients of Bloomberg's terminal services. However, beginning about 18 months ago, Bloomberg TV was redesigned to appeal to a much wider audience. Under its new management, Bloomberg is taking steps to take full advantage of the company's extensive resources as one of the world's largest and most respected business news organizations. Bloomberg employs more than 2300 reporters and editors worldwide, making it among the largest newsgathering organizations in the world. BTV hired Andy Lack, former chairman and CEO of Sony Music Entertainment, President and COO of NBC, and President of NBC News to head its radio, television, and interactive divisions. BTV also hired Norman Pearlstein, former top editor of Time and The Wall Street Journal, to be its chief content officer. BTV also hired an entirely new management team. As a result, BTV is fast becoming a formidable competitor to CNBC, currently the dominant provider of televised business news, as well as Fox Business News. Where it has been able to compete on a level playing field with CNBC, Bloomberg TV has already shown the ability to threaten and in some cases in Europe surpass its longer-established rival. Indeed, abroad, BTV is already one of the world's largest and most trusted information sources.

B. BTV is the Last Independent Source of News and Information

BTV is the principal U.S. news and information channel that is not affiliated with a multichannel network owner, MVPD or other national producer of video programming. BTV is the last source of independent news, analysis and information, unencumbered by editorial and content pressures from affiliated MVPDs or national programming networks. As discussed in greater detail below, the Commission has historically been very concerned about preserving and advancing independent sources of news and information. In an era of increased media consolidation, ensuring that the public maintains access to independent sources of news and information, such as BTV, is critically important to the public interest. Indeed, the opportunity to express diverse viewpoints lies at the heart of our democracy. As an independent news source, BTV contributes to a robust marketplace of ideas reflecting varied perspectives and viewpoints on business news and information. The recent financial crisis and its impact on the nation as a whole only underscores the need for objective business news and analysis.

C. BTV Success On Satellite and Abroad

Whenever BTV is placed near CNBC, and allowed to compete for viewers fairly, BTV's viewership significantly increases. For example, in the U.S., BTV has significantly more viewers when carried on satellite systems, which have channel "neighborhoods" with BTV placed near CNBC, than on cable systems, where BTV is not. Such placement of BTV on