

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20054

In the Matter of)
)
Application of Comcast Corporation,) MB Docket No. 10-56
General Electric Company)
And NBC Universal Inc.)
)
For Consent to Assign Licenses or)
Transfer Control of Licensees)

**FINAL COMMENTS OF THE BLACK ECONOMIC COUNCIL,
THE LATINO BUSINESS CHAMBER OF GREATER LOS ANGELES AND MABUHAY ALLIANCE:
DIVERSITY AS IMPORTANT AS NET NEUTRALITY**

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August 19, 2010

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THE LATINO BUSINESS CHAMBER OF GREATER LOS ANGELES AND MABUHAY ALLIANCE:
DIVERSITY AS IMPORTANT AS NET NEUTRALITY**

These joint comments are filed on behalf of the first Black organization, the first Latino organization and the first Asian American organization to file comments in opposition to the proposed acquisition of NBC Universal by Comcast. The Black Economic Council initially filed on March 29th, the Latino Business Chamber of Greater Los Angeles initially filed on March 26th, and Mabuhay Alliance initially filed on March 15th.

The Black Economic Council, the Latino Business Chamber of Greater Los Angeles and Mabuhay Alliance were not only the first to file opposition on the Comcast/NBC Universal merger, but were the first to urge public hearings and a greater focus on the public interest implications and failures of both Comcast and NBC Universal relating to diversity. The diversity issues raised relate to:

- The absence of Blacks, Latinos and Asian Americans at policy and public positions, including onscreen positions;
- Lack of positive content relating to each of the major minorities;
- Frequent negative stereotyping;
- Absence of efforts to assist minority owned media in presenting positive content;
- Lack of diversity in business contracts, particularly to small minority owned businesses that create jobs in the most heavily unemployed areas;
- Absence of philanthropic commitments and strategy directed at underserved communities, including minority communities;
- Lack of overall investment in the infrastructure necessary to ensure equal access for our nation's 110 million minorities; and
- Lack of both disclosure and transparency.

Subsequent to our initial filings, Congresswoman Maxine Waters sent a letter endorsed by 67 other congresspersons on May 7th, urging the FCC to conduct a comprehensive investigation relating to the lack of diversity, lack of transparency and the need for public hearings. In addition, Congressman John Conyers, and congresswomen Maxine Waters and Judy Chu, under the jurisdiction of the House Judiciary Committee, conducted a hearing in Los Angeles on the absence of diversity.

On July 15th, the Congressional Asian Pacific American Caucus sent a letter to Comcast CEO Brian Roberts with copies to the FCC, largely endorsing Congresswoman Maxine Waters' diversity approach and asking similar questions relating to the Asian American community and to essential issues raised by the Black Economic Council, the Latino Business Chamber of Greater Los Angeles and Mabuhay Alliance.

Full Transparency as to All Diversity Matters: No “Sweetheart Agreements”

- Recommendations

To date, Comcast and NBC Universal have refused to comply with the most important tenets relating to a major merger that is allegedly in the public interest, disclosure and transparency.

Neither the FCC, Congress nor community groups have any hard and reliable data relating to any of the diversity issues raised in this proceeding as they affect the public interest. All that we have is a “sweetheart agreement” that Comcast drafted for a number of Latino organizations that contain no data on present diversity and no data relating to specific future diversity goals. Please see prior comments by the Black Economic Council, the Latino Business Chamber of Greater Los Angeles and Mabuhay Alliance relating to the “sweetheart agreement” and why it cannot be relied upon in the context of any public interest agreement.

The Future of the FCC and Media Diversity

The FCC is in a unique position to send a signal to all media and to all technology companies that require its approval for services and mergers. This universal message should be delivered through the specifics and the conditions required in the Comcast/NBC Universal merger, if such a merger is approved. Alternatively, this universal message should be most forcefully delivered with as much specificity as possible.

Fox, ABC and CBS, as well as Time Warner, DirecTV and Cox, will then adjust their conduct accordingly with specific rules that will have to be adopted to embrace or encourage diversity.

Since the Black Economic Council, the Latino Business Chamber of Greater Los Angeles and Mabuhay Alliance filed their opposition in March 2010, the Dodd/Frank Banking Reform Bill has elevated the diversity issues raised by them. The Dodd/Frank Banking Reform Bill also makes cogent the concerns by the House Judiciary Committee letter of May 7th by Congresswoman Maxine Waters and 67 other congresspersons and the letter of July 15th by the Congressional Asian Pacific American Caucus relating to diversity.

Specifically, the Dodd/Frank Banking Reform Bill makes diversity a primary responsibility at 20 regulatory bodies, including the Federal Reserve, the FDIC, Treasury and the SEC. Most specifically, it addresses the need to examine diversity of employment and diversity of contracts. And, the Community Reinvestment Act requires an examination as to the quality and quantity of investments, including philanthropic investments in underserved communities.

Although the FCC is not covered by the Dodd/Frank Banking Reform Bill, the bill is a congressional message that the diversity raised by the parties herein and the leadership of Congress should be of heightened concern to the FCC.

Many corporations take advantage of regulatory proceedings to enhance their reputation by submitting very specific and measurable public interest commitments. Comcast and NBC Universal refused to do so but were offered many opportunities to do so by Congress and the FCC. We are attaching as Exhibit A,

the parties' last offer of resolution that was also submitted to Congresswoman Maxine Waters' office and to the Congressional Asian Pacific American Caucus on July 28th. A copy was immediately transmitted to Comcast CEO Brian Roberts.

This public interest diversity commitment (Exhibit A) is a template for a resolution that will strengthen all of America and all of the media that have raised general concerns.

The Comcast/NBC Universal merger is not the first time that diversity issue has been raised before the FCC by the concerned parties. See, for example, the February 24th filing before the FCC by the Black Economic Council, the Latino Business Chamber of Greater Los Angeles and Mabuhay Alliance against the 15 largest Silicon Valley companies, including Google and Apple, relating to lack of diversity. These types of filings will be repeated frequently until the FCC delivers a message that diversity is part of the public interest and considered in making final decisions.

Diversity must be as important to the FCC as privacy, net neutrality and the expansion of the broadband spectrum.

We therefore respectfully request that this merger be alternatively:

- Denied due to lack of sufficient public interest commitments;
- Delayed six months to provide the parties, Congress and Comcast an opportunity to negotiate appropriate public interest conditions; or
- Be conditionally approved with subject to Comcast's commitment to full transparency and specific goals relating to all issues raised by the May 7th letter of Congresswoman Maxine Waters and 67 congresspersons, the July 15th letter of the Congressional Asian Pacific American Caucus to Comcast CEO Brian Roberts and the specific comments filed by the parties herein, including Exhibit A.

Respectfully submitted,

/s/ Len Canty

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Black Economic Council

/s/ Jorge Corralejo

Jorge Corralejo
Chairman and CEO
Latino Business Chamber of Greater Los Angeles

/s/ Faith Bautista

Faith Bautista
President and CEO
Mabuhay Alliance

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EXHIBIT A

July 28, 2010

**COMCAST REQUEST PRESENTED TO MAXINE WATERS AND
ASIAN PACIFIC CONGRESSIONAL CAUCUS**

TRANSPARENCY

Comcast/NBC Universal should turn over data for 2009 related to employment contracts and philanthropy to include:

- A breakdown of employment data at every level of employment by race, ethnicity and gender;
- A breakdown of contract procurement dollars spent by total dollar value, classification of type of contract by race, ethnicity and gender;
- A breakdown of philanthropic contributions by type of contribution, and a breakdown of the organization's who received contributions by race and ethnicity.

FUTURE COMMITMENTS

- 1) Board of Directors must represent at a minimum the Bush and Obama cabinets with at least 40% minorities (two Blacks, two Latinos and two Asian Americans).
- 2) The merged company within five years must reach a goal for minority contracts comparable to at least the verifiable records of AT&T and Verizon in 2009.
- 3) Its employment at all levels of management must reflect the percentage with proportionate representation of minority groups in the population or its general audience. This is attainable as there are currently a number of companies successfully achieving this goal. Both AT&T and Verizon have employment data that is reflective of the ethnic and race goals.
- 4) Philanthropy goals for the new merged company committed over the next ten years should be at least 2% of pretax dollars to underserved communities. (This goal is attainable, as Bank of America has exceeded this figure).
- 5) Allocate 25% of total cost savings estimated to be realized from the merger over the next 10 years to the Black, Latino and Asian American media communities to be used for capacity building for minority-owned media for long-term sustainability in:
 - a) Production of content;
 - b) Distribution of content; and
 - c) Education and technical assistance.

- 6) The Minority Advisory Council must represent the minority diversity of the nation. Selection should be a joint effort by the FCC, community groups and Comcast. Community groups cannot be omitted or disqualified from the decision making process as a result of opposing the merger. To ensure qualified minorities as part of that number, they should be compensated at approximately one-fourth the rate of board of directors annually or approximately \$50,000 per year.
- 7) Minorities shall have rights of first refusal for all properties for sale.
- 8) Establish a \$1 billion equity fund that will be used to fund the acquisition of above mentioned properties, TV stations and other media outlets. Additionally, this fund will finance TV shows and or movies produced by, written by and directed by minorities, Blacks, Latinos, Asians and Pacific Islanders.