



October 7, 2010

BY ELECTRONIC FILING

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: *Applications of Comcast Corporation, General Electric Company, and NBC Universal, Inc.*, MB Docket No. 10-56

Dear Ms. Dortch:

On October 6, 2010, Derek Chang, Susan Eid, and Stacy Fuller of DIRECTV, Michael Antalics of O'Melveny & Myers, and undersigned counsel met with the following Commission personnel to discuss the above referenced transaction: William Beckwith, Jennifer Tatel, Bill Freedman, Marcia Glauberman, Daniel Shiman, Judy Herman and Simon Banyai of the Media Bureau; John Flynn, Jim Bird, Joel Rabinovitz, Virginia Metallo, Michael Steffen and Neil Dellar of the Office of General Counsel; and Chuck Needy and Paul LaFontaine of the Office of Strategic Planning and Policy Analysis. During this meeting, the DIRECTV representatives generally reviewed and elaborated upon the comments filed on behalf of the company in this proceeding.

In particular, they focused on the potential impact of the proposed transaction on DIRECTV's business and ability to innovate in the future.

- They discussed practical ways in which, absent appropriate safeguards, the "online loophole" could be used to disadvantage Comcast's MVPD rivals by siphoning off value-added content to non-linear networks. By making rivals' offerings less attractive, Comcast could retain customers without having to make commensurate improvements to its own service.
- They argued that NBCU's large aggregation of popular national programming assets create a far greater opportunity for raising rivals' costs than had been presented in any previous transaction. The Commission has previously acknowledged that national programming can be used just like other "must have" programming, concluding that "a competitive MVPD's lack of access to popular non-RSN networks would not have a materially different impact on the MVPD's subscribership than would lack of access to

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an RSN.”¹ They also noted that, while prior cases such as *News/Hughes* had focused solely on a foreclosure analysis to conclude that no redress was necessary in this regard, the more complete bargaining analysis presented in this proceeding documents the harmful price increases that would be expected to result if the transaction were consummated, which justifies application of an arbitration condition in this context just as it does for RSNs and broadcast stations.

- Lastly, they discussed DIRECTV’s experience in past arbitrations with Comcast and explored various avenues for streamlining the arbitration process to make it a more expeditious and cost-effective remedy for all concerned.

Should you have any questions about this submission, please do not hesitate to contact me.

Respectfully submitted,

/s/

William M. Wiltshire
Michael D. Nilsson
Counsel for DIRECTV

cc: Virginia Metallo
Marcia Glauberman
Jennifer Tatel
Simon Banyai
Michael Steffen
John Flynn
Jim Bird
William Freedman
Neil Dellar
William Beckwith
Chuck Needy
Paul LaFontaine
Judy Herman
Daniel Shiman
Joel Rabonovitz

¹ *Implementation of the Cable Television Consumer Protection and Competition Act of 1992 – Sunset of Exclusive Contract Prohibition*, 22 FCC Rcd. 17791, ¶ 39 (2007), *aff’d sub nom. Cablevision Systems Corp. v. FCC*, 597 F.3d 1306 (D.C. Cir. 2010).