

555 Eleventh Street, N.W., Suite 1000  
Washington, D.C. 20004-1304  
Tel: +1.202.637.2200 Fax: +1.202.637.2201  
www.lw.com

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January 10, 2012

## **REDACTED FOR PUBLIC INSPECTION**

## **VIA ELECTRONIC FILING**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

Re: Submission of Supplemental Information, *Application for the Transfer of Control of Insight Communications Company, Inc. to Time Warner Cable Inc.*,  
WC Docket No. 11-148

Dear Ms. Dortch:

Time Warner Cable Inc. (“TWC”) hereby submits the following supplemental information to support the public interest demonstration provided in its applications to acquire Insight Communications Company, Inc. (“Insight”). The pro-competitive benefits of the proposed transaction far outweigh any *de minimis* impact on competition in the areas where TWC and Insight’s facilities overlap.<sup>1</sup> As described further below, TWC’s larger footprint, generally higher voice penetration levels, and greater financial resources and stability will combine to create a stronger competitor to incumbent LECs in Insight’s service areas.

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<sup>1</sup> TWC and Insight have stated in this proceeding that Insight provides telephone exchange service to 27 residential customers and VoIP service to 271 residential customers in the overlapping area. See Letter from Matthew A. Brill, Latham & Watkins LLP, to Marlene H. Dortch, Secretary, FCC, Corrected Submission of Supplemental Information, *Applications for the Transfer of Control of Insight Communications Company, Inc. to Time Warner Cable Inc.*, WC Docket No. 11-148, at Attachment 1 (filed Dec. 1, 2011).

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The scale and scope advantages of merging Insight's 292,800 voice customers in Indiana, Kentucky, and Ohio<sup>2</sup> into TWC's operations, which include more than 4,481,000 residential voice customers and 149,000 business voice customers within a service area spanning 28 states,<sup>3</sup> will allow the combined company to compete more vigorously with AT&T, the leading telecommunications competitor in Insight's service area, and other providers. In particular, as the data set forth below illustrate, combining Insight's operations into TWC's broader footprint, together with TWC's track record of generally achieving higher penetration levels, will enhance competition with AT&T and other providers in the enterprise services segment:

- TWC estimates that, as of December 31, 2011, its business voice "penetration" rate was [REDACTED] based on [REDACTED]. By comparison, the parties estimate that Insight's business voice "penetration" rate was [REDACTED] for the same period, using the same methodology.<sup>4</sup>
- As of December 31, 2011, using the same [REDACTED] methodology [REDACTED], the parties estimate that TWC's residential voice "penetration" rate was [REDACTED], while Insight's residential voice "penetration" rate was [REDACTED].
- As reflected in the TWC's Third Quarter 2011 securities filing, TWC's total business voice subscribership had increased by 46.1% over the third-quarter 2010 total, and its residential voice subscribership had increased by 3.6% over the same period.<sup>5</sup> Although Insight's quarterly reports do not break out the relative number of business and residential voice subscribers it serves, Insight's Third Quarter 2011 filing indicates that the company's total voice subscribership had *declined* by 4.3% during the same annual period.<sup>6</sup>

In addition, TWC's greater financial resources and stability will help create a stronger competitor to AT&T in Insight's service area. As a larger company with greater revenues, TWC

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<sup>2</sup> Insight Communications Company, Inc., Quarterly Report for the Quarterly Period Ended Sept. 30, 2011, at 20, *available at* <http://www.myinsight.com/documents/IR/2011-Q3-QuarterlyReport.pdf> ("Insight 2011 Third Quarter Report").

<sup>3</sup> Time Warner Cable Inc., U.S. Securities and Exchange Commission, Form 10-Q, for the quarterly period ended Sept. 30, 2011, at 7 (filed Oct. 27, 2011), *available at* <http://ir.timewarnercable.com/phoenix.zhtml?c=207717&p=irol-sec> ("TWC 2011 Third Quarter Report").

<sup>4</sup> The estimated business voice "penetration" rates identified here represent [REDACTED].

<sup>5</sup> TWC 2011 Third Quarter Report at 7.

<sup>6</sup> Insight 2011 Third Quarter Report at 20.

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had \$5.573 billion in cash and cash equivalents as of September 30, 2011,<sup>7</sup> whereas Insight had only \$65.3 million in cash and cash equivalents.<sup>8</sup> In addition, TWC had a leverage ratio of 2.9 as of September 30, 2011,<sup>9</sup> as compared to Insight's leverage ratio of 4.79 on that date.<sup>10</sup>

Concurrently with this filing, TWC has filed under separate cover a version of this submission containing the redacted information with a request for confidential treatment. If you have any questions regarding this submission, please do not hesitate to contact the undersigned.

Respectfully submitted,

/s/

Matthew A. Brill  
Elizabeth R. Park

*Counsel for Time Warner Cable Inc.*

cc: William Dever  
Lisa Gelb  
Jodie May  
Tim Stelzig  
Jim Bird  
Joel Rabinovitz  
David Krech  
Karl Kensinger  
Jeffrey Tobias

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<sup>7</sup> TWC 2011 Third Quarter Report at 13.

<sup>8</sup> Insight 2011 Third Quarter Report at 23.

<sup>9</sup> TWC 2011 Third Quarter Report at 19.

<sup>10</sup> Insight 2011 Third Quarter Report at 23.