

The way Netflix rightly sees it, the proposed merger would grant the newly minted Comcast/TWC beast “the ability to turn a consumer’s Internet experience into something that more closely resembles cable television.” The combined entity, Netflix contends, would have both the incentive and capability to cripple Internet companies such as online video distributors (OVDs) by charging access fees at interconnection points, among other nefarious methods.

Netflix has determined there to be four ISPs with substantial enough market power to engage in “degradation strategies” (the deliberate slowing/destabilization, or “throttling,” of a particular service’s content delivery) to harm OVDs. Though not explicitly expressed, the four the company refers to are almost certainly Comcast, TWC, Verizon, and AT&T (all of whom it has been compelled to pay in exchange for boosted streaming speeds). One half of those four are looking to merge into a single entity, a move that Netflix contends would allow the resulting colossus to engage in a variety of “foreclosure strategies” and make it harder for video streaming sites to provide its services to subscribers.

In its filing this week, Netflix notes that “OVDs are particularly vulnerable to congestion and degradation of their services, owing to the myriad video providers available to consumers, the low cost of switching OVDs, and the sensitivity to congestion of video-streaming traffic.”

If Netflix streaming is slow consumers can switch to another streaming service, not so though with ISPs most of the time. Reducing competition in the broadband market further by allowing these deals would be disastrous.

Comcast would do for the wire-line broadband market what AT&T attempted with its T-Mobile merger that was rightly blocked.