

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

In the Matter of
AMERICA ONLINE, INC., and
TIME WARNER INC.

Docket No. C-3989

Motion for Approval of Non-Affiliated ISP and Alternative
Cable Broadband ISP Service Agreement

Pursuant to Paragraph II.A.2. of the Decision and Order ("the Consent Decree") finalized by the Federal Trade Commission (the "Commission") on April 17, 2001,¹ AOL Time Warner Inc. ("AOLTW") moves the Commission for approval of (1) Internet Junction Corp. ("Internet Junction"), and (2) the Alternative Cable Broadband ISP Service Agreement entered into between Time Warner Cable ("TWC") and Internet Junction to provide cable broadband ISP service in TWC's Tampa, Florida and Central Florida Divisions.²

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I. Internet Junction.

AOLTW seeks approval of Internet Junction and the Alternative Cable Broadband Agreement between TWC and Internet Junction, dated September 20, 2001. That Agreement is based on the same economic model as the Agreement between TWC and EarthLink, Inc. ("EarthLink") that already has been approved by the Commission.

Internet Junction is a regional ISP based in Dunedin, Florida, just west of Tampa. Internet Junction currently provides dial-up and DSL ISP service to consumers in west and central Florida. Internet Junction currently operates in Hillsborough, Manatee, Pasco, Pinellas, Polk and Sarasota counties. As of September 2001, Internet Junction provides Internet access to approximately 18,500 subscribers in these counties.

Founded in February 1996, Internet Junction has emerged as an aggressive competitor in the western and central Florida regions, "specializ[ing] in providing cost-effective high speed Internet access".³ For example, for the past five years, Internet Junction has offered a package to provide unlimited dial-up Internet access for a monthly rate of \$9.95. TWC believes that Internet Junction's large

³ See <<http://www.ij.net/iaccess.htm>>

subscriber base and rapid growth are indicative of its competitiveness in the region. Internet Junction can be expected to continue to compete through aggressive pricing as a provider of cable broadband ISP service over TWC's cable systems.

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III. Conclusion.

TWC believes that the addition of Internet Junction's service to the list of other ISPs scheduled to be launched in the Tampa and Central Florida divisions including AOL, Road Runner, and EarthLink, Inc., will provide consumers in those divisions with the benefits of vigorous competition.


The Cable Broadband ISP Service Agreement between TWC and Internet Junction is the result of AOLTW's ongoing efforts to enter Cable Broadband ISP Service Agreements with a number of other small and regional ISPs across TWC's cable divisions. By approving Internet Junction now and additional regional ISPs in the coming months, the Commission will provide affirmation that small and regional ISPs have a meaningful role in AOLTW's multiple ISP plans.

Additionally, by approving Internet Junction now, the Commission will ensure that consumers in the Tampa and Central Florida divisions will receive the benefit of the principal objective of the Consent Decree -- choice among an array of Cable Broadband ISPs.

For the foregoing reasons, the approval of Internet Junction by the Commission is warranted and in the public interest. We and AOLTW's representatives are available to meet with the Staff of the Commission to answer questions and provide further information in connection with any of the foregoing matters.

September 15, 2001.

Respectfully submitted,
CRAVATH, SWAINE & MOORE,



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