

September 14, 2010

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

Re: *Ex Parte*, MB Docket No. 10-56

Dear Ms. Dortch:

Please be advised that on September 13, 2010, Jill Canfield and Steve Fravel of the National Telecommunications Cooperative Association (NTCA) and Steve Pastorkovich of the Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO), and Mark Ellison of Patton Boggs LLP representing the National Rural Telecommunications Cooperative (NRTC) and the FACT coalition (described below), met with the following Commission staff members: Marcia Glauberman, Julie Salovarra, Judith Herman, and William Freedman of the Media Bureau; John Flynn, Jim Bird, and Joel Rabinovitz, of the Office of General Counsel; Chuck Needy and Mark Bykowsky of the Office of Strategic Policy and Planning; and Erin McGrath and Nicole McGinnis of the Wireless Telecommunications Bureau.

OPASTCO, NRTC and the Rural Independent Competitive Alliance (RICA) have filed Comments and Replies in the above referenced Docket as the Fair Access to Content and Telecommunications coalition or "FACT." Joining with FACT in the Reply Comments were NTCA and the Western Telecommunications Alliance. The parties represented at the meeting are referred to herein as the "Coalition" for purposes of this *Ex Parte*.

The Coalition presented concerns held by rural telecommunications companies stemming from the proposed transaction being considered by the Commission in this Docket and presented eight recommended conditions to be placed on the transaction in the Docket. The Coalition also responded to questions raised by the Commission staff concerning the rural MVPD marketplace and online video.

The Coalition and staff discussed the nature of the businesses of rural telephone companies and their video operations, competition – both as MVPDs and as broadband

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providers of video – and content licensing arrangements and concerns. The Coalition discussed video licensing arrangements for rural telephone companies, including the tying of multiple channels of video and broadband or online video content, and the challenges faced by rural telephone companies.

The Coalition provided a two-page leave-behind document pertaining to these issues and the recommended conditions, a copy of which is included with this filing.

Please direct any questions regarding this matter to the undersigned.

Respectfully,

A handwritten signature in black ink, appearing to read 'Mark C. Ellison', with a long horizontal flourish extending to the right.

Mark C. Ellison
Counsel
for FACT & NRTC

September 13, 2010

In the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licenses or Transfer Control of Licensees in MB Docket No. 10-56 (the "Transaction").

Discussion:

The Fair Access to Content & Telecommunications ("FACT") coalition includes three non-profit organizations that represent and serve rural telecommunications companies. The FACT members include the following three organizations:

The National Rural Telecommunications Cooperative ("NRTC"), a buying cooperative made up of some 1500 rural telephone and electric cooperatives and companies. NRTC has delivered advanced telecommunications technology to its members since 1986 including C-band television, DBS television, satellite broadband, and Internet protocol television (IPTV).

The Organization for the Promotion and Advancement of Small Telecommunications Companies ("OPASTCO"), a national trade association representing approximately 470 small incumbent local exchange carriers (ILECs) serving rural areas of the United States with more than 3 million customers.

The Rural Independent Competitive Alliance ("RICA"), a national association of nearly 80 competitive local exchange carriers (CLECs) affiliated with rural ILECs that provide facilities-based service in rural areas.

Joining FACT in a Reply to Opposition filed on August 19, 2010, in the above-referenced proceeding, are additional two organizations representing the interests of rural telecommunications companies:

The National Telecommunications Cooperative Association ("NTCA") represents more than 580 rural rate-of-return regulated telecommunications providers. All of NTCA's members are full service local exchange carriers and many of its members provide wireless, cable, Internet, satellite, and long distance services to their communities.

The Western Telecommunications Alliance ("WTA"), a trade association that represents approximately 250 rural telephone companies operating west of the Mississippi River. Most members serve fewer than 3,000 access lines, and fewer than 500 access lines per exchange.

It is the belief of FACT, NTCA, and WTA that the Transaction would result in an unprecedented communications giant that would place an exceptional array of broadcast, linear cable, online, video-on-demand, and pay-per-view content under the control of the Nation's largest MVPD and largest broadband operator, Comcast. Absent the imposition of Conditions, as called for by the organizations named above, the Transaction is not in the public interest. The Conditions sought are as follows:

FACT, NTCA, WTA RECOMMENDED CONDITIONS

1. A requirement, separate and apart from the Commission's existing program access rules, that the Venture license all of its content, including broadcast, linear cable, VOD, PPV and online content, on fair, reasonable and non-discriminatory licensing terms and in no event less favorable than the terms on which Comcast's own cable systems license such content.
2. A requirement that all applicable Access Rules apply to all Comcast – NBCU owned channels both retroactively and prospectively (i.e., to contracts entered into pre- and post-Merger).
3. A requirement that the NBC and Telemundo broadcast networks grant retransmission consent rights on a "most favored nation" basis to all MVPDs, and a prohibition against the tying of broadcast content to any other video programming offered by the Venture .
4. A requirement for Comcast to divest itself of ownership of iN DEMAND and CMC or, alternatively, that Comcast be prohibited from tying content offered on iN DEMAND (e.g., MLB, NHL, and Venture-owned studios' films) and/or CMC as a condition of licensing, either by contract requirement or pricing penalties.
5. A prohibition against the Venture from engaging in the forced tying of multiple channels, including a prohibition against forced tying via pricing differentials, as a condition to acquiring any programming offered by the Venture. Furthermore, a prohibition against the Venture from dictating, either explicitly or through punitive pricing, the channel placement of any Venture content (such as requiring placement on a specific tier of service) on an MVPD system.
6. A prohibition against Comcast and the Venture imposing conditions or requirements on any MVPD or broadband providers that limits the ability to offer online content in any market.
7. A prohibition against the Venture from compelling MVPDs or broadband providers to carry and pay for any online content as a condition of carriage for the licensing of any other Comcast /NBCU content.
8. Appropriate restrictions on the migration of sports and other programming from the NBC broadcast network to any basic or premium cable or online channels controlled by the Venture.