

Minority Media and Telecommunications Council

3636 16th Street N.W. Suite B-366
Washington, D.C. 20010
Phone: 202-332-0500 Fax: 202-332-0503
www.mmtconline.org

December 16, 2010

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

RE: Comcast-NBC Merger, MB Docket No. 10-56

Dear Ms. Dortch:

This letter reports on a meeting I had yesterday with Commissioner Clyburn's Chief of Staff, David Grimaldi, and Legal Advisor Angela Kronenberg. The meeting was held upon the initiative of the Commissioner's office.

MMTC's media brokerage is assisting NBC with the sale of KWHY-TV, Los Angeles. Regarding the sale of the station, I set out several publicly known facts -- the history of the station and its triopoly waiver, its programming, the methods by which television stations are valued, the state of the television trading marketplace, the factors sellers consider in selecting buyers through an auction, and MMTC's operation of its media brokerage since 1997. I described MMTC's successful efforts to conduct outreach to many diverse potential purchasers.

I specifically addressed the question of whether NBC was operating the auction in a manner that would most likely result in the sale of the station. In every respect, including timing and price expectations, the auction has been genuine and well executed. I have every expectation that a sale will result. MMTC would not lend its name, reputation, and efforts to an auction process not designed to result in a sale.

I also addressed the question of citizen-broadcaster agreements. I recommended that the Commission not enforce such agreements but, rather, take official notice of the fact of their existence (like any other material fact) when rendering public interest determinations. If a court later holds that a breach was the result of bad faith, the Commission could take that into consideration in subsequent license renewal proceedings. If a court struck down an agreement provision upon which the Commission had substantially relied in considering a merger, the Commission could later consider whether, had the provision not existed, the Commission would have reached a different result when it acted on the merger. In such a scenario, when considering remedies the Commission should take into account equitable factors, especially the impact of an unwind on innocent shareholders and on small firms' access to capital. Finally, if the Commission does not enforce citizen agreements, no issue of state-sponsored race-consciousness could arise.

Apparently one citizen agreement contemplates an eight-year time line for Comcast's rollout of independent channels. That is not commercially unreasonable in light of industry practice.

Respectfully submitted,

David Honig

David Honig
President and Executive Director