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December 23, 2010

VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street S.W.
Washington, D.C. 20554

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

Dear Ms. Dortch:

Since the day our agreement with General Electric was announced more than a year ago, Comcast has made clear that it would use the combined assets of Comcast and NBC Universal to better meet the entertainment, communications, and information needs of the American public. Accordingly, when Applicants filed our Applications and Public Interest Statement in January, we included 16 specific commitments detailing the ways in which Comcast and the new NBCU would deliver concrete public interest benefits by, among other things, enriching the output of local news, local public affairs, and other public interest programming; increasing diverse programming; advancing the educational and informational needs of children; and expanding the availability of programming on new platforms. In subsequent months, we have reached, and reported on, several agreements with stakeholders that provide assurances of further public benefits in connection with this transaction. As proposed to FCC staff yesterday, we describe herein some amplification of those initial commitments that further build on the opportunities this transaction makes possible and demonstrate the public interest benefits of this joint venture.¹

Hyperlocalism. Local news, local public affairs, and other public interest programming have been a major focus of the Applicants from Day One. A primary virtue of the transaction is the preservation of the NBC Television Network as a free, over-the-air broadcast service, available through NBC's owned-and-operated ("O&O") broadcast stations and local broadcast affiliates across the nation (Commitment #1). Applicants have committed to preserve and enrich the output of local and public affairs programming on NBC O&O stations (Commitment #2). To this end, Applicants previously committed to increase the production of such programming by

¹ On December 22, 2010, I spoke with Rick Kaplan, John Flynn, Austin Schlick, Jennifer Tatel, and Bill Freedman.

1000 hours per year across the O&O stations, by using On Demand and On Demand Online platforms, time slots on cable channels, and use of certain windows on the O&O schedules.²

Applicants now believe there are opportunities to add to these benefits, based on NBC's experience in the San Diego market. In San Diego, NBC's O&O station, KNSD-TV, has established a cooperative arrangement with a local website, voiceofsandiego.org, that provides quality original local news reporting. KNSD and voiceofsandiego work together in a variety of ways: cooperating on story development, sharing news footage and other content resources, providing financial and in-kind support, sharing technical facilities and personnel, cross-promoting, and cross-linking/embedding of websites. Cooperative arrangements such as this advance the Commission's interest in ensuring that all Americans have access to vibrant, diverse sources of news and information as well as promoting the positive effects of the digital revolution on news-gathering, journalism, and information dissemination.³ The arrangement between KNSD and voiceofsandiego.org has proved to be a successful model in this market, and Applicants believe it can and should be expanded. Accordingly:

Within 12 months of the closing of the transaction, at least half of the 10 owned-and-operated NBC stations will have in place cooperative arrangements with locally focused non-profit news organizations that provide reporting on issues of particular concern to each such station's market and/or region ("Online News Partners"). The selection of appropriate Online News Partners will be made by NBCU in its discretion, taking into account such factors as the initial and continuing availability of a viable Online News Partner in each NBC O&O market; adherence by the Online News Partner to standards of journalism compatible with those of NBCU, including accuracy, fairness, and independence; and the overall level of professionalism exhibited by the Online News Partner. The cooperative arrangements are intended to be similar in approach and level of involvement to the arrangement in place as of the date of the adoption of this Order between NBC O&O station KNSD-TV, San Diego, and the website "Voice of San Diego," including, as appropriate: story development, sharing of news footage and other content resources, financial support, in-kind contributions, shared use of technical facilities and personnel, on-air opportunities, promotional assistance, and cross-linking/embedding of websites.

Neither NBCU nor any of its NBC O&O stations will be obligated to broadcast, publish on a NBCU-controlled website, or otherwise exhibit or endorse any material produced by an Online News Partner, and the decision to broadcast, publish, or exhibit any such material will remain within the sole editorial discretion of NBCU and its NBC O&O stations. NBCU will maintain a minimum of five such arrangements to the extent that such local non-profit news organizations continue to exist in five NBC O&O markets, as

² See Comcast Corporation, General Electric Company, and NBC Universal, Inc., Applications and Public Interest Statement, MB Docket No. 10-56, at 42-43 (Jan. 28, 2010) ("*Public Interest Statement*"); Comcast Corporation, General Electric Company, and NBC Universal, Inc., Opposition to Petitions to Deny & Response to Comments, MB Docket No. 10-56, at 50-51 (July 21, 2010).

³ *FCC Launches Examination of the Future of Media and Information needs of Communities in the Digital Age*, Public Notice, DA 10-100, at 1, 2 (Jan. 21, 2010).

described above. The minimum of five such cooperative arrangements will be maintained for at least three years following the date on which NBCU first has five such arrangements in place. In the event that NBCU terminates any such arrangement, it will use its best efforts to identify and establish a cooperative arrangement with another Online News Partner so that it will have ongoing relationships with Online News Partners in at least five of its O&O station markets.

Commencing six months after the closing of the transaction and every six months thereafter and through the three-year period as described above, NBCU will file with the Commission a written report detailing the efforts it has made in this area during the preceding six months, including the following information:

- *Identification of each Online News Partner and the participating NBC O&O station;*
- *A description of their arrangement, including the support provided by NBCU; and*
- *Information regarding the overall quantification by market of local content segments or items generated by the arrangement as well as their general nature (including but not limited to videos, articles, blog posts, and photos) and whether such segments or items were exhibited on the station's primary channel, multicast channel(s), website, and/or other platforms.*

In addition to filing this information with the Commission, to enable the public to view the information, NBCU will also post each report on each participating NBC O&O's website at the time of filing.

Broadband Deployment and Adoption. From the outset, Applicants have underscored their desire to “accelerate the arrival of the multiplatform, ‘anytime, anywhere’ future of video programming that Americans want.”⁴ Our Public Interest Statement is replete with discussions about ways in which the combined entity plans to use the opportunities presented by broadband Internet to expand consumer access to news, information, and entertainment.

Deployment. The growth in the availability and adoption of broadband Internet is one of the two most amazing developments in communications in the past decade (the other being the closely related phenomenon of the explosion in content, applications, and services that are available to those who use broadband Internet services). Comcast takes great pride in having made broadband Internet available to over 99 percent of the homes passed by its cable systems, and in continuing to improve that service (in January, we reported that DOCSIS 3.0 was available to more than 75% of Comcast's footprint; less than a year later, that figure has now risen to about 83%). To increase access to the anytime, anywhere future this transaction will deliver, Comcast will take additional steps to expand access to its broadband services, both via additional construction and via new courtesy connections to community organizations. These steps will further advance the Commission's goals, detailed in the National Broadband Plan, of

⁴ *Public Interest Statement*, at 1.

encouraging further investment in deploying network facilities and ensuring that every American has access to broadband facilities.⁵ Specifically,

- *Comcast will expand its existing network by at least 1,500 miles per year for the next three years (2011, 2012, and 2013), making broadband Internet available to an estimated 400,000 additional homes;*
- *Comcast will also upgrade for Internet service at least six additional rural communities in 2011; and*
- *Comcast will provide an additional 600 courtesy video and high-speed Internet account locations (for schools, libraries, and other community institutions, targeted to underserved areas in which broadband penetration is low and there is a high concentration of low-income residents) over the next three years, at a rate of 200 additional locations per year. This continuing commitment will include Comcast bearing 100% of the construction costs to bring Internet connections to the locations.*

Adoption. Broadband adoption, like broadband deployment, continues to grow, but, as was reported in the National Broadband Plan earlier this year, more than 80 million Americans still do not subscribe to broadband Internet service at home.⁶ American households do not subscribe to broadband Internet for a variety of reasons: some do not see the relevance of broadband to their lives; some lack basic digital skills; and some find the service too expensive.⁷ Plus, a significant number of homes lack the equipment that makes a broadband Internet connection useful.

Comcast has a plan to substantially increase broadband adoption in low-income homes throughout Comcast's service area. In households in Comcast's service areas with annual incomes below \$20,000, broadband adoption rates are at approximately 40 percent. More than a quarter of those homes include students who are eligible for free lunches under the National School Lunch Program ("NSLP"), a commonly accepted indicator of need. (Qualifying homes have annual incomes of less than 130 percent of the poverty level.)

To increase access to the anytime, anywhere future that this transaction will deliver, we believe that a comprehensive plan that addresses three key barriers to adoption identified in the National Broadband Plan – reducing the cost of broadband access for low-income homes, the lack of a computing device in the home, and the absence of digital literacy – will give us the opportunity to boost the number of low-income homes using broadband in Comcast service areas.

Under this Comcast Broadband Opportunity Program ("CBOP"), each eligible participating family will:

⁵ FCC, Connecting America: The National Broadband Plan, Report to Congress, Sec. 4.1, Chap. 6 (Mar. 16, 2010) ("National Broadband Plan").

⁶ National Broadband Plan, at 167.

⁷ *Id.* at 168.

1. *Receive the Economy version of our High-Speed Internet Service for \$9.95 a month – a rate for which the household will qualify so long as it meets the “eligibility criteria” below;*
2. *Pay no installation or modem charges or fees (although we may use our self-install program);*
3. *Be eligible for one piece of pre-configured, quality computer equipment (which may include rebuilt PCs, netbooks, or other devices) for less than \$150 (the equipment will be sold to the customer by a third-party vendor-partner of Comcast’s, with Comcast providing any subsidy required to bring the equipment cost below \$150).*
4. *Have access to web-based, print, and classroom-based training programs, provided in partnership with One Economy and other current and future Comcast community partners in our digital literacy efforts, including Boys and Girls Clubs, and Urban League and National Council of La Raza affiliate organizations. Comcast will create and fund these programs (although we may seek Foundation and other funds to defray these costs).*

The program will be established within nine months after close of the transaction, and will run for a total of 36 months (through three school years) after the program is established (although households that qualify during the three-year program will remain eligible for the program for the discounted HSD prices so long as they have a student in the household who qualifies), but in any event we will maintain the program through three full school years. We will implement the program in coordination with state education departments and local school districts, which will be responsible for certifying household eligibility for CBOP. “Eligibility criteria” include: (i) there is at least one child in the household eligible for a free lunch under the NSLP; (ii) the household is not the subject of current Comcast collections activity; and (iii) the household has not subscribed to a Comcast Internet service within 90 days of installation.

Participation will be solicited through participating school districts’ NSLP enrollment processes. Comcast will rely on this well established certification process to qualify participants in CBOP. We will request that school districts include information about the CBOP Program with the first communication to families in advance of the school year and in each NSLP communication as feasible and appropriate. The goal is to ensure families who qualify for the free NSLP are aware of the program at the beginning of the school year and have the opportunity to register in conjunction with the NSLP process. We will provide appropriate collateral materials and request they be included in all NSLP mailings, as appropriate.

Every reasonable effort will be made to educate school professionals who work closest with NSLP-eligible families about the CBOP program. This outreach will include the various education-related associations, including PTAs and associations representing guidance counselors and social workers, in order to reach those who are most likely to work closely with students and families who qualify for the free NSLP.

Prospective participants will be directed to a Comcast phone number dedicated to this program to verify eligibility. Qualifying callers will be transferred to a centralized order-entry

center. When service installation is complete, the participating household will receive a voucher and instructions on how to obtain the subsidized computer equipment.

Comcast will engage in efforts, in coordination with community partners, to publicize the availability of the program, targeted to areas with high concentration of low-income residents and especially through vehicles that are targeted to eligible households. Among other things, we will promote the CBOP program through public service announcements, as well as through segments of Comcast Newsmakers featuring guests who will describe the CBOP program and how to take advantage of it. We will distribute the program information to our partners who work with low-income communities – on a national and local level, e.g., One Economy, National Urban League, La Raza, etc. Comcast will also coordinate with state and local educational administrative entities to enable notification of certified NSLP families of CBOP.

Several computer training and support options will be offered. At the time of installation, each participating household will received basic instructional materials and a phone number for a dedicated support desk. The computer equipment will be pre-configured with a “wizard” to facilitate e-mail set-ups and the setting of parental controls. Shortcuts to “getting started” tutorials will appear on the desktop. Each piece of equipment will ship with Norton security pre-installed. Comcast and its partner organizations will offer “training days” at NSLP-participating schools in Comcast’s service areas, as well as at instruction facilities operated by our community partners.

Public Broadcasting/Spectrum. The Public Interest Statement discussed the strong competitive factors that make it imperative that Comcast provide its cable customers with a wide array of attractive video programming. At the same time, as discussed above, this transaction will accelerate the anytime, anywhere multiplatform future Americans want. To the same end, the National Broadband Plan presented ideas for expanding wireless broadband, in part by creating opportunities for broadcasters to voluntarily relinquish some or all of their spectrum and share in the proceeds from “incentive auctions,” should Congress authorize this.⁸ To support these efforts, Comcast will provide a period of continued carriage on its cable systems for non-commercial educational TV broadcast stations that relinquish their broadcast spectrum as part of the Commission’s efforts. Specifically,

For Qualified Noncommercial Educational (“NCE”) Stations and Qualified Local Noncommercial Educational (“Local NCE”) Stations, as those terms are defined in Sections 76.55(a) and 76.55(b), respectively, of the Commission’s rules, that have must-carry rights as of December 31, 2010 and relinquish their broadcast spectrum as part of the Commission’s efforts to allocate more spectrum to mobile broadband pursuant to Recommendation 5.8.5 of the National Broadband Plan (collectively, “Stations”), Comcast will carry the applicable programming stream(s) of such Stations as follows:

⁸ *Id.* at 81-82, 88-93. The Commission has taken further steps to implement the Plan’s proposals regarding the use of broadcast spectrum for wireless broadband services. See *In the Matter of Innovation in the Broadcast Television Bands: Allocations, Channel Sharing and Improvements to VHF*, Notice of Proposed Rulemaking, FCC 10-196, ET Docket No. 10-235 (Nov. 30, 2010).

- (a) *For Stations that are carried on Comcast cable systems as of December 31, 2010 pursuant to the carriage obligations for such Stations, as set forth in Section 76.56(a) of the Commission's rules, Comcast will continue to carry any such Stations, in digital format, on such cable systems.*
- (b) *For Stations carried on Comcast cable systems as of December 31, 2010 pursuant to digital carriage agreements between the Station and Comcast, including but not limited to, for purposes of this commitment, the agreement between the National Cable & Telecommunications Association ("NCTA") and (i) the Association of Public Television Stations ("APTS") and (ii) the Public Broadcasting Service ("PBS") dated January 31, 2005 (the "NCTA/APTS Agreement"), Comcast will continue to carry such Stations, in accordance with the terms of the relevant agreement, on such cable systems. To the extent that a Station's digital carriage agreement with Comcast expires prior to the expiration of this commitment, Comcast will continue to carry such Station after the expiration of the agreement in accordance with the terms of paragraph (a) above.*

These carriage obligations will only apply to the extent that: (i) Each such Station continues to deliver good quality (non-broadcast) signal(s) of the covered programming stream(s) to the relevant Comcast headends; (ii) Each such Station certifies that it has the necessary copyrights to provide the programming contained in each programming stream delivered to Comcast, and conveys, without charge to Comcast, such copyrights and clearances as Comcast needs to distribute the programming; (iii) Each programming stream delivered to Comcast contains noncommercial programming and other material that would be consistent with a broadcast station's charter as a Qualified NCE or Qualified Local NCE; and (iv) Each programming stream delivered to Comcast does not include programming that substantially duplicates the programming of any then-existing broadcast or cable programming service carried by the relevant Comcast system(s).

This commitment does not extend the term of any existing agreement, nor require any Comcast cable system to carry any Station or Station's programming stream that it is not (i) already carrying as of December 31, 2010, or (ii) obligated to carry pursuant to the terms of the Station's retransmission consent agreement, including but not limited to the NCTA/APTS Agreement. This commitment will expire on December 31, 2017, or upon the FCC's promulgation of rules of general applicability regarding this subject.

Please contact me should you have any questions regarding this matter.

Respectfully submitted,

/s/ Kathy Zachem

Kathy Zachem

Vice President

Regulatory and State Legislative Affairs

cc: John Flynn
Bill Freedman

Ms. Marlene Dortch
December 23, 2010
Page 8 of 8

Rick Kaplan
Austin Schlick
Jennifer Tatel