L.A. Consolidation

THE EFFECTS OF THE COMCAST-TIME WARNER CABLE MERGER IN LOS ANGELES
TWC & CHARTER FOOTPRINTS
LOS ANGELES COUNTY

Legend
- Blue: Time Warner Cable
- Green: Charter
- Pink: Both

Eras, Delorme, GEBCO, NOAA NGDC, and other contributors
COMCAST’S PROPOSED FOOTPRINT
LOS ANGELES COUNTY
COMCAST’S CABLE SERVICE: CONSISTENTLY MORE EXPENSIVE THAN COMPETITION
COMCAST’S BROADBAND SERVICE: MORE EXPENSIVE ACROSS SEVERAL PACKAGES

<table>
<thead>
<tr>
<th>Speed</th>
<th>Comcast</th>
<th>TWC</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Mbps</td>
<td>$39.95</td>
<td>$14.99</td>
</tr>
<tr>
<td>6/10 Mbps</td>
<td>$29.99</td>
<td>$29.99</td>
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<tr>
<td>50 Mbps</td>
<td>$39.99</td>
<td>$34.99</td>
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<tr>
<td>105/100 Mbps</td>
<td>$44.99</td>
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<tr>
<td>150/200 Mbps</td>
<td>$114.95</td>
<td>$54.99</td>
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</tbody>
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COMCAST’S ANTI-CONSUMER PRACTICES

Cost of Broadband for Cord-Cutters

- **Data Caps**
  - Significantly Increase the Cost of Online Video

- **Restrictive Authentication Policies**
  - Limits how Consumers can Watch Video Content

Additional cost to substitute streaming video for average US traditional TV viewing

50 Mbps connection
72% of the population is served by only 1 provider

28% of the population is served by 2 providers
COMCAST: WORSE CUSTOMER SERVICE

- Voted “Worst Company in America” by Consumerist readers in 2014
- Disclosed 74,000 Californians’ unlisted numbers over 2 years
- Reported twice as many escalated complaints about broadband service in California than TWC reported for all services
LOW AND FIXED INCOME CONSUMERS: COULD LOSE AFFORDABLE OPTIONS

**TWC**
- Affordable Broadband
- 3 Mbps for $14.99 per month
- No Eligibility Restrictions

**Comcast**
- Internet Essentials Program
- 6 Mbps for $9.95 per month
- Strict Eligibility, Low Adoption
  - Only 11% enrollment in CA
DIVERSE COMMUNITIES: DISPROPORTIONATELY AFFECTED

Minimal Supplier Diversity
• In 2013, the CA telecom industry spent $2.6 billion on minority business enterprises; Comcast spent only $24 million

Fewer Alternatives to Comcast’s High Prices
• Disproportionately fewer choices for high-speed broadband
COMCAST’S PROPOSED FOOTPRINT
AFRICAN AMERICAN POPULATION
PROVIDERS OFFERING 25 MBPS+ INTERNET SERVICE

African-Americans
- 78% served only by Comcast
COMCAST’S PROPOSED FOOTPRINT
ASIAN POPULATION
PROVIDERS OFFERING 25 MBPS+ INTERNET SERVICE

Asian Residents
- 73% served only by Comcast
COMCAST’S CONTROL OVER LATINOS

Comcast To Become Gatekeeper to Latino Audience

- Comcast would become the dominant cable provider for 90% of Latinos in the U.S.
- Comcast would reach 98% of Latinos in the County

Comcast’s Higher Prices Affect Latinos

- Median income for Latino or Hispanic residents is $21,314 compared to $44,929 for white residents

![Comcast's Proposed LA County Footprint](chart.png)
COMCAST’S CONTROL OVER LATINO CONTENT

Make or Break Power over Latino Programmers

- Refuse carriage
- Cut fees
- Place channel in higher tiers

Incentive and Ability to Favor Affiliated Networks

- Owns several Latino-oriented channels
- Incentive to limit competition
LOCAL SPORTS FANS WILL SUFFER

- TWC and Comcast have history of using regional sports to harm competition and drive up prices

- TWC’s SportsNetLA is one of the most expensive RSNs in the country

- High prices mean 70% of local pay TV subscribers do not have access to the Dodgers channel

- Acquisition of both Charter and TWC likely means less access and higher prices for Dodgers channel
COMCAST’S EXPANDED CONTROL THREATENS CREATIVE COMMUNITY

- Cuts to content fees will lead to:
  - Less creativity
  - Less innovation
  - Less content

- Increased control of Internet will stifle online video growth
  - Comcast could limit new competition and diverse viewpoints

- Merger could harm local jobs
  - Online video growth has driven industry employment to highest level in a decade with online series filming locally

Value of Entertainment Industry to LA ($ billions)

- $14.2
- $2.8

Payroll | Tax Revenue
THANK YOU