

DISH Petitions FCC to Deny Charter/Time Warner Cable Merger

ENGLEWOOD, Colo.--([BUSINESS WIRE](#))--Citing substantial harm to competition and consumers, DISH Network Corp. (NASDAQ: DISH) petitioned the Federal Communications Commission (FCC) to deny the proposed merger of Charter Communications, Inc. and Time Warner Cable, Inc. The petition to deny, available [here](#), outlines, among other things, the critical role that high-speed broadband plays in the video industry and the potential for the merger to significantly damage competitive development of over-the-top (OTT) video and limit consumer access to online video programming. Some key points from the petition on the following topics include:

MERGER PRESENTS RISK OF SIGNIFICANT HARMS:

- **New Parties, Same Harms:** The proposed transaction would be no better for the public interest than the one proposed between Comcast and Time Warner Cable. (p.2)
- **A Suffocating Duopoly:** The transaction will create a suffocating duopoly. Where a Comcast/Time Warner Cable merger would have created one behemoth, this transaction will result in two broadband providers (Comcast and New Charter) controlling about 90 percent of the nation's high-speed broadband homes between them. (p.3)
- **Threats to Online Video:** The top two cable providers post-merger will not need to collude in order to bring their collective weight to bear on an online video distributor (OVD). Parallel foreclosures, with one of the two following the other, would be enough for an OVD to be shut off from most of the homes in the country. (p.3)
- **Concentration of Broadband Subscribers:** The impact of New Charter would cause a significant proportion of the combined company's high-speed broadband subscribers to lack access to alternative high-speed broadband options. Indeed, Charter admits that almost two-thirds of households in the New Charter footprint will not have access to at least one alternative high-speed broadband provider. For these customers, switching ISPs is not just an inconvenience, but an impossibility. (p.3)
- **Choke Points on the Charter/TWC Broadband Network:** New Charter would have a panoply of foreclosure techniques at its disposal. It would be able to foreclose or degrade the online video offerings of competing MVPD and OTT video providers at any of three "choke points": (1) the points of interconnection to the combined company's broadband network, in effect the "on ramp" to the New Charter network; (2) the "public Internet" portion of the pipe to the consumer's home; and (3) managed or specialized service channels, which can act as super HOV-lanes and squeeze the capacity of the "public Internet" portion of the New Charter broadband pipe. In addition, New Charter would have increased leverage that it could use to coerce third-party content owners and programmers to withhold online rights from online video platforms, thereby stifling a source of competition and innovation in the video industry. (p.4)

As Roger Lynch, CEO of Sling TV, states in his accompanying declaration: "I believe that the proposed merger.... would cause significant and irreparable harm to emerging competitive online video products and services, as well as the performance of traditional satellite television service, ultimately reducing competition and choice for consumers. Accordingly, I believe that the merger as currently constructed is not in the public interest and should be denied."

A copy of the full petition to deny is available

here: https://dishnetwork.newshq.businesswire.com/sites/dishnetwork.newshq.businesswire.com/files/doc_library/file/2015-10-13_As-Filed_DISH_Network_Corp_Petition_to_Deny_Charter-Time_Warner_Cable_Merger.pdf

About DISH

DISH Network Corp. (NASDAQ:DISH), through its subsidiaries, provides approximately 13.932 million pay-TV subscribers, as of June 30, 2015, with the highest-quality programming and technology with the most choices at the best value. Subscribers enjoy a high definition lineup with more than 200 national HD channels, the most International channels, and award-winning HD and DVR technology. DISH Network Corporation is a Fortune 250 company. Visit www.dish.com.

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