UNITED STATES OF AMERICA,
Department of Justice, Antitrust Division
450 5th Street, N.W., Suite 7000
Washington, DC 20530

and

STATE OF NEW YORK,
Office of the Attorney General
120 Broadway
New York, NY 10271,

Plaintiffs,

v.

VERIZON COMMUNICATIONS INC.,
140 West Street
29th Floor
New York, NY 10007

CELLCO PARTNERSHIP
d/b/a VERIZON WIRELESS,
One Verizon Way
Basking Ridge, NJ 07920

COMCAST CORPORATION,
One Comcast Center
Philadelphia, PA 19103

TIME WARNER CABLE INC.,
60 Columbus Circle
New York, NY 10023

COX COMMUNICATIONS, INC.,
1400 Lake Hearn Drive
Atlanta, GA 30319

and

Civil Action No. 1:12-cv-01354

Judge: Collyer, Rosemary M.

BRIGHT HOUSE NETWORKS, LLC,
5000 Campuswood Drive
East Syracuse, NY 13057

Defendants.

TUNNEY ACT COMMENTS OF THE COMMUNICATIONS WORKERS OF AMERICA ON THE PROPOSED FINAL JUDGMENT

INTRODUCTION

The Communications Workers of America ("CWA") is the largest telecommunications union in the United States, representing over 700,000 workers in communications, media, airlines, manufacturing, and the public sector. CWA has an interest in this proceeding because CWA members, their families, and the communities in which they live could experience higher prices, reduced service, less innovation, reduced investment and fewer jobs if the anti-competitive harm implicated in this transaction is not adequately addressed.

The Department of Justice ("DOJ") and the State of New York challenged the transaction alleging that it would "unreasonably restrain competition in numerous local markets for broadband, video, and wireless services" in violation of Section 7 of the Clayton Act, 15 U.S.C. § 18, Comp. ¶42, but then agreed to settle the case with a consent decree, as reflected in the proposed Final Judgment (also referred to as "the consent decree"). The anticompetitive effects identified by the DOJ in the Complaint are accurate and thorough. The DOJ explained "the Commercial Agreements contain a variety of mechanisms that are likely to diminish Verizon's incentives and ability to compete vigorously against the Cable Defendants with its FiOS offerings, and they create an opportunity for harmful coordinated interaction among the Defendants regarding, among other things, the pricing of competing offerings." Comp. ¶2. The

DOJ acknowledged that the Cable Defendants each have market power in "numerous local geographic markets for both broadband and video services." Comp. ¶33. The DOJ also determined that "[t]he Commercial Agreements unreasonably restrain future competition" Comp. ¶42 and "significantly and adversely affect Verizon's long-term incentives to … build out FiOS beyond its current commitments." Comp. ¶43.

Notwithstanding these broad and substantial concerns, the DOJ agreed to a consent decree that fails to alleviate the clear competitive harms identified in the Complaint. CWA focuses in these comments on the weaknesses in the remedies related to the Commercial Agreements. The fundamental problem in the consent decree related to the Agreements lies with the series of loopholes, exceptions, and qualifiers in the DOJ's proposed Final Judgment that renders any intended remedy ineffective. The consent decree prohibits Verizon Wireless from selling the Cable Defendants' products in the "FiOS Footprint" (the territories in which Verizon's FiOS competes with the Cable Defendants' video and broadband services.) Yet, the exceptions effectively undermine this remedy. One loophole enables the parties to prohibit Verizon Wireless from marketing or initiating the sale of a wireless/FiOS bundle, disadvantaging FiOS vis-à-vis a wireless/cable bundle. A second loophole permits Verizon Wireless to provide information regarding the availability of Cable Services in the FiOS footprint and to promote Cable Services through regional and national advertising that may reach or is likely to reach customers in the FiOS footprint. A third loophole allows the Defendants to exchange almost any competitively sensitive information, including price, terms, availability, or expansion, so long as they exchange this information under a series of broad exceptions. With these loopholes, the proposed Final Judgment opens the door to Defendants' opportunity for harmful coordinated

interaction and reduces Verizon's incentives and ability to compete vigorously against the Cable Defendants with its FiOS offering.

CWA submits these comments pursuant to Section 2(b) of the Antitrust Procedures and Penalties Act ("APPA"), 15 U.S.C. § 16 ("Tunney Act"). Congress has made this Court the final arbiter of the propriety of mergers under the antitrust laws. The Court must "determine that the entry of such judgment is in the public interest."[1] As this Court has observed

> It does not follow…that courts must unquestionably accept a proffered decree as long as it somehow, and however inadequately, deals with the antitrust and other public policy problems implicated in the lawsuit. To do so would be to revert to the "rubber stamp" rile which was at the crux of the congressional concerns when the Tunney Act became law.

U.S. v. AT&T, 552 F. Supp. 131, 151 (D.D.C. 1982), aff'd *sub nom.*, *Maryland v. U.S.*, 460 U.S. 1001 (1983). If the Court cannot make this finding, it must reject the proposed Final Judgment unless more adequate provisions are made to protect the public interest. CWA respectfully argues that the consent decree is not in the public interest because it fails to address adequately the substantial harm to competition identified in the Complaint and provides too many avenues for the Defendants to undermine intended remedial measures. CWA urges this court to reject the proposed Final Judgment or, in the alternative, to create prophylactic measures sufficient to prevent the harm identified by the DOJ but unaddressed in the consent decree.

I. Overview of the Anticompetitive Effects of the Commercial Agreements

The DOJ recognized the potential harm to competition that will result from this joint venture, and identified three categories of harm: (1) Commercial Agreements that neutralize competition in the markets for broadband and video services, including a bundle that combines these products; (2) the removal of the Cable Defendants as competitors in the market for wireless services; and (3) the pooling and restriction of the use of intellectual property necessary

[1] 15 U.S.C. § 16(e). *See, e .g., United States v. Microsoft Corp.*, 56 F.3d 1448, 1458 (D.C. Cir. 1995).

to compete in the future market of bundled broadband/video/telephony/wireless services (colloquially termed a "quad play"). CWA's comments address the DOJ remedial steps as they relate to the first category, the Commercial Agreements.[2]

The DOJ properly concluded that each of the Cable Defendants has market power in numerous local geographic markets, and correctly described FiOS[3] as a disruptive force in challenging this market power, stating "FiOS has been, and remains, a significant competitive threat to cable in the regions where it has been built. Verizon's FiOS offerings have been aggressive in terms of both price and quality, and the cable companies have reacted to FiOS by upgrading their broadband networks and improving the quality of their video products." Competitive Impact Statement ("CIS") at 12. CWA research confirms this analysis. The charts below compare the prices and services available to consumers when both a Cable Defendant and FiOS are available.

	Comcast	Verizon FiOS	Verizon Price Difference
Top Tier	$189.99 200+ channels, 5 premium 28/5 Mbps normal, with "burst" at 30/6 Mbps	$144.99 380+ channels, 4 premium 75/35 Mbps	- $40 or -28%
Middle Tier	$149.99 290+ channels 28/5 Mbps normal, with "burst" at 30/6 Mbps	$104.99 290+ channels 50/25 Mbps	- $45 or 43%
Basic Tier	$89.00 80+ channels 18/3 Mbps normal, with "burst" at 20/4 Mbps	$94.99 210+ channels 15/5 Mbps	+$5.99 or 6%
Source: Comcast website http:/www.comcast.com/Corporate/Learn/Bundles/bundles.html and Verizon website http://www22.verizon.com/home/shop/shopping.html (Data for Washington DC)			

[2] CWA limits its Tunney Act comments to the Commercial Agreements because this is the area in which CWA has researched and analyzed the negative impact of the joint venture, and this is where CWA can offer the most insight to the court. This limitation does not mean that CWA does not believe there are concerns with other categories of the joint venture, particularly the pooling of intellectual property and the limitations on the use of that intellectual property that might one day negatively impact other firms' ability to compete in a market for quad play services. However, CWA's comments will not provide detail on these concerns.

[3] The DOJ defines "FiOS Service" to mean "any wireline Broadband Internet service, telephony service, or Video Programming Distribution service offered by Verizon that operates over fiber to the home over facilities owned or operated by Verizon." Proposed Final Judgment at 5.

	Time Warner	Verizon FiOS	Verizon Price Difference
Top Tier	$199.99 200+ channels 50 Mbps "burst," but normal speed is less	$144.99 380+ channels, 4 premium 75/35 Mbps	- $55 or -38%
Middle Tier	$164.99 200+ channels 20 Mbps "burst," but normal speed is less	$104.99 290+ channels 50/25 Mbps	- $60 or 57%
Basic Tier	$89.99 200+ channels 10/1 Mbps	$94.99 210+ channels 15/5 Mbps	+$5 or 5%
Source: Time Warner website https://order.timewarnercable.com/OfferList.aspx and Verizon website http://www22.verizon.com/home/shop/shopping.html (Data for Albany NY)			

As the data reveals, FiOS is considerably cheaper than its competition, offers more channels, and faster internet for the middle and top tiers. The disruptive nature of FiOS cannot be overstated, as it provides a legitimate alternative while compelling incumbent dominant Cable Defendants to compete on both price and service.

Having firmly established the importance of Verizon's FiOS as a disruptive force, the DOJ details the various harms to competition that will result from the Commercial Agreements. The Commercial Agreements – by requiring Verizon Wireless to sell the Cable Defendants' product on an "equivalent basis" to its own FiOS product and for a commission – would impair Verizon's incentive and ability to compete with Cable Defendants in those territories in which Verizon's FiOS overlaps with the wireline territory of a Cable Defendant (identified as the "FiOS Footprint").[4] The DOJ concludes that this alliance turns competitors into partners, gives Verizon a financial interest in the success of the Cable Defendant's traditional wireline services, and facilitates anticompetitive coordination among the Defendants. Comp. ¶ 38. The DOJ correctly emphasizes the value of marketing channels in this industry, and adeptly recognizes

[4] The DOJ defines the "FiOS Footprint" to mean "any territory in which Verizon at the date of entry of this Final Judgment or at any time in the future: (i) has built out the capability to deliver FiOS Services; (ii) has a legally binding commitment in effect to build out the capability to deliver FiOS Services, (iii) has a non-statewide franchise agreement or similar grant in effect authorizing Verizon to build out the capability to deliver FiOS Services, or (iv) has delivered notice of an intention to build out the capability to deliver FiOS Services pursuant to a statewide franchise agreement." Proposed Final Judgment at 5.

that the Commercial Agreements "deprive Verizon of the ability to exploit fully a valuable marketing channel and alter Verizon's incentives with respect to pricing, marketing, and innovation." Comp. ¶ 39. The Commercial Agreements also drastically alter Verizon's long-term perception of the wireline broadband/video market. The DOJ acknowledges that these Commercial Agreements represent the end to any incentive for Verizon to revisit its FiOS deployment options as a result of changes in technology, economics of FiOS deployment, or macroeconomic changes.[5] Comp. ¶ 43. Finally, the DOJ's Complaint attempts to summarize the problematic open-endedness of the deal, stating that "the Commercial Agreements also unreasonably restrain competition due to ambiguities in certain terms regarding what conduct Verizon can, and cannot, engage in." Comp. ¶ 44.

The DOJ accurately describes the anticompetitive effects of the Transaction. However, the proposed Final Judgment that the DOJ presents to this court fails to protect consumers and those relying on competition in the telecommunications industry from the harm the DOJ has identified.

II. Remedial Measures Suggested are Rendered Moot by Exceptions and Loopholes

Despite identifying multiple broad concerns about this joint venture, the DOJ's remedies regarding the Commercial Agreements fail to prevent fully the harm it anticipates.[6] While there are numerous shortcomings in the proposed Final Judgment, the exceptions, loopholes, and

[5] The DOJ accepts Verizon's assertion of a pre-existing plan not to build out FiOS beyond its current commitments. CWA provided evidence to both the DOJ and the FCC to refute this decision. *See* "Analysis of FiOS Profitability and Strategic Options," Appendix B attached to CWA Comments, In the Matter of Application of Cellco Partnership d/b/a Verizon Wireless and SpectrumCo LLC for Consent to Assign Licenses Application of Cellco Partnership d/b/a Verizon Wireless and Cox TMI Wireless, LLC For Consent to Assign Licenses, WT Docket No. 12-4, July 10, 2012.

[6] For example, by allowing Verizon Wireless to sell Cable Defendants' broadband and video services outside the "FiOS Footprint," for at least the next four years, the DOJ not only ignores the fact that Verizon's DSL broadband service competes directly with cable's broadband service, the DOJ also fails to impose a remedy that would eliminate incentives that "adversely affect Verizon's long-term competitive incentives to reconsider, in future years, its pre-existing decision not to build out FiOS beyond its current commitments." Comp. ¶ 43.

qualifying language are the most problematic. CWA focuses on three loopholes that are particularly egregious. The net effect of these loopholes is the de facto acquiescence by the DOJ to conduct that the DOJ has identified as anticompetitive and likely to harm consumers.

1. Section IV: Required Conduct

In Subsections IV.A and IV.B of the proposed Final Judgment, the DOJ takes appropriate steps to ensure that Verizon Wireless can continue to market and sell products that compete with the Cable Defendants' products, including Home Fusion (wireless broadband connectivity at the home), Home Phone Connect (home telephony over a wireless connection), and any Verizon Telecom (VZT) service,[7] including FiOS. The DOJ expressly eliminates the requirement in the original Commercial Agreements that would have required Verizon Wireless to sell Verizon Telecom services, such as FiOS, on an "equivalent basis" as Cable Services, and attempts to prevent Verizon from sacrificing the marketing and point-of-sale advantages it has through its retail presence. Proposed Final Judgment at 8.

However, the next paragraph in Subsection IV.C dismantles this effort. The paragraph requires the Defendants to amend the Commercial Agreements to allow Verizon Communications to sell Verizon Wireless services as part of a bundle, but then explicitly permits the Commercial Agreements to "prohibit Verizon Wireless from initiating or marketing such a combined sale." Proposed Final Judgment at 9. Thus, in one sentence, the DOJ's consent decree undermines Verizon's marketing and point-of-sale advantages that it clearly intended to protect in the previous Subsections IV.A and IV.B. This limitation is particularly confusing because the proposed Final Judgment defines "Sell" to include "offer, promote, market, or sell" and all correlative terms. Proposed Final Judgment at 6. Thus the proposed Final Judgment

[7] The DOJ defines Verizon Telecom (VZT) Service to mean "any Broadband Internet service, telephony service, Video Programming Distribution service, or any other consumer service offered by VZT, or any bundle thereof, including FiOS Services, over facilities, owned, operated, or leased by VZT." Proposed Final Judgment at 7.

simultaneously requires amendments that may not restrict or condition the ability of Verizon Wireless to "offer, promote, market, or sell" VZT Service, but then allows them to limit the offering and marketing of these services if combined in a joint sale. The net effect is that Verizon Wireless may be prohibited from initiating or marketing the sale of a Verizon Wireless/FiOS quad play bundle, but no similar restriction applies to a Verizon Wireless/Cable Defendant quad play bundle. It is difficult to understand how a Verizon Wireless customer would know about the availability of a wireless/FiOS bundle if the agent at the store is not allowed to "initiate or market" the bundle. This loophole gives the Defendants the incentive and ability to marginalize FiOS in favor of a wireless/cable bundle, contrary to the intended goal of the DOJ remedy. The exception consumes the rule.

2. Section V: Prohibited Conduct

Sections V.A and V.B of the proposed Final Judgment strive to limit Verizon Wireless' ability to sell Cable Defendant products within the FiOS Footprint. Subsection V.A bans Verizon Wireless sale of a Cable Service to a street address in the FiOS Footprint or from a store within the FiOS Footprint. Subsection V.B places a four-year limit on the ability to sell Cable Services within the broader DSL Footprint (where Verizon Communications offers wireline broadband but not fiber optic services).[8] These measures are designed to "maintain Verizon's incentives to aggressively market FiOS against the Cable Defendants in the areas in which both services are available and to ensure vigorous competition in the future." Competitive Impact Statement at 17.

[8] The DOJ defines "DSL Footprint" to mean "any territory that is, as of the date of entry of this Final Judgment, served by a wire center that provides Digital Subscriber Line ("DSL") service to more than a *de minimis* number of customers over copper telephone lines owned and operated by VZT, but excluding any territory in the FiOS Footprint." Proposed Final Judgment at 4.

Then, in Subsection V.C, the proposed Final Judgment provides marketing and sales loopholes that are so broad they eviscerate the effect of Subsections V.A and V.B. Section V.C begins "Notwithstanding V.A and V.B, Verizon Wireless may market Cable Services in national or regional advertising that may reach or is likely to reach street addresses in the FiOS Footprint or DSL Footprint…" Proposed Final Judgment at 11. The DOJ attempts to salvage some aspect of that provision by stating that Verizon Wireless may not "specifically target" advertisements of Cable Defendants' products within these restricted areas. Of course proving this *mens rea* element would be nearly impossible, especially considering the fact that national and regional advertising campaigns will be more efficient than targeted campaigns. The inclusion of this loophole is the functional equivalent of not having included any prohibited conduct in the first place. A customer living in an area in which a Cable Defendant and FiOS are both offered, but adjacent to an area where FiOS has not yet expanded, will see advertising from both the Cable Defendant and Verizon Wireless for a wireless/cable bundle. This reduces Verizon's incentive and ability to compete against the Cable Defendants in the FiOS Footprint.

The proposed Final Judgment follows this enormous loophole with more. First, Verizon Wireless may service, provide, and support in any store, including those in the FiOS Footprint, any Verizon Wireless product sold by a Cable Defendant. This eliminates one of the few marketing advantages that had not already been specifically eliminated. When a Cable Defendant sells a Verizon Wireless product as part of its arrangement under this Joint Venture, even when included in a bundle with its own services, the Cable Defendant may direct the customer to the Verizon Wireless store to retrieve the item. This eliminates the marketing advantage held by Verizon FiOS, which otherwise may have been able to capitalize on the retail presence of Verizon Wireless. Second, Verizon Wireless may "provide information regarding

the availability of Cable Services" as long as Verizon Wireless is not contractually bound to provide this information, and provided it does not receive compensation for stores in the FiOS Footprint. Thus imagine a customer living in an area in which a Cable Defendant and FiOS are both offered, but adjacent to an area where FiOS has not yet expanded. Verizon Wireless will be permitted to 1) advertise the Cable Defendant's product "regionally or nationally" to this customer while perhaps opting not to advertise FiOS, 2) provide information about the Cable Defendant's product in its retail store, and 3) deliver and service the Verizon Wireless products sold by the Cable Defendants.

The Competitive Impact Statement mentions the confused customer "who wishes to purchase Cable Services but is confused about a particular Verizon Wireless store's ability to sell those services." CIS at 20. This confusion is inevitable, and is a symptom of the anticompetitive spirit of the Commercial Agreements. It is improper and against the public interest to permit these competitors to rectify the harmful results of their anticompetitive conduct through more anticompetitive conduct. Rather, it is in the public interest to prevent the confusion in the first place. It is completely incoherent to ban the sale of a competitor's services in one breath, and then allow these exceptions in the next. Verizon Wireless will be able to advertise and market the Cable Defendants' services, and the system will be designed in a way that it is not technically Verizon Wireless completing the sale. Then, the Verizon Wireless store will serve as a point of contact for delivery, service, and support for the bundled sale, as well as a secondary source of information regarding its competitors' products. In this way, Verizon and the Cable Defendants easily circumnavigate the prohibition against cross-marketing in the FiOS Footprint. Verizon's disincentives to compete aggressively against Cable Defendants that the DOJ identified in the complaint remain intact.

The DOJ asserts in its Competitive Impact Statement that exceptions allow Verizon Wireless to advertise efficiently and provide a service to customers who have already purchased a Cable Defendant's product. CIS at 19. Allowing competitors to advertise efficiently but not preventing discrimination for its own product will result in the marginalization of FiOS. The Competitive Impact Statement goes on to say that because Cable Defendants do not operate retail outlets, this exception does not harm competition. CIS at 20. The presence or lack thereof of retail outlets does not define whether this arrangement harms competition. The key to evaluating competitive harm is understanding how economic incentives change as a result of the Commercial Agreements and the proposed Final Judgment. By allowing these competitors to perform so many services for each other, the proposed Final Judgment fails in its mission to prevent competitive harm.

These competitive concerns are not speculative. A September 25, 2012 *New York Times* story cites Time Warner and Comcast executives' plans to use loopholes to get around the proposed Final Judgment's ban on cross-marketing in the FiOS Footprint.[9] According to the article, that prohibition appears to be "malleable," and notes that "Time Warner Cable says it plans to have a presence in select Verizon stores in New York City, although FiOS is available in much of the area. Comcast says it plans to enter the Northeast market, too, possibly via the Verizon website if it is not permitted to enter stores in FiOS areas." Perhaps summarizing the lack of concern stemming from a weak proposed Final Judgment, Comcast's executive vice president proclaims "We'll work around that and figure it out while complying with the consent decree." The purpose of the government's regulatory oversight is not to challenge companies to violate antitrust laws in a more creative fashion. The task of the DOJ is to protect consumers by promoting competition. It is clear that this proposed Final Judgment fails that task.

[9] Amy Chozick, *Mobile Services and Cable TV are Unexpected Allies*, NEW YORK TIMES, September 23, 2012.

3. Sections V.I and V.J: Broad Exceptions to Prohibited Conduct

A third loophole relates to the very real and widely overlooked coordinated effects threat stemming from having competitors sharing sensitive information. Media technology is a price sensitive market, and the gravest threat lies in a coordinated agreement to raise prices. The DOJ attempts to restrict these opportunities in Subsections V.I and V.J which prohibit, respectively, agreements between Verizon Defendants and Cable Defendants regarding the sale of the other's services, and the participation in or encouragement of agreements between the Defendants relating to "price, terms, availability, expansion, or non-expansion of VZT or Cable Services." Proposed Final Judgment at 14. However, as with other instances, the consent decree then allows a set of exceptions so numerous and broad that it swallows the prohibition. These exceptions allow negotiations concerning content agreements over video programming; the purchase, sale, or license of wholesale products; agreements executed in the ordinary course of business pursuant to the Commercial Agreements or the Joint Operating Entity (JOE) Agreement; and any interconnection agreement between the Defendants. It is impossible for the Defendants to discuss these topics without also discussing "price, terms, availability, expansion, or non-expansion of VZT or Cable Services." This broad loophole condemns consumers of broadband and video services to an industry with fewer competitors, fewer options, aligned incentives to forego price competition, and unmitigated opportunity for these providers to do so.

CONCLUSION

The Department of Justice Antitrust Division's Policy Guide to Merger Remedies states "The touchstone principle for the Division in analyzing remedies is that a successful merger remedy must effectively preserve competition in the relevant market. That is the appropriate goal of merger enforcement." U.S. DEP'T. OF JUSTICE, ANTITRUST DIVISION POLICY GUIDE TO

MERGER REMEDIES, June 2011. The DOJ has not accomplished its goal in this instance. When the DOJ is unable to represent appropriately the public interest, it is imperative that this court intervene. In June 2011, Judge Richard Leon refused to sign a proposed Final Judgment granting approval to the merger between Comcast and NBC Universal after determining that the binding arbitration provisions are not in the public interest.[10] Though different in kind, the shortcomings in the consent decree between the Cable Defendants and Verizon are as egregious as the shortcomings of the arbitration procedures identified by Judge Leon. Here, we have a Complaint that concisely and articulately explains the anticompetitive harm that will result from a merger, and then a proposed Final Judgment that qualifies each remedial action with loopholes and exceptions so pervasive that they render the remainder of the Order ineffective.

The DOJ's should close these loopholes. First, CWA agrees that the Commercial Agreements should be amended as outlined in Section IV.A and IV.B, but believes the Commercial Agreements should not be allowed to prohibit Verizon Wireless from initiating and marketing products necessary to maintain Verizon FiOS as a legitimate competitor in the market – including a wireless/Verizon Telecom Services bundle. Second, CWA agrees with the cross-marketing ban within the FiOS Footprint, and even believes it would be in the optimal consumer interest to ban cross-marketing within the DSL Footprint. Notwithstanding the scope of the ban, the DOJ should remove the exceptions allowing for advertising, product servicing, and information distribution in the FiOS Footprint. CWA disagrees with the assertion that these exceptions allow for efficient consumer benefit without harming competition. Rather, they facilitate anticompetitive conduct on the pretext of consumer benefit. Third, the exceptions outlined in Subsections V.I and V.J are too broad and virtually impossible to monitor. Given the

[10] U.S. v. Comcast Corp., 808 F. Supp.2d 145 (2011). *See also, e.g.*, Stephanie Gleason & Thomas Catan, *Judge Threatens Comcast, NBCU Merger Delay*, WALL ST. J., July 28, 2011.

precarious position in which this transaction leaves FiOS, it is crucial that the government erect barriers to further anticompetitive conduct. As such these exceptions should be much more limited.

CWA respectfully argues that the consent decree is not in the public interest because it fails to address adequately the substantial harm to competition identified in the Complaint and provides too many avenues for the Defendants to undermine intended remedial measures. The loopholes are numerous and the exceptions broad, and the impact on competition will be deleterious. Consumers will experience fewer competitors and less innovation, leading to higher prices, decreased quality, and the creation of a de facto quad-play monopoly. CWA urges this court to reject the proposed Final Judgment or, in the alternative, to create prophylactic measures sufficient to prevent the harm identified by the DOJ but unaddressed in the consent decree.

Respectfully Submitted,

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