

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA**

UNITED STATES OF AMERICA,

*Plaintiff,*

v.

CHARTER COMMUNICATIONS, INC.,  
TIME WARNER CABLE INC,  
ADVANCE/NEWHOUSE PARTNERSHIP, and  
BRIGHT HOUSE NETWORKS, LLC,

*Defendants.*

Civil Action No. 1:16-cv-00759 (RCL)

**MOTION AND MEMORANDUM OF THE UNITED STATES  
IN SUPPORT OF ENTRY OF FINAL JUDGMENT**

Pursuant to Section 2(b) of the Antitrust Procedures and Penalties Act, 15 U.S.C. §16 (b)-(h) (“APPA” or “Tunney Act”), Plaintiff United States of America (“United States”) moves for entry of the proposed Final Judgment filed in this civil antitrust proceeding. The proposed Final Judgment may be entered at this time without further hearing if the Court determines that entry is in the public interest. The Competitive Impact Statement (“CIS”) filed in this matter on May 10, 2016, as well as the Response to Public Comment filed on August 16, 2016, explains why entry of the proposed Final Judgment is in the public interest. The United States is also filing a Certificate of Compliance, attached hereto as Exhibit A, setting forth the steps taken by the parties to comply with all applicable provisions of the APPA and certifying that the statutory waiting period has expired.

## I. BACKGROUND

On May 23, 2015, Charter Communications, Inc. (“Charter”) and Time Warner Cable, Inc. (“TWC”), two of the largest cable companies in the United States, agreed to merge in a deal valued at over \$78 billion. In addition, Charter and Advance/Newhouse Partnership, which owns Bright House Networks, LLC (“BHN”), announced that Charter would acquire BHN for \$10.4 billion, conditional on the sale of TWC to Charter. On April 25, 2015, the United States filed a civil antitrust Complaint seeking to enjoin Charter from acquiring TWC and BHN. The United States alleged in the Complaint that the proposed acquisition likely would substantially lessen competition in numerous local markets for the timely distribution of professional, full-length video programming to residential customers (“video programming distribution”) throughout the United States in violation of Section 7 of the Clayton Act, 15 U.S.C. § 18.

Simultaneously with the filing of the Complaint, the United States filed a proposed Final Judgment that would settle the case. On May 10, 2016, the United States filed a Competitive Impact Statement (“CIS”) that explains how the proposed Final Judgment is designed to remedy the likely anticompetitive effects of the proposed acquisition. The United States also filed a stipulation agreed to by the Defendants that provides that the proposed Final Judgment may be entered by the Court after the completion of the procedures required by the APPA. Entry of the proposed Final Judgment would terminate this action, except that the Court would retain jurisdiction to construe, modify, or enforce the provisions of the Final Judgment and to punish violations thereof.

## II. COMPLIANCE WITH THE APPA

The APPA requires a sixty-day period for the submission of public comments on a proposed Final Judgment. *See* 15 U.S.C. §16(b). In compliance with the APPA, the United States filed the CIS on May 10, 2016; published the proposed Final Judgment and CIS in the *Federal Register* on May 17, 2016 (*see* 81 Fed. Reg. 30550); and ensured that summaries of the proposed Final Judgment and CIS, together with directions for the submission of written comments relating to the proposed Final Judgment, were published in *The Washington Post* for seven days from May 13 to May 19, 2016. The sixty-day period for public comments ended on July 18, 2016, and the United States received one comment. The United States filed its Response to Public Comment on August 16, 2016, and published the public comment and the Response to Public Comment in the *Federal Register* on August 23, 2016 (*see* 81 Fed. Reg. 57617).

Simultaneously with this Motion and Memorandum, the United States is filing a Certificate of Compliance that states all the requirements of the APPA have been satisfied. It is now appropriate for the Court to make the public interest determination required by 15 U.S.C. §16(e) and to enter the proposed Final Judgment.

## III. STANDARD OF JUDICIAL REVIEW

The APPA requires that proposed consent judgments in antitrust cases brought by the United States be subject to a sixty-day public comment period, after which the court shall determine whether entry of the proposed Final Judgment “is in the public interest.” 15 U.S.C. § 16(e)(1). In making that determination, the court, in accordance with the statute as amended in 2004, is required to consider:

- (A) the competitive impact of such judgment, including termination of alleged violations, provisions for enforcement and modification, duration of relief sought, anticipated effects of alternative remedies actually considered, whether its terms are ambiguous, and any other competitive considerations bearing upon the adequacy of such judgment that the court deems necessary to a determination of whether the consent judgment is in the public interest; and
- (B) the impact of entry of such judgment upon competition in the relevant market or markets, upon the public generally and individuals alleging specific injury from the violations set forth in the complaint including consideration of the public benefit, if any, to be derived from a determination of the issues at trial.

15 U.S.C. § 16(e)(1)(A)-(B).

In its CIS and its Response to Public Comment, the United States sets forth the legal standards for determining the public interest under the APPA and now incorporates those statements by reference. The public has had the opportunity to comment on the proposed Final Judgment as required by the APPA. As explained in the CIS and the Response to Public Comment, entry of the proposed Final Judgment is in the public interest.

#### **IV. CONCLUSION**

For the reasons set forth in this Motion and Memorandum, the CIS, and the Response to Public Comment, the Court should find that the proposed Final Judgment is in the public interest and should enter the proposed Final Judgment without further proceedings. The United States respectfully requests that the proposed Final Judgment, attached hereto as Exhibit B, be entered at this time.

Dated: August 31, 2016

Respectfully submitted,

/s/

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