**Statement of Chairman Majoras, Commissioner Kovacic, and Commissioner Rosch Concerning the Closing of the Investigation Into Transactions Involving Comcast, Time Warner Cable, and Adelphia Communications**
**File No. 051-0151**

The Bureau of Competition has closed its investigation into the acquisition by Comcast Corporation and Time Warner Cable Inc. ("TWC") of the cable assets of Adelphia Communications Corporation ("Adelphia"), and into related transactions in which Comcast and TWC will swap various cable systems. The Bureau of Competition closed the investigation pursuant to authority delegated by the Commission under Commission Rule 2.14(c), 16 C.F.R. § 2.14(c) (2006). We agree with that decision.

The proposed transactions will bring under common ownership adjacent cable distribution systems in certain metropolitan areas. These geographic consolidations are part of a trend toward "clustering" in the industry. Over the past seven months, the Bureau of Competition, working with the Bureau of Economics, has conducted an extensive investigation to determine whether the proposed transactions are likely to substantially lessen competition in violation of Section 7 of the Clayton Act, 15 U.S.C. § 18. The evidence obtained during the investigation does not suggest that the proposed transactions are likely to substantially lessen competition in any geographic region in the United States.

The Bureaus investigated a number of different theories of harm to competition, including the possibility that the transactions would cause consumer harm by affecting the terms on which multichannel video programming distributors ("MVPDs") contract to carry regional sports networks ("RSNs"). Professional sports teams sell RSNs the rights to transmit some or all of their games. RSNs then license MVPDs the rights to provide the RSNs to the subscribers of the MVPDs. The Bureaus explored whether the clustering resulting from the proposed transactions would make it more likely for Comcast or TWC to enter into types of distribution agreements with RSNs that effectively would foreclose satellite, overbuilders, and telephone distribution competitors from carrying the RSNs. The Bureaus also explored whether the transactions are likely to cause Comcast or TWC to increase the prices at which they make available to other MVPDs the right to carry RSNs in which Comcast or TWC have an ownership interest.

The evidence obtained by the Bureaus (documents, empirical studies, third-party information, and FCC regulations) indicates, for each relevant geographic market, that the proposed transactions are unlikely to make the hypothesized foreclosure or cost-raising strategies profitable for either Comcast or TWC. Further, even if the Bureaus had concluded that foreclosure or cost-raising strategies were likely, that would not end the analysis. For the

Leibowitz and Commissioner Harbour refer. The evidence concerning the conduct in these other markets did not indicate that the proposed transactions under review here are likely to reduce competition in any relevant geographic market.

We will be vigilant regarding the conduct of Comcast and TWC on a going-forward basis. If the proposed transactions are consumm c-b0 Tdz61 0 Td(t o93.04 p8sfIw/.0rr3.04 7g3.04 p3.04 0 Tcat