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## Testimony of New York State Senator Brad Hoylman and Assembly Member Richard N. Gottfried to the New York State Public Service Commission Regarding the Proposed Merger of Comcast and Time Warner Cable

July 31, 2014

Our names are Brad Hoylman and Richard Gottfried and we represent New York State's 27th Senate District and 75th Assembly District, respectively. Thank you for the opportunity to submit testimony to the Public Service Commission regarding the proposed merger of Comcast and Time Warner Cable.

We believe that this merger, by combining the nation's two largest cable operators, would create a highly monopolized environment for cable and internet services, and would therefore be antithetical to the public interest. Not only would this deal have negative consequences for Comcast's and Time Warner's customers, but other cable subscribers throughout the state and the country stand to suffer as well.

With this merger, Comcast would amass 30 million subscribers and a roughly 30% market share of television and internet services nationally. Such domination of this marketplace could likely increase prices, reduce the quality of service, and limit consumer choice. In 2013, Comcast and Time Warner Cable were the two lowest ranked internet service providers according to the American Customer Satisfaction Index. Even those Americans who do not live in areas covered by Comcast or Time Warner would likely see their service deteriorate and prices rise due to diminished overall industry standards.

The sheer size of this consolidated company would also allow it to exercise enormous influence over the nature of available viewing content, tilt the playing field in its regulatory favor through intensified lobbying efforts, and provide unfair negotiating power over network licensing fees.

Many consumers, both locally and nationally, are already severely limited in their choice of cable providers, and this merger would present a further constriction of the market. We should instead, do everything within our power to increase the options for cable consumers, such as precluding the market dominance that this merger would create.

In addition to the direct effects of restriction of consumer choice and deterioration of service that this merger might create, there are likely to be indirect effects as well. Technological innovation, which has recently become a key component of the American economy, also stands to suffer, as it is highly reliant on accessible and dependable internet service. If this deal is allowed to proceed, Comcast would become the sole option for many businesses in 19 of the 20 biggest metropolitan areas around the country. Such exclusivity has the potential to stifle technological developments and hinder our consumption of new technologies.

In closing, the merger of Comcast and Time Warner Cable would have deeply negative repercussions for consumers, families, and businesses, not just in New York but throughout the United States. We urge the Public Service Commission to duly consider the public interest and oppose this merger. Alternatively, should this merger be approved, we support New York City Comptroller Scott Stringer's recent call for Comcast to present a comprehensive and practicable plan for boosting broadband access as part of its merger approval process. We believe that the Public Service Commission should do everything within its power to encourage Comcast to expand access to broadband, especially for lower-income New Yorkers by reducing the eligibility requirements and increasing publicity for its Internet Essentials program, and ensuring the highest possible speeds and quality of service for all its customers.

Thank you for your time, and for your consideration of our comments.