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Comcast turns to K. St

By Julian Hattem

Comcast is turning to a growing cadre of lobbyists to convince government regulators to approve its $45 billion purchase of Time Warner Cable.

The company has hired new teams of influence peddlers in the weeks since announcing the deal, and has steered its existing fleet of lawyers towards defending the acquisition on Capitol Hill and at regulatory agencies around Washington.

The cable giant says that its lobbying efforts are typical for a company of its size, which deals with a multitude of issues before lawmakers. But consumer advocacy groups critical of the deal accuse it of trying to muscle the merger through Washington.

“Comcast is pulling out the heavy hitters to ensure that Congress does not interfere with its merger plans,” Craig Holman, a lobbyist with Public Citizen, said in an email.

There are at least seven different lobbying firms actively working on the merger or “competition issues” for Comcast and Time Warner, according to sources and government disclosure documents. That number is likely to increase as the deal heats up.

In all, Comcast has contracts with 35 lobbying firms, according to records. Disclosure reports detailing the full range of their activities for the first quarter of the year aren’t due until April 21.

Aside from the pending merger, many of Comcast’s lobbyists are working on tax reform, intellectual property issues and congressional rewrites of telecommunications laws, among other issues.

“In any given year, we have between 300-400 bills introduced in Congress that can affect our customers, our employees and our company,” spokeswoman Sena Fitzmaurice said in an email, while declining to discuss details of the company’s lobbying activities.

Among the lobbyists currently working on the deal are former Reps. Thomas Downey (D-N.Y.), Ray McGrath (R-N.Y.), and Henry Bonilla (R-Texas), as well as a host of former staffers from the House, Senate and Justice Department.

Holman, the Public Citizen lobbyist, said that the company was taking advantage of the “revolving door” between K Street and government.

“It’s just an exclusive tool for the very wealthy and it causes a great deal of worry about the integrity of Congress itself,” he said. “This Comcast example is really a good case in point because they’re going to get whatever they want.”

The decision on whether to approve the merger will ultimately fall to regulators at the Justice Department and Federal Communications Commission (FCC).

In making their case, lobbyists will echo an argument in paperwork filed with the FCC last week asserting that the merger would lead to a faster Internet, better and more reliable service and more advanced options for its subscribers.

“Together, Comcast and [Time Warner Cable] will bring to millions of households and businesses of all sizes the next generation of broadband Internet, video, voice, and related technologies and

services, and will compete more effectively against communications, media, and technology providers with national and global scale," the company declared in its filing.

Comcast and Time Warner Cable do not currently compete in any of the same markets, executives have been quick to point out, and they say merging will help them compete with national and global companies like Google, Netflix and Verizon.

But post-merger, Comcast would be in 19 of the top 20 markets in the country, and control slightly little less than 30 percent of the cable market and an estimated 40 percent of the broadband market in the country.

Opponents worry that would give it undue power over the cable and Internet markets, which could lead to higher monthly bills and worse customer service.

"It would give it a larger national presence, more market power, more leverage over traditional and emerging players and really less of an incentive to address consumers' concerns," said Delara Derakhshani, policy counsel with Consumers Union, the advocacy arm of *Consumer Reports*.

A recent survey in the magazine ranked Comcast and Time Warner Cable near the bottom in terms of customer satisfaction.

"Combining these two companies is not going to improve the situation," Derakhshani said.

A day after filing paperwork with the FCC, Comcast and Time Warner Cable executives defended the proposed deal in a lengthy hearing before the Senate Judiciary Committee.

Sen. Al Franken (D-Minn.), an opponent of the merger, accused the companies of relying on their lobbyists to get the deal approved.

"I understand there are over 100 lobbyists making the case for this deal to members of Congress and our staffs," he said. "But I've also heard from over 100,000 consumers who oppose this deal. And I think their voices need to be heard, too."

A hearing in the House Judiciary Committee is scheduled for May. That should give lawmakers enough time to review Comcast's arguments, Chairman Bob Goodlatte (R-Va.) said.

"This is a big deal and this could have significant impact on competition in the United States," he said on C-SPAN last week.

-- *Megan Wilson contributed to this report*

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