

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Applications of Comcast Corporation,)	MB Docket No. 10-56
General Electric Company, and NBC)	
Universal, Inc.)	
)	
For Consent to Assign and Transfer Control)	
of FCC Licenses)	

COMMENTS OF THE INDEPENDENT FILM & TELEVISION ALLIANCE

The Independent Film & Television Alliance (“IFTA”), the trade association for the independent film and television industry, submits these Comments *In the Matter of Applications of Comcast Corporation, General Electric Company, and NBC Universal, Inc. For Consent to Assign and Transfer Control of FCC Licenses*, MB Docket No. 10-56. IFTA is dedicated to achieving marketplace access and commercial opportunities for independent programming, which have been negatively affected by industry-wide media consolidation and vertical integration.

In the context of the Applications for Consent to Assign and Transfer Control of the FCC Licenses, IFTA has addressed the interests of independent producers by meeting with Comcast and NBC/Universal (collectively referred to as “Comcast NBCU”) to negotiate equitable solutions to the specific concerns raised by this merger transaction (“Transaction”). These negotiations have resulted in an agreement between IFTA and Comcast NBCU providing for specific opportunities for independent producers on the new entity’s distribution platforms, including network and cable channels and on new media (Video on Demand) platforms, if the

transaction is approved. Comcast NBCU has filed a summary of the Agreement with the Commission on July 12, 2010,¹ as well as the Agreement itself on August 6, 2010 (“Agreement”).²

This Agreement creates new avenues for independent producers to pitch, develop and produce programming for broadcast and cable and to establish commercial distribution arrangements on broadband platforms. IFTA is enthusiastic about moving forward to implement the Agreement’s terms to achieve increased distribution on these valuable platforms. Accordingly, IFTA does not oppose approval of the pending Applications and encourages the Commission to consider favorably the new opportunities that will accrue to independent producers in connection with the Transaction as a result of the Agreement.

However, one agreement with one integrated entity cannot solve the broad problem of media consolidation in the United States.³ IFTA urges the Commission to conduct an appropriate and specific industry-wide proceeding to address the effects of consolidation on independently produced content and to develop broad-based solutions. Meanwhile, this Agreement with Comcast NBCU represents forward thinking and a resolve to mitigate any impact of this Transaction and may be a model for arrangements with other major media conglomerates.

I. About IFTA and its Member Companies

IFTA is the non-profit trade association representing the independent film and television industry worldwide. IFTA has participated regularly in proceedings before the Commission

¹ See Comcast Letter filed on July 12, 2010, available at: <http://fjallfoss.fcc.gov/ecfs/document/view?id=7020521821>.

² See Agreement filed on August 6, 2010, available at: <http://fjallfoss.fcc.gov/ecfs/document/view?id=7020661416>

³ See Reply Comments of the Writers Guild Association in this proceeding, MB Docket No. 10-56, filed July 21, 2010 and available at <http://fjallfoss.fcc.gov/ecfs/document/view?id=7020550345>.

relating to media ownership,⁴ the marketplace for video programming,⁵ as well as Internet management practices proceedings relating to access for independent programmers to broadcast television, cable, Video on Demand and Internet distribution platforms.⁶

IFTA Members consist of over 150 companies from around the world, including the majority of U.S.-based independent companies active in film and television production and distribution.⁷ They are independent production and distribution companies as well as sales agents, television companies and financial institutions. Over the last seven years, independent production companies have produced nearly 80% of all U.S. feature films,⁸ and IFTA Members have been involved in the creation and distribution of some 64% of the Academy Award Winning Best Pictures[®], including *The Hurt Locker*, *Million Dollar Baby*, *Lord of the Rings: Return of the King*, *Dances with Wolves* and *Gandhi*. IFTA members rely on securing distribution revenues to finance both features films and television programming.

II. The Agreement between IFTA and Comcast NBCU

The Agreement between IFTA and Comcast NBCU speaks both to traditional and new media platforms. Regarding new media, Comcast will work with IFTA to develop a process so that independent content can be evaluated directly by Comcast, rather than through multiple

⁴ IFTA has participated in media consolidation proceedings requesting the Commission to address the ever-diminishing distribution opportunities for independent content. *In the Matter of 2006 Quadrennial Regulatory Review-Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996, et seq.*, MB Docket No. 06-1211 (Oct. 23, 2006); *In the Matter of 2002 Biennial Regulatory Review, and Related Dockets*, MB Docket No. 02-277 (May 12, 2003).

⁵ See IFTA's Comments In the Matter of Annual Assessment of the Status of Competition in the market for the Delivery of Video Programming, MB Docket No. 07-269 (July 29, 2009) .

⁶ IFTA has also filed Comments in the FCC's Notice of Inquiry *re: A National Broadband Plan for Our Future*, urging the Commission to adopt a national broadband plan that promotes network management practices based on principles set forth in the Commission's 2005 *Internet Policy Statement*, as well as the principles of open networks, nondiscrimination and transparency. See IFTA Reply Comments, filed July 21, 2009. IFTA reiterated these and other points regarding networks management principles and distribution opportunities for independents in *Preserving the Open Internet Broadband Industry Practices*, Notice of Proposed Rulemaking, FCC 09-93, GN Docket No. 09-191, WC Docket No. 07-52 (adopted Oct. 22, 2009) (hereafter "*Open Internet NPRM*"). See IFTA Comments filed January 14, 2010.

⁷ For a complete list of IFTA Members, visit www.ifta-online.org.

⁸ See IFTA Comments, *Open Internet NPRM* at Appendix A.

third-party intermediaries. For broadcast and cable, NBCU will host annual meetings to brief independent producers on upcoming program needs (as they already do for other suppliers) and will establish an in-house development fund that can help support the expensive process of bringing independently-created series to completion and airing. These commitments are a solid starting point on the path to creating greater opportunities for marketplace access by independent producers to Comcast NBCU's distribution platforms and stronger business relationships with the new entity's national broadcast network, cable networks and Video on Demand and online platforms.

Comcast NBCU and their executives have committed to work with IFTA on mutually beneficial goals following the closing of the Transaction. The Agreement proposes innovative and pragmatic solutions, and if the Transaction is approved, IFTA looks forward to working with our partners at Comcast NBCU to facilitate the development, acquisition and licensing of independent programming on a variety of platforms.

IFTA hopes that this Agreement will help to inform other media conglomerates that mutually beneficial creative opportunities and business relationships are available with the independent film and television industry, and that they will follow the examples set by the stakeholders to this Agreement.

III. Broader Dialogue on Impact of Media Consolidation

Since the mid-1990s, ownership of the major studios, broadcast networks and cable companies have become almost fully intertwined and the volume of independently produced programming available to the public on those platforms has dropped precipitously.⁹ We continue to advocate that the Commission launch a separate proceeding to examine the important issues of source diversity and access to distribution platforms and seek balanced, industry-wide

⁹ See IFTA Comments, *Open Internet NPRM* at 7-8.

solutions to expand independent programming on U.S. channels. However, the need for such a further and broader proceeding should not delay the Commission's timely review of the Applications.

IV. Conclusion

The Agreement between IFTA, Comcast and NBC/Universal is a significant opportunity for independent producers to build business relationships with a major U.S. media conglomerate. The Agreement promises to give independent producers the entrée to a marketplace in which they have excelled in the past and can once again succeed, and IFTA looks forward to working with Comcast NBCU to reach these important goals. Therefore, IFTA does not oppose approval of the pending Applications and encourages the Commission to consider favorably the new opportunities that this Agreement will offer to independent producers following the closing of the Transaction.

Respectfully submitted,

Independent Film & Television Alliance

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