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February 26, 2010

Jeff Zucker
President and CEO
NBC Universal
30 Rockefeller Plaza
New York, NY 10112

Dear Mr. Zucker:

I am writing to express my concern regarding NBC Universal's ("NBC") policy for consumer access to Olympics coverage on its Internet web site. It appears that NBC is restricting access to much of that content to only those viewers and Olympic fans who subscribe to cable, satellite, or other pay television service with whom NBC has partnered. Moreover, I fear that that this practice of locking up certain content only for pay-TV subscribers may be a preview of what is to come with respect to TV programming shown on the Internet, particularly in the context of the proposed Comcast/NBC Universal merger.

In order to access a portion of Olympic video content on the NBC-owned Internet web site NBCOlympics.com, fans must first register with this web site. As described on that web site,¹ in order to register, a viewer must "validate your subscription to your cable, satellite or IPTV provider." A consumer who has no such subscription will be unable to register, and therefore is unable to access the abundance of Olympic video content available on NBCOlympics.com.

The fact that a broadcast network such as NBC is requiring consumers to subscribe to a pay TV service in order to access this content raises serious concerns. Of course, we appreciate that NBC has put some Olympic content online for free, and we recognize that NBC has paid substantial sums to acquire the television broadcast rights to the Olympic games, and needs to earn revenues from the broadcast of this event. But this requirement of being of a pay TV subscriber leaves Olympic fans who do not have pay TV service, or who have service with a provider that has not partnered with NBC, in the dark with no way to view the sporting events that they look forward to every four years at the Winter Olympics. NBC's decision also raises questions as to why NBC requires consumers to have pay TV subscriptions in order to access Olympic coverage on-line, rather than offering viewers the opportunity to purchase this select Internet content and in order to collect revenues directly. Restricting access to this coverage would appear to diminish advertising revenues gained by NBC on NBCOlympics.com by limiting the size of the audience accessing that web site. Another alternative for NBC to

¹ See <http://www.nbcolympics.com/entitlement/library/learnmore-provider.html>

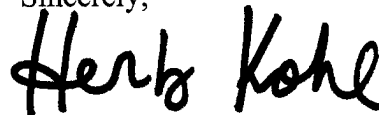
gain revenues would be for NBC to collect fees for accessing Olympic content directly from consumers, either by subscription or on a per-event basis.

NBC's policy therefore raises questions about which we seek additional information. These questions include: (i) Does this policy of requiring a pay TV subscription apply to content that is aired for free over-the-air on the broadcast network, and, if so, why; (ii) why has NBC not sought to charge consumers directly for accessing Olympic content on its Internet web site, rather than requiring a pay TV subscription; (iii) has NBC received any payments from pay TV companies to support NBCOlympics.com and, if so, has that influenced NBC's requirement that consumers subscribe to a pay TV service;² and (iv) are customers of all cable, satellite TV, and other pay TV subscription services eligible to register for access to NBCOlympics.com, and, if not, how did NBC decide which pay TV services' customers are eligible to register.

The nation's largest cable television company, Comcast, is now seeking to acquire NBC, a transaction we examined at a hearing at the Antitrust Subcommittee on February 4. We wonder if this policy is a harbinger of things to come should this merger be consummated, and whether requiring a pay TV subscription to access NBC internet content will be a standard policy in the future after this merger is completed. It is our view that video over the Internet has the potential to become a significant competitive alternative to traditional pay TV subscriptions, and it appears policies such as the one described in this letter may have the effect of limiting the prospects of such competition.

I look forward to your prompt answers to the questions posed by this letter. Thank you for your attention to this matter.

Sincerely,



HERB KOHL
Chairman, Subcommittee on
Antitrust, Competition Policy, and
Consumer Rights

² On February 12, 2010, the Associated Press reported that "the satellite and cable providers required the registration in return for helping to defray some of the cost of Olympics rights."