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Wiley, Rein & Fielding

1776 K Street, N.W.
Washington, D.C. 20006
(202) 719-7000

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OFFICE OF THE SECRETARY

Fax: (202) 719-7049
www.wrf.com

Peter D. Ross
(202) 719-4232
pross@wrf.com

August 14, 2000

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S.W.—The Portals
TW-B204
Washington, D.C. 20554

Re: America Online, Inc. and Time Warner Inc.
Notice of *Ex Parte* Presentation
Applications of America Online, Inc. and Time Warner Inc.
for Transfers of Control, CS Docket No. 00-30

Dear Ms. Salas:

On behalf of America Online, Inc. ("AOL") and Time Warner Inc. ("Time Warner"), submitted herewith pursuant to Section 1.1206(b)(2) of the Commission's rules are an original and one copy of this notice regarding a permitted oral *ex parte* presentation in the above-referenced proceeding. On August 11, 2000, representatives of AOL and Time Warner met with members of the Commission's staff, at their request, to discuss the public interest benefits that will result from the proposed merger.

Attending the meeting on behalf of AOL were George Vradenburg, III, Senior Vice President, Global and Strategic Policy; Steven N. Teplitz, Senior Director of Telecommunications Policy; and the undersigned. Attending on behalf of Time Warner were Timothy A. Boggs, Senior Vice President, Global Public Policy; Catherine R. Nolan, Vice President, Law and Public Policy; and Arthur H. Harding and Seth A. Davidson of Fleischman and Walsh, L.L.P.

The following FCC personnel attended: Deborah Lathen, Chief, Cable Services Bureau ("CSB"); William H. Johnson, Deputy Chief, CSB; Royce Dickens, Deputy Chief, Policy and Rules Division, CSB; Darryl Cooper, Peter Friedman, Carl Kandutsch, and Anne Levine, CSB staff; David J. Farber, FCC Chief Technologist, Office of Engineering and Technology; Michael

Kende, Office of Planning and Policy; James Bird, FCC Assistant General Counsel; and Pieter van Leeuwen, Office of General Counsel.

As set forth in prior submissions in this docket, the parties explained in the meeting that a merged AOL Time Warner will offer at least four major areas of benefits for U.S. consumers:

- A combined AOL Time Warner will significantly enhance the separate companies' existing Internet offerings, bringing consumers a bigger and better range of content and service choices both within the AOL service and across the Internet at large. Furthermore, these enhancements will trigger a competitive response from our rivals in the marketplace, thereby leading to even more consumer choice—and greater efforts toward innovation—than would occur absent the transaction.

- AOL and Time Warner will use their combined talents and resources to fuel innovation in the development of new forms (both narrowband and broadband) of interactive content, applications, and services. In addition, through these innovative offerings, a combined AOL Time Warner will prompt our rivals to hasten their own efforts to develop and deliver additional next-generation offerings—thereby driving choice and competition in content, applications, and platforms alike.

- The joint commitment of a combined AOL Time Warner is already driving the realization of consumer choice among Internet service providers ("ISPs") over broadband cable. The Applicants' Memorandum of Understanding ("MOU") makes clear that consumers will have a real choice among a range of unaffiliated and affiliated ISPs on AOL Time Warner cable systems. And that groundbreaking step has been followed by: Time Warner's recent agreement with Juno, an unaffiliated ISP; the restructuring of the Road Runner partnership that is now underway; technical trials by Time Warner and other cable operators; and announcements by other large cable operators that they also will work to implement open access. This merger and the MOU it has spawned have demonstrably served to break open the log-jam in the open access policy debate, ensuring fulfillment of the FCC's vision for a market-driven resolution of this issue.

- By developing exciting new interactive content and services and offering them over a wide range of broadband platforms and devices, AOL Time Warner will help spark consumer demand for high-speed services that will attract further investment in—and drive continued deployment of—competing broadband facilities. And by making open access a reality over broadband cable, AOL Time Warner will only boost the effect that the Commission has already observed as cable high-speed access offerings spur faster roll-out of high-speed capacity by other broadband platform providers.

Kindly direct any questions regarding this matter to the undersigned.

Respectfully submitted,

Peter D. Ross

cc: Deborah Lathen, Chief, Cable Services Bureau
William Johnson, Deputy Chief, Policy and Rules Division, Cable Services Bureau
Royce Dickens, Deputy Chief, Policy and Rules Division, Cable Services Bureau
Darryl Cooper, Cable Services Bureau
Peter Friedman, Cable Services Bureau
Carl Kandutsch, Cable Services Bureau
Anne Levine, Cable Services Bureau
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