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September 20, 2000

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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

Re: America Online, 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 September 19, 2000, Steve Case, Chairman and CEO of AOL; George Vradenburg, III, Senior Vice President, Global and Strategic Policy of AOL; Steven Teplitz, Vice President, Telecommunications Policy of AOL; Gerald Levin, Chairman and CEO of Time Warner; and Catherine R. Nolan, Vice President, Law and Public Policy of Time Warner, met in successive meetings with Chairman William E. Kennard and FCC Chief of Staff Kathy Brown; Commissioner Harold Furchtgott-Roth and Helgi Walker of his staff; William J. Friedman of Commissioner Tristani's office; Commissioner Susan Ness and David Goodfriend, Mark Schneider and Jordan Goldstein of her staff; and Commissioner Michael K. Powell and Kyle Dixon and Paul Jackson of his staff.

The parties addressed the public benefits resulting from the merger of AOL and Time Warner. Specifically, the parties discussed how a merged AOL Time Warner would deliver improved and expanded content and service; bring entirely new content, services and platforms to the marketplace; lead the way for market-driven implementation of cable open access; and, in turn, spurring the demand for – and competitive supply of – rival broadband platforms. The parties

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additionally discussed how these benefits would not occur as quickly, or as certainly, in absence of the merger.

The parties explained that the merger between AOL and Time Warner would violate no provision of the Communications Act or any FCC rule or regulation, nor serve to frustrate or impair the Commission's implementation or enforcement of, or interfere with the objectives of, the Communications Act. Rather, as noted above, this merger would directly promote core objectives of the Communications Act and this Commission by spurring innovation, competition and choice in advanced services across competing broadband platforms.

The parties addressed Internet services competition and a merged AOL Time Warner's commitment to providing consumers with access to multiple ISPs over Time Warner cable systems. To make this happen as soon as possible, the parties identified steps already taken to that end— Time Warner's deal with Juno, the technical open access trials, and efforts to restructure Road Runner to enable a multiple ISP environment. The parties also explained how the merger of AOL and Time Warner will drive the market to increase broadband platform competition and open access. The parties also discussed the issue of the merged entities' relationship with AT&T and restated that this merger does nothing to create an attributable AT&T interest in either AOL or Time Warner, nor vice versa, nor between the ISP services affiliated with each.

The parties also discussed AOL Time Warner's incentives to offer a diversity of content sources on its own broadband services and to make its content available on a broad range of other transmission systems. In particular, the parties discussed the need to offer a diversity of interactive content sources over the AOLTV platform in order to help overcome the hurdles that have long stalled the widespread emergence and adoption of truly interactive television.

The parties also addressed issues regarding instant messaging ("IM"), reiterating AOL's support for true server-to-server interoperability between IM providers that ensures its continued appeal as a secure, reliable, spam-free and popular feature of Internet service. The parties noted that competition among IM providers is robust, innovation is abundant, and barriers to entry simply do not exist – providing no predicate for an unprecedented FCC reversal of policy against regulation of the Internet, especially in the context of a merger having no effect on IM interoperability.

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Kindly direct any questions regarding this matter to the undersigned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Peter D. Ross". The signature is written in a cursive, slightly slanted style.

Peter D. Ross

Attachment

cc: Chairman William E. Kennard
Commissioner Harold Furchtgott-Roth
Commissioner Susan Ness
Commissioner Michael J. Powell
Kathy Brown, FCC Chief of Staff
Helgi Walker
William J. Friedman
David Goodfriend
Mark Schneider
Jordan Goldstein
Kyle Dixon
Paul Jackson
James Bird
Royce Dickens
Linda Senecal
International Transcription Services, Inc.