

ORIGINAL



The **WALT DISNEY** Company

EX PARTE OR LATE FILED

Marsha J. MacBride  
Vice President  
Government Relations

November 27, 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.  
Room TWB204  
Washington, D.C. 20054

**Ex Parte Presentation in Docket No. 00-30**

Dear Ms. Roman Salas:

Pursuant to Section 1.1206 of the Commission's rules, an original and one copy of this letter are being filed as notice that the undersigned, a representative of The Walt Disney Company (Disney), sent the attached email to Royce Dickens of the Cable Services Bureau on Wednesday, November 22, 2000, in response to an oral inquiry from the Bureau.

Yours truly,

Marsha J. MacBride

Attachment

cc:

- James Bird, Office of General Counsel
- Darryl Cooper, Cable Services Bureau
- Royce Dickens, Cable Services Bureau
- Linda Senecal, Cable Services Bureau

No. of Copies rec'd 041  
List A B C D E

## MacBride, Marsha

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**From:** MacBride, Marsha  
**Sent:** Wednesday, November 22, 2000 2:08 PM  
**To:** 'rdickens@fcc.gov'  
**Subject:** AOL/TW

Royce,

We pulled the market share data in our filing from a variety of sources, but did not do the calculations ourselves. The 1992 Department of Justice and Federal Trade Commission Horizontal Merger Guidelines provide guidance at Section 1.4 on how to calculate market shares. A number of ways to calculate market shares are listed, including unit sales, dollar sales and capacity.

The figures we first used were based on stock analyst and investment bank estimates of AOL's share of ISP customers and, in particular, residential ISP customers. This might be approximated to "unit sales". AOL's share of these customers is approximately 50 percent. A Lehman Brothers Report on America Online of June 29, 2000 states at p. 35 that AOL has "more than 50% of all U.S. online households" and at p.34 that "We believe AOL can continue to take half of all new U.S. subscribers coming online over the next few years." A Yankee Group report titled "AOL Time Warner Merger in the Context of Consumer Online Migration" stated at p.6, that "Today AOL is the Dominant ISP with a 47% Market Share" as of Q4 99. Both the Yankee and Lehman Brothers reports were cited in Disney's July 25, 2000 FCC ex parte.

I know you may need more information, we should talk on Monday.