

Statement of

The Honorable Patrick Leahy

United States Senator
Vermont
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Statement Of Senator Patrick Leahy (D-Vt.),
Chairman, Senate Judiciary Committee,
Hearing On "The Comcast/NBC Universal Merger: What Does The Future Hold For
Competition And Consumers?"
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Today, the Antitrust Subcommittee examines the competitive impact of Comcast's proposed acquisition of NBC Universal. This acquisition would combine the Nation's largest cable company with one of the leading television and film content owners, and has significant implications for the media industry. I thank Senator Kohl and Senator Hatch for holding this important hearing.

Over the years, the media industry has consistently found innovative ways to provide viewers with an enhanced television experience. Comcast and NBC Universal have both invested significantly in products and technology that provide consumers with more choices of higher quality content. Innovations are driven by the competition that exists in both the cable and satellite provider market, and the television programming market. We must ensure that these markets remain competitive for the benefit of consumers.

The lines between cable providers and television programmers are becoming increasingly blurred, and we have witnessed over the past decade a tremendous development in the way video content is made available to consumers. We watch movies, television programs, and other video content today not only on our television sets, but also on our computers, phones, and other mobile devices. Both Comcast and NBC Universal have been at the forefront of the innovations that have benefited consumers. The issue for the Department of Justice (DOJ) in reviewing this merger is whether Comcast's acquisition of NBC Universal will ultimately reduce the incentives for innovation, decrease competition, and raise prices for consumers.

The antitrust laws, which are rooted in fundamentals of competition and price, are also flexible enough to govern this complex area. Still, the exact boundaries of the markets at issue are difficult to define. With technology and modes of distributing media content developing every day, it is important that the Justice Department, which has the resources and necessary expertise, take the time to conduct a thorough review. I am confident that the Department will do just that.

When the new administration took office over a year ago, it promised a more vigilant enforcement of the antitrust laws. Its actions have matched its words. In the fall, I chaired a Committee hearing in Vermont at which Christine Varney, the Assistant Attorney General in

charge of the Antitrust Division, promised to take a close look at competition issues in the dairy industry. Subsequently, the Department of Justice began workshops around the country to analyze these competition issues, and, two weeks ago, DOJ challenged the acquisition of two dairy bottling plants by the country's largest dairy distributor. I am confident that the Department's vigorous enforcement in these areas will benefit farmers in Vermont and across the Nation.

I look forward to hearing from our distinguished panel of witnesses today.

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