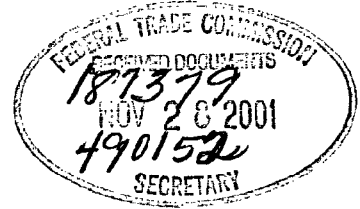


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UNITED STATES OF AMERICA  
BEFORE THE FEDERAL TRADE COMMISSION

In the Matter of  
AMERICA ONLINE, INC., and  
TIME WARNER INC.

Docket No. C-3989

Motion for Approval of Non-Affiliated ISP and Alternative  
Cable Broadband ISP Service Agreement

Pursuant to Paragraph II.A.2. of the Decision and Order ("the Consent Decree") finalized by the Federal Trade Commission (the "Commission") on April 17, 2001,<sup>1</sup> AOL Time Warner Inc. ("AOLTW") moves the Commission for approval of (1) Digital Communications Networks Inc. ("DCN"), and (2) the Alternative Cable Broadband ISP Service Agreement entered into between Time Warner Cable ("TWC") and DCN to provide cable broadband ISP service in TWC's Los Angeles division.<sup>2</sup>

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I. DCN.

AOLTW seeks approval of DCN and the Alternative Cable Broadband Agreement between TWC and DCN dated November 9, 2001. That Agreement is based on the same economic model as the Agreement between TWC and EarthLink, Inc. ("EarthLink") that already has been approved by the Commission.

DCN is a regional ISP based in Woodland Hills, California. Founded in 1986, DCN is best known as an established reseller of wireless telephony. DCN currently serves **CONFIDENTIAL** **REDACTED** wireless customers in a region of southern California that includes Los Angeles, Modesto, Sacramento, San Diego, San Francisco, San Jose, Santa Barbara, Santa Rosa/Napa, Stockton and Ventura/Oxnard.

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DCN began offering DSL service in areas served by Pacific Bell and Verizon in mid-July 2000.

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DCN has asserted that it will aggressively promote its cable broadband ISP service in the Los Angeles area.

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In addition, DCN will be

strongly positioned to compete against other ISPs because of its ability to cross-sell cable broadband ISP service to its large base of wireless subscribers.

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DCN also has three retail stores in Los Angeles.

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Although DCN is a recent entrant as an ISP, TWC believes that DCN's sound financial position, large wireless subscriber base, and existing infrastructure to widely market ISP services will enable it to compete effectively as a cable broadband ISP.

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III. Conclusion.

The Cable Broadband ISP Service Agreement between TWC and DCN is yet another example of AOLTW's continuing efforts to facilitate the launch of regional ISPs across TWC's cable divisions. TWC believes that the addition of DCN to the list of ISPs that will be launched in the Los Angeles division will benefit consumers by enhancing the range of service and pricing options. Prompt approval by the Commission of DCN will permit DCN to move quickly to begin offering cable broadband service in Los Angeles at the earliest possible juncture.

For the foregoing reasons, the approval of DCN by the Commission is warranted and in the public interest. We and AOLTW's representatives are available to meet with the Staff of the Commission to answer questions and provide further information in connection with any of the foregoing matters.

November 20, 2001.

Respectfully submitted,

CRAVATH, SWAINE & MOORE,



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Attorneys for AOL Time Warner Inc.



**Federal Trade Commission**  
 600 Pennsylvania Avenue, N.W.  
 Washington, DC 20580

For Your Information: December 4, 2001

Related Documents

**Application for approval of a non-affiliated ISP and alternative cable broadband ISP service agreement:**

The Commission has received an application from **America Online/Time Warner, Inc. (AOLTW)** requesting approval of a non-affiliated Internet Service Provider (ISP) and alternative cable broadband service agreement. Pursuant to Paragraph II.A.2 of the decision and order finalized by the Commission on April 17, 2001 concerning AOL's acquisition of Time Warner, Inc., AOLTW has requested FTC approval of: 1) Digital Communications Networks (DCN); and 2) the alternative cable broadband ISP service agreement entered into between Time Warner Cable (TWC) and DCN to provide cable broadband ISP service in TWC's Los Angeles, California division.



The FTC is accepting public comments on the proposed application until December 14, 2001. Comments should be sent to: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Ave., N.W., Washington, D.C. 20580. A public version of the application can be found on the Commission's Web site at [www.ftc.gov](http://www.ftc.gov). (FTC File No. 001-0105; Docket No. C-3989; staff contact is Daniel P. Ducore, Bureau of Competition, 202-326-2526; see press releases dated November 9, 2000; December 14, 2000; February 26, 2001; April 18, 2001; September 28, 2001; October 4, 2001; October 19, 2001; October 30; November 13, 2001; and November 20, 2001.)

**Publication of Federal Register notice:**

The Commission has approved the publication of a Federal Register notice regarding the **ceiling on allowable charges for certain disclosures under the Fair Credit Reporting Act (FCRA)**. As detailed in the notice, which will be published shortly and posted on the Commission's Web site, the ceiling on allowable charges for certain disclosures under the FCRA, Section 612(a)(1)(A), will increase from \$8.50 to \$9.00, effective January 1, 2002. This section of the Act, as amended in 1996, provides that (with some exceptions) a consumer reporting agency may charge a reasonable amount for making a disclosure to the consumer, provided the charge does not exceed a statutory maximum and is indicated to the consumer before the disclosure is made. The Commission vote to publish the notice in the Federal Register was 5-0. (File No. P974805; staff contact is Keith B. Anderson, Bureau of Economics, 202-326-3428.)

Copies of the documents mentioned in this release are available from the FTC's Web site at <http://www.ftc.gov> and also from the FTC's Consumer Response Center, Room 130, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580. Call toll-free: 1-877-FTC-HELP.

**MEDIA CONTACT:**

*Office of Public Affairs*

202-326-2180

(<http://www.ftc.gov/opa/2001/12/fyi0160.htm>)