

Questions for Mr. Cuban

1. Proponents of the AT&T-Time Warner merger argue that the transaction will result in more choice and other benefits for consumers all across the country. In your opinion, how will this merger impact consumers in rural America?

By owning content and distribution mechanisms, the merged company will be able to experiment with new digital forms of compression, distribution, display and bandwidth allocations.

The more efficiently that content can be distributed the more options available to rural areas where it's been more difficult to distribute content

Historically, content companies have not been open to allowing their content to be distributed in new manners because they fear they will lose control and they are more concerned that if they do it for one distributor they will have to do it for everyone . Think about how some content is still not provided online, 20 plus years after the birth of digital content.

The combined company has every reason to want to maximize the distribution of their content to every consumer and to innovate and find new ways to get it to destinations that have historically seen more limited options.

2. Media, entertainment, information and telecommunications markets are rapidly evolving, with internet and technology firms challenging traditional telecom companies. In your opinion, how should the Justice Department be looking at this market? Do you believe traditional merger analysis methods work in the context of the AT&T-Time Warner merger?

I have long had a saying, "bits are bits". Meaning, all content is now created, distributed and consumed digitally. All of it. People look for digital entertainment and they don't care if it's a TV show, movie, song, snap, message, news, game or whatever. And they don't care who originates it, promotes it, presents it or distributes them.

To consumers they are all the same.

This is an incredibly competitive market that is dominated not by traditional media companies, but rather by companies that didn't even exist prior to 2000.

Traditional merger analytics are certainly no longer valid for this merger.

For Mark Cuban, Chairman, AXS TV, Owner, Dallas Mavericks, Landmark Theatres, and Magnolia Pictures (Dallas, TX)

1. Mr. Cuban, you have been open with your position that federal regulators should approve the proposed merger between AT&T and Time Warner. I have always believed that government should not stand in the way of innovation and businesses seeking better ways to serve consumers. From your perspective as a successful business man, can you explain to us how important it is that consumers—not the government—decide what works and what does not?

There is a time and place for government innovation. That is a topic for another day. But I firmly believe that when an industry is continuously innovating and has a history of punishing incumbents, regardless of their size, as the technology industry has, the industry is best served with minimal government intrusion.

This is exactly why i have been against Net Neutrality for more than 10 years and am against the government taking steps to stop this merger

2. Mr. Cuban, you have publically stated that that the assets of the two companies are complementary and will allow the post-merger company to compete with Facebook, Apple, Google, Netflix, and Amazon in terms of knowing who consumes their content. Can you expand on that belief?

Tech companies dominate content consumption and content discovery, not only in the USA, but globally. If Facebook pushes your content, if Google changes its search algorithm or Youtube positioning, content can become far more visible and possibly a hit or viral. The opposite is just as true.

The same can be said, but maybe not quite to the degree of Apple, Amazon and Netflix.

The combination of ATT and Time Warner gives the merged company the resources to improve TV as we know it so that it can better compete against the dominant tech players.

By owning content they get to make decisions on its use that reflect what consumers want. Think of all the ridiculous things that can't be done with content. Why isn't all content we want to watch storable in the cloud so we can watch it any time? Why can't we interact with content on TV? Why can we forward and rewind through some content and not others? Why can't we binge watch series by clicking a button and having the whole series downloaded to our DVR, or our phones?

By vertically integrating the new company can remove these subjective rules that exist not because they are best for consumers, but because that's the way it's always been done