



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

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ATTORNEY GENERAL

DIVISION OF ECONOMIC JUSTICE

SENT VIA COUNSEL

June 8, 2016

Tom Rutledge
President, CEO
Charter Communications, Inc.
400 Atlantic Street
Stamford, CT 06901

Dear Mr. Rutledge,

You recently wrote to Time Warner Cable customers to announce the rebranding of the Charter Communications, Inc. (“Charter”) subsidiary as “Spectrum,” following your company’s acquisition of Time Warner Cable. We write now to underscore our hope and expectation that this announcement reflects more than mere branding—and signals your intent to substantially improve the reliability, performance, and speed of the Internet delivered to customers, as well as how Time Warner Cable markets its services.

Several months ago, the Office of the New York Attorney General commenced an investigation of Time Warner Cable and the company’s apparent failure to deliver the reliable and fast Internet it promised to New York consumers. We appreciate Charter’s willingness to engage with us prior to the acquisition and its promise to continue to cooperate in the investigation post-acquisition.

As we have explained, the preliminary results of our investigation are troubling. In advertisement after advertisement, Time Warner Cable promised a “blazing fast,” “super-reliable” Internet connection. Yet it appears that the company has been failing to take adequate or necessary steps to keep pace with the demand of Time Warner Cable customers—at times letting connections with key Internet content providers become so congested that large volumes of Internet data were regularly lost or discarded. This translates into degraded performance for customers, including those using popular on-demand video services, like Netflix—despite specific promises from Time Warner Cable that they could stream video content reliably and with “no buffering.” The problems appear to have been particularly acute at primetime, precisely when many customers log on or tune in. Customers have been frustrated, as movies freeze,

websites load endlessly, and games become non-responsive. In addition, it appears that Time Warner Cable has been advertising its WiFi in ways that defy the technology's technical capabilities and has been provisioning some of its customers with equipment that simply cannot achieve the higher bandwidths the company has sold to them.

We recently called on New York customers of major broadband providers to use open-source tools to test the Internet speeds they were experiencing. The results we received from Time Warner Cable customers were abysmal. Not only did Time Warner Cable fail to achieve the speeds its customers were promised and paid for (which Time Warner Cable blamed on the testing method), it generally performed worse in this regard than other New York broadband providers.

In short, what we have seen in our investigation so far suggests that Time Warner Cable has earned the miserable reputation it enjoys among consumers. Overcoming this history will require more than a name change; it will require a fundamental revolution in how Time Warner Cable does business and treats its customers.

With new management comes a fresh opportunity at meaningful reform, as your letter to customers made clear. You promised to "redefine what a cable company can be." We hope your company will take the opportunity to work with NYAG to clean up Time Warner Cable's act and deliver the quality Internet service New Yorkers deserve and have long been promised. We will be in touch soon to propose next steps.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim Wu', with a stylized, cursive script.

Tim Wu
Senior Enforcement Counsel and Special Advisor

CC Richard R. Dykhouse, Charter Communications, Inc.;
Christopher J. Clark, Latham & Watkins