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PRESENTATION

Brett Feldman - *Goldman Sachs - Analyst*

All right, if everyone could please take their seat, we're going to go ahead and get started here with our first session of the day and really the first session of the conference. It's a great honor to welcome back to Communacopia, Brian Roberts, the Chairman and CEO of Comcast. Brian, thanks for being here.

Brian Roberts - *Comcast Corporation - Chairman & CEO*

Thank you, Brett.

Brett Feldman - *Goldman Sachs - Analyst*

So this is actually the 25th year of Communacopia. It's a wonderful milestone for the conference and for the firm.

And Brian, you are one of the only speakers, in fact I think you might be the only speaker, who has been at a very senior level of your Company throughout the duration of this conference. And you were actually President of Comcast back when we started Communacopia. So it's really wonderful to be able to kick the conference off with you.

Brian Roberts - *Comcast Corporation - Chairman & CEO*

I'm not sure that's a good thing or a bad thing but I guess I'm very proud. But I remember when you started Communacopia. And I thought Goldman was really way ahead of its time looking at convergence and the whole concept in the name was at the time somewhat revolutionary.

So if I might with that same long-term filter, 25 years, think about what's Comcast been through in that 25 years, I see Julian Brodsky sitting in the front row who helped found the Company with my dad over 50 years ago. I think we've had a few core principles that are relevant today.

It starts with we always had a great financial discipline and a financial focus and caring about our investors but trying to invest for the long term. So that consistency, that 25 years, that has served us extremely well and may be differentiated us a bit.

I think we've looked for situations that have been pivot points for the Company and I could think of two: AT&T broadband and NBCUniversal. And they gave us scale and they allowed us to pivot to a different kind of trajectory. And the consistency has been people.

So let me just quickly touch on where we are right now and why those things are relevant. We have a tremendous focus on product and customer experience and we think of ourselves as an innovation Company and a technology Company much more that we ever did in the past. That began about 10 years ago.

The customer service initiative has really been accelerating the last couple of years. Brought a little something to show today that I think it is at the right time in our conversation I think demonstrates how we continue to evolve.

But we are uniquely -- what are we? And I think we think that we're a Company at the intersection of technology and media.

We've been saying that, but what does that mean to a customer? I think what that means to a customer is we're going to be the Company that brings you to those moments in your life that matter the most. That could be the Olympics, that could be Sunday Night Football, that could be news, that can just be talking to your remote control, that can be going to the Theme Parks.

And our Company is executing extremely well because about people. So Neil Smit, Steve Burke today, Mike Cavanagh onboarding incredibly well as our CFO, go back to Julian and John Alchin, Larry Smith, Mike Angelakis, lots of other people who have helped us get here and there's been something wonderful about the consistency.

And so as I put that all together with a strong balance sheet that's historically been one of the assets of the Company that's allowed us to find those pivot points, if you invested with Ralph in 1972 some 40-plus years ago we've had a compounded growth rate of over just under 18%, that would get you \$10 million on a \$7,000 investment at the IPO of 1,000 shares and if you put that money in the S&P 500 you'd have just over \$500,000. So employees know that. It's deep in the culture, it's worked since early 1970s when we went public and I'm honored to still be doing it and love it and I think we're going to have a great future and we've got real momentum.

Brett Feldman - *Goldman Sachs - Analyst*

Great. We're going to spend a lot of time today talking about the Cable business, but I actually want to start off talking about NBC.

And you are in a unique position because you can see all sides of the media business. So I was hoping you could start off by talking about how you feel about the portfolio of media assets you have today and how you feel they position that side of the business for growth?

Brian Roberts - *Comcast Corporation - Chairman & CEO*

Well, if you look at, and Steve Burke was talking about it recently, we are just thrilled to be able to say we've more than doubled the cash flow. That's still the main metric that we judge our businesses on since we bought NBCUniversal. If you start with NBC, let's just quickly run through each of the businesses.

There's a fair amount. It's a diversified Company. But the consistent strength across each of the businesses is beyond even my own highest expectations.

NBC just announced last week that it won the TV season for the third year in a row 18 to 49. We were five or six years in last place when we bought the Company, so not only have they gotten better they've gotten to first place and they've stayed there. That's an extraordinary achievement.

If you back out sports it's still a true statement that we would have won 18 to 49. So congratulations to that team.

And if you look at Telemundo also in Broadcast, Univision would have triple the ratings when we started. There had never been a day or a week that Telemundo had beaten Univision. And today it's happened several weeks in a row where we've been first place. So a similar story happening and even wider turnaround happening in the Hispanic television.

If you go to pick Film, the Film business in the last including this year, last year, perhaps what our plans are for next year we will have three of the most profitable years in the 100-year history of Universal Pictures, last year being the single most profitable year in their history. But equally important we have sustainable franchises that we've now been able to establish or reinvigorate. Just this summer pick one movie.

Secret Life of Pets just crossed \$800 million in worldwide revenue at box office. That's another franchise for us. And it's that confidence and excitement in Film that led us to buy DreamWorks Animation coupled with our capable synergy opportunity with a standalone public company



that we could put into Universal we think the value is fair but the opportunity to have more franchises and more sustainable recurring businesses across our whole Company, our integrated whole Company we think has made that attractive.

Just to give you one glimpse of a movie coming at the Toronto Film Festival we premiered Sing. Sing will come out at Christmas time, another film from Chris Melendandri and I think it's arguably the best movie he's ever made. So hopefully high expectations for that, as well.

And then into 2017 we are back into a lot of the franchises Fast and Furious and a number of movies, Despicable Me 3, the highest trailer in the history was coming out of Valentine's Day for 50 Shades of Gray's sequel and then we have Jurassic in 2018 and The Mummy in 2017, a lot of franchise from Universal. So Film's in great shape. Jeff Shell is doing a super job.

If you go over to Cable Networks we have said a tougher business than we expected. Some of these other businesses were way better than we expected but we are growing cash flow. We had a wonderful portfolio with USA, number one network, CNBC, MSNBC, BRAVO, Syfy, Golf Channel, Comcast Sports. It's a very broad portfolio of cable networks and E! Entertainment.

And scale matters. We've got great, and we saw this in the advertising upfront where we had low teens, clearly double-digit CPM increases across our Cable Network portfolio. So those businesses we believe we continue to grow.

And then Theme Parks I can't say enough great things. They tripled the cash flow since we bought the Company. We've selectively invested internationally, so we bought the Japan theme park, 51%.

We're trying to build a new theme park in Beijing. We've added thousands of hotel rooms that are over 90% occupied. Those are feeding the theme parks in Orlando.

We've increased the attractions, more on the way. And it's just a cycle of success that we could not be more surprised and more pleased with. And Tom Williams who runs Universal Theme Parks and a very talented team and they are scaling up worldwide.

So you put all that together under Steve Burke and the team NBCUniversal has is really performing well. The Olympics, I just touch on that for one second. First of all, could there have been a better Olympics for America in terms of just the excitement and drama and the highs and lows and the craziness that comes with it and the United States Olympic Committee and the hard work that these athletes go through?

We're really proud as a Company to broadcast that and bring that. I thought it was technologically a home run success to mix sports. But we had 50 live streams and televisions going at the same time.

No one had ever tried that in the world. So every single moment of the Olympics you could get whether you got it on your mobile device or on your TV, if you are X1 customer you could get it on your TV.

The viewership if you take the total audience daypart other than London it was the highest viewed Olympics. And as we've said, as Steve said last week, it was the most profitable Olympics as we predicted by a pretty wide margin. And, of course, we advertised all of the products that I just talked about.

Every one of the businesses at NBCUniversal, Comcast, XFINITY, all of our products were advertised, our upcoming movies, our upcoming Theme Park attractions, our upcoming television shows on Cable and on Broadcast. So a voice in the marketplace that for 17 days if you took all three other broadcasters and combined them and tripled it the ratings for the Olympics were higher every single day.

Finally, we come in with a deficiency usually of make goods to advertisers and we exited the Olympics not only everybody getting all what they were sold but we sold, bought down a lot of our make goods for the Company. So we exited in stronger financial shape than we entered and that's not including the profit that I just referred to. So NBCUniversal, great stuff.

Brett Feldman - *Goldman Sachs - Analyst*

Great. Let's talk about the Cable business of it. You just reported your fewest second-quarter video net losses in 10 years.

You almost broke even which is unheard of in the second quarter. But at an industry-wide level pay-TV trends seem like they are getting worse. So I guess my question is why do you think your video trajectory is improving when some of your competitors aren't doing nearly as well?

Brian Roberts - *Comcast Corporation - Chairman & CEO*

I'm tempted to answer that question but I'm not going to. I can't speak about the competitors, so I'm tempted only because I don't have a better answer what's happening at other companies. You are going to have a chance to talk with them.

So all I can really do is focus on our results. And I wouldn't judge one quarter to make industry-wide observations. Clearly we know the marketplace is changing, no one's pretending otherwise.

But we're very pleased to tell you our momentum is continuing and it's continuing in video. And it's continuing because of our product, because of our service, because of the value we bring to the consumers.

And for a long time being able to get to on demand wasn't easy. With voice remote it's incredibly easy.

And as I said we continue to have big special events. I see a gentleman in the corner Matt Strauss who runs a video for Comcast and the team is doing a great job making our product better. So there was 10 years ago when high def, 15 years ago when more channels, there wasn't always a clear winner as to what product you should have.

There's not a person I've met in our footprint and a lot of people in New York and LA out of our footprint who say, gosh, I wish I want to get your product, I didn't know it can do all that. So we just have to get the word out and tell people about that and that is what we have been doing.

It's why our advertising is very effective. And it's hard to comment on others but I don't think anybody has the scale or the focus or the 10 years of investment and the cultural pivot that we talked about in your 25-year answer that our Company has right now I think anywhere almost in the world.

Brett Feldman - *Goldman Sachs - Analyst*

One of the things that you definitely have been doing to make your video pot better is investing in the X1 platform. You had 40% penetration of X1 at the last quarter, you're targeting about 50% by the end of the year. Where do you ultimately see that penetration going and how long do you think it's going to take to get to that point?

Brian Roberts - *Comcast Corporation - Chairman & CEO*

Well, I think we have accelerated our X1 rollout because the results at every step have been more positive than we expected. And maybe I'll use this moment to do a demo, if that's okay. I'm not totally sure where in your questions it will fit but let's start there.

So I do have a stat on X1 where I believe it changes the game. We actually will get to 50% by this year-end. That's faster than we thought we would get here when we invented the product.

The voice remote is now at 10 million. We're doing something like 1 million a month that we are putting in people's homes. It takes a little while for you to get used to changing how you interface with the television after all these years and once you do there is no turning back.

We have seen in almost every case that it drives customer satisfaction and engagement and, therefore, value. Let's talk about that specifically. So in customer satisfaction whether that's NPS scores being improved or whether it's sat surveys or churn or phone calls there's a bake-in period to get used to it and after that we see it more DVR penetration, more pay-per-view purchases, more time enjoying our product and as we've, therefore, driving value.

The best part is it doesn't stop. It is in the cloud, it is an ability for us to enhance your experience. So let me just before I start the Netflix part, which is what I want to show you this morning, and let me just take a second here and talk about the Olympics for one more second.

So during the Olympics if you were one of these X1 customers, of which there's I don't know 50%, 45% I think at the time of the Olympics of all of our customers, if you turned on the guide up came, in addition to movies and television choices, there was an Olympics button, Rio. If you clicked on Rio you went into a whole world of Rio.

In that whole world you could pick any athlete, any nation, any sport. You could pick -- you could watch reruns, you could watch Internet content. You could watch it live.

And if there was a stream from NBC Sports app it was completely seamlessly integrated into NBC, the network showing Bob Costas. And you were truly in control. The voice remote works, so if you said find Simone Biles, record Simone Biles, watch other competitions, all that worked.

So we took that same team and we said let's make that work for Netflix. So if some of you have read that we've confirmed that we are working with Netflix to give that same seamless experience to our customers. And that is part of that cultural shift of trying to use this innovation definition of our Company to focus it to constantly evolve to what our customers want.

Well, Netflix, as we know, is wildly successful and it's pretty much got content that you don't get with your X1 existing subscription. So how to do that? So let me show you for the first time here, I'm watching television, in this case Mr. Robot, and he won the Emmy for best picture, he did, best actor, forgive me, and congratulations to the team at USA Networks for this.

So I pull up my guide. It looks the same. Now the first thing or one way to go about life is you'd go over to the app section and you will now see a Netflix app.

If I click on the Netflix app this will look -- this is exactly the Netflix experience, will look very familiar to you if you're a Netflix customer on any third-party device. I can either join, and we have a marketing relationship, but let's assume you're already a customer and you just want to sign in. This is their user interface.

So I will begin the sequence to one time only, then you are done forever on this device, and you are now signed in to Netflix. And that doesn't need to happen again.

Now you will immediately be asked which customer are you, which household user? So I pick John and this will again look familiar. This is the Netflix guide, boom, I'm into Netflix using my X1 box.

You can see different choices and there's different what's trending on Netflix, etc. And if I go back, again, all of that is now added to all of this. So we have 85,000 shows on demand on Comcast X1 plus all of now what Netflix offers.

The second thing we've done is we've integrated all of them together in the on-demand section. So here in television, which is what pops up first, you will see Netflix featured right side by side with traditional other choices and other content. If I come down this is a typical way our rows works, here are some series, but we've also are going to add just a Netflix row, as you discover content what's available on Netflix integrated into the X1 guide instead of having to go outside of that experience.



And, again, you will be able to pick Bloodline whatever show you might want. Or go up to movies and, again, you will see The Do-Over which is a Netflix film, you will be able to go to the Netflix tile on the right there and if you are not a Netflix customer log in and we can upsell just as we do other premiums for our customers. And a couple of clicks, one logon and you are done, now you are getting Netflix if you never had it before.

If I go to kids, again, you will see one of the things Netflix doing that, frankly, I was not as aware of until we purchased DreamWorks was how much original content for kids. We're all, at least I was familiar with some of those other titles, House of Cards, Narcos, I didn't realize that a lot of their content available on Netflix is coming from DreamWorks Animation and some of the brands that we just purchased, Croods, Puss in Boots, How to Train Your Dragon, etc., all available as well as all of our other kids providers. So really great.

Now a third way and the way that I think a lot of people will beginning with 10 million voice remotes is I'm watching television and I just go watch House of Cards from the beginning. Because I said from the beginning it will actually go back to episode one, season one and just start. And for those of you that can remember back that far, this is a pretty iconic scene, what happens right here.

So we are going to skip over that real fast. And we are going to go right to the credits.

Now what happens if you're a Netflix customer in 20 seconds it will start the next episode. That will continue or you can just hit exit and return to X1 or if I hit last, third option, I go right back to the Netflix menu.

But if I hit exit I go right back to the X1 menu. This is something we've worked out with Netflix, very great for consumers. They are in control. If they want to search the Netflix catalog one way, come over to X1, search it integrated with our other content, you are in control.

Now maybe we watch an episode and now we want to find political dramas. The metadata from both companies combined with our recommendation engine team in our X1 Chief Technology Officer Tony Werner, his group, and you will see here that all of the political dramas that are available now in your Comcast subscription.

So let's go over to Scandal. Let's click that and go into episodes and what's so great here is that season five is current season. That's something where X1 has the rights or XFINITY has the rights, your subscription, and you'd say, okay, that's on-demand and I get current season.

But the first four seasons are all on Netflix and for the first time it doesn't matter. Right there you're able to pick what episode you want to watch.

Now maybe we're tired of political dramas. We've been hearing too much about the election, we want to do something completely fun and we go find Adam Sandler movies. And what's happened here is, again, we've integrated any movie with Adam Sandler, The Do-Over, Ridiculous 6, we go to this.

Now perhaps we were watching this before and your functionality of fast-forward, rewind, resume, and in this case we're going to resume right in the middle of the movie. All of that works and it's just as if Netflix has been there forever.

So we are really excited about rolling this out. We now are launching it in beta and we expect it to be a cross the entire Comcast footprint before Thanksgiving.

Brett Feldman - Goldman Sachs - Analyst

We've been talking about a potential for something like this for a long time. What got everyone to be on the same page and decide it made sense now?



Brian Roberts - Comcast Corporation - Chairman & CEO

You know, I think Reed Hastings and myself spend some time together. We've always had tremendous respect, I think, for both organizations. We occasionally didn't see eye to eye on everything and we found a way to just really think for the consumer.

I give him a lot of credit for helping make it happen. And I think our organization made a conscious -- has made a conscious decision that we're going to aggregate other people's content, some of which we sell directly and some that we don't. We've got to be the best for our customer as possible.

We spend a lot of time talking about how to make this -- put the consumer in charge. And, frankly, in working through this, the two companies have gotten a lot closer and I'm really pleased with the relationship and proud that we're going to make all this content right there easy for our customers and NBC, DreamWorks, others, we sell a lot of content to Netflix.

We are now going to sell these subsections to customers of Netflix and I think it's a big day. And I'm proud and pleased that we're getting there. And very soon this will be available, you won't have to do anything, you will just show up to every one of our X1 customers and just go into that Netflix icon and log in once and you are good to go.

Brett Feldman - Goldman Sachs - Analyst

If you were able to reach a mutual view with other SVOD providers that there could be an improved customer experience. Is that something you would be willing to discuss?

Brian Roberts - Comcast Corporation - Chairman & CEO

Absolutely. And we are in discussions doing that. We've decided to focus on this one.

It's the biggest one. It's arguably the most important to get right and now I think we have a nice template and hopefully others will want to be there and the great thing about this platform. And I think part of your answer is we weren't ready to do this technically.

We didn't have enough X1s out there. As much as it would've been nice to have this feature a year or two ago it was more important to put 40,000 boxes out a day and get all those customers trained to get the voice remotes working, to get it reliable, all the things that go behind it.

The Olympics we called it our great laboratory and we had a huge focus on making that a technological success which it was. So it's exactly right. It's the fall TV season and we're going to get this out this fall.

Brett Feldman - Goldman Sachs - Analyst

When we're talking about the evolution of video OTT is a big part of it. We just spent a lot of time talking about OTT.

Skinny bundles is the other side of this. And you are in a unique position because you are a distributor, you're a content owner. How do you see skinny bundles fitting into the ecosystem?

Brian Roberts - Comcast Corporation - Chairman & CEO

You know, I don't know that there's that that's really what people want. There's certainly some who want to pay less, but I don't know too many programmers who are saying I want to go a la carte and it works for my business.

But we're experimenting and there's clearly some customers that are saying, therefore, I won't buy at all. And so we view skinny bundles as a way to attract customers who otherwise aren't probably in the ecosystem and we've seen about 30% of them upsell and buy to a fuller package after a period of time.

It's not a majority behavior that people -- but on the margins it's important that we keep experimenting and pushing. But our core business, as you said earlier, we've added customers the last 12 months, not gone backwards, and that's the first time in more than a decade. So our focus is to continue to make the bundle more valuable, keep adding features like a Netflix, like an Olympics, like a voice remote, like a better guide.

We've got 4K and high def coming. Let me just show you something that I think is, I mean, I'm really excited about this. So this launched, I think, last week.

So this is called Xi5. This is the first cable box that you don't need to connect to cable. It's completely wireless.

So all you do is plug it into the power and connect it to your TV. It can sit on the back and it's the smallest form factor we've ever had and you don't even need to have the cable in that room. So it's all WiFi based and I think this is the future of how we're making cable boxes.

So there's a whole technology side of our Company that this is the latest -- this box, by the way, is 4K HDR capable, the best box we've ever made and hard to say that and be that form factor

Brett Feldman - *Goldman Sachs - Analyst*

And that would be for second and third TVs in the house, that is the idea?

Brian Roberts - *Comcast Corporation - Chairman & CEO*

Yes. And eventually primaries. This guide, just to complete my whole litany of toys we brought, is called the XB6, this just launched as well, and this is the entire broadband, phone, WiFi.

It's five times faster than any modem we've it. It's DOCSIS 3.1. It does a gigabit.

It has up to 9 gigs of WiFi capability for your house in there, then all you need is the little repeaters. And so this box is speaking to that box and you are starting to see a suite. We are taking this to retail.

We do this through self-installation. All of your XFINITY Home, your Internet of Things, smart home, all are planned into this and this is the world's fastest router. So we are on a dual track of software innovation, hardware innovation and both of these are now beginning, they are rolling out and they are available.

Brett Feldman - *Goldman Sachs - Analyst*

So earlier we talked about how your video numbers were the best in 10 years. Your broadband numbers were the best in eight years for a second quarter this most recent quarter.

It looks like you are on pace for another million broadband net adds this year. So the question would be how much more runway do you have to keep driving broadband penetration higher? And as an extension of that where does DOCSIS 3.1 fit into your broadband upgrade?



Brian Roberts - Comcast Corporation - Chairman & CEO

Well, that's why this is so exciting. So how do you keep that momentum? We've increased speeds 15 times in 17 years.

Moore's Law is definitely applying to Comcast broadband. And we probably if I could say to people, okay, take this home and plug it in, your Internet is going to get faster there would be a line to run up to take the one that I got. And that continues to be what's driving or broadband results.

So we're about 70%, 75% penetrated as a country. That suggests there's room to grow and clearly our goal is to take market share. And so someday we will be fully saturated I guess, but we don't think we're there and we've sold more -- take that last quarter you just referred to.

Not only was it the best in years but clearly better than last year and better than the year before. So the momentum is there and, again, if you are buying a holistic experience in one of these bundles you want the best product. You don't really want the bundle if it's the worst products and at least that's not the strategy we're on.

So we're seeing success and the way to keep that going is to not get complacent. That's what both of these demonstrate that we're not and there's a roadmap that's equally exciting in the next couple of years.

Brett Feldman - Goldman Sachs - Analyst

So, obviously, one of the ways that you are making your broadband better is that you expect you will keep making it faster. You also started making it more and more mobile. You've been deploying WiFi hotspots.

You have about 15 million already. What's your view on how Comcast is positioned to do more in wireless?

Brian Roberts - Comcast Corporation - Chairman & CEO

Well, that's been a burning question inside and outside the Company. And what I will tell you what we're working on, we just promoted a longtime executive who came out of the wireless industry when we owned the cellular company years ago, a guy named Greg Butz. And he was working for Dave Watson who is our Chief Operating Officer and they were running our wireless company.

He was in the marketing department there. He came over and he has been running marketing and sales or a lot of the sales, a lot of the results you just referenced Greg has been responsible for. So really key executive and we just promoted Greg to be President of Comcast Wireless.

And the team of well over 150 people today are getting ready next year, probably toward I don't know somewhere in the middle of next year, maybe a little sooner, but not at the beginning of next year, to launch a WiFi and MVNO-integrated product. We exercised our MVNO rights with Verizon Wireless as many people know. And our thinking, and I can't until we get there it will have more meat on these bones, but the concept would be that our very best customers of which we've got 28 million customers and well over 70% or 80% by some sort of multi-package bundle from us we can sell them more products.

If that product can be the Verizon Wireless product, maybe improved with our WiFi 15 million hotspots where it's more seamless, and we are able to give you a good value proposition if you are one of our better customers, we believe there will be a big payback with reduced churn, with more stickiness, with better satisfaction, more product purchasing from us. And because of our, we believe, good, fair relationship on a wholesale basis that we won't have to make the kind of investment that you would if you were just doing something else on what is arguably the nation's best wireless network.

So we are excited to be working toward that and we will have a lot more to talk about. But we think it's value adding to our customers because of how we've already seen just with X1 how it's lifted the whole momentum of our Company. We think in this case we can hopefully try and see if we can do it again.



Brett Feldman - *Goldman Sachs - Analyst*

And the timeline you cited, was that to start trialing this or do you think you will be ready to really take this to market in a meaningful way by the middle of next year?

Brian Roberts - *Comcast Corporation - Chairman & CEO*

We will have more to say next year. And I debated, it's a little early to be talking about it, but we get so many questions about wireless I thought it's important to just begin to explain here's where we are driving toward. Not quite ready to say this date or that date but we -- there's a lot to do.

We have retail locations. We have many customer interaction points. We want to do it right and do it well.

And that's what we're working on and that's being about as transparent as I think we can be. And I think as a goal, however, I'm very optimistic that this can work for maybe not every one of our customers, and it's very much an in-footprint strategy, but it's a we think a very meaningful strategy given how great our products are and now you'll be able to add to that experience.

Brett Feldman - *Goldman Sachs - Analyst*

Great. So let's pivot back and talk about programming cost a bit. You are in a unique position.

You see both sides of these discussions. How do you feel about the relative balance of power in negotiations between distributors and content providers?

Brian Roberts - *Comcast Corporation - Chairman & CEO*

Well, that's one of the reasons we are on both sides. The answer to that question changes from time to time. On the one hand, with so many choices in this world almost nothing can't one live without.

On the other hand, there is more distributors in OTT, in SVOD and lots of other revenues to content companies. So if anything they are able to have more ways to reach customers. So that shifts the balance one way.

If you look at I think it's three, five, seven years -- three, five, 10 years, something like that, almost every way you look at it you come out to about 7% to 8% has been the average programming cost. We said this year would be closer to 10%. That will slip into next year with some of the negotiations that are in place and the way it's played out to be higher than our run rate, but as we then look down the road we see it come back.

So what happens is you have a lot of renewals depending which Company you are and you arc higher and lower, last year we were lower. So personally I think that it will remain in that range over time. And one of the reasons we wanted to buy NBCUniversal is to experience the when the lows are happening over here we are getting the highs on the other side of the Company and I think we talked about retrans which is driving a lot of this.

And if you were really good at negotiating early you got those retrans for the long term at low rates and eventually there's a market and when you come off contract you pay more. In the case of NBC they weren't receiving a lot of retrans and I think next year we're saying it will be something like \$800 million or thereabouts, way up from where it was just two years ago but way below what some of our peers are getting. So we think it's going to continue to be a balanced part of our story.

Brett Feldman - *Goldman Sachs - Analyst*

Well, we have just a few minutes left, so I'm going to go to my last question. You've talked a lot about this in the past, something called Symphony which is this collaborative approach that you like to take to running this combined media and cable Company. And I guess I was hoping we could close out here by just hearing the thoughts on how that approach to running this business allows you to make sure that you're properly balancing investment across both sides of it to drive the best return for your shareholders.

Brian Roberts - *Comcast Corporation - Chairman & CEO*

Well, let's start with shareholder return because that's probably what this group cares a lot more than Symphony. But that will make the Symphony go off.

But in my mind what we've done is we have a strong balance sheet but we've returned a lot and continue to return a lot of capital to shareholders while investing in these businesses. And so, fortunately, we don't have to make some of the hard choices that other companies at times in their lifecycle have had to make.

The fact is that we been in a position to take advantage of market swings that allowed us to buy NBCUniversal, which I think has created tens and tens and tens of billions of dollars of value for the shareholders. So it goes back to your very first question, but how do you run the Company?

And I think we were fortunate with Steve Burke having run cable, Neil Smit having run Charter to bring both of those executives to do different jobs. It's obviously way more than two people, but it starts with a mindset that the two operating parts of the Company want to work together.

And within NBCUniversal, which is really 17 different businesses, BRAVO and CNBC aren't exactly the same Company as Universal Theme Parks as The Golf Channel as Telemundo. And you saw it with the Olympics where you will see it with The Voice and you will see Sing I believe there will be some of those songs will be celebrated on The Voice and you will see it in Jimmy Fallon doing The Tonight Show when we opened Harry Potter and you will see it with the Today Show going to the Olympics.

And that is a culture that we all have one stock. Every executive is pulling in one direction. We have one long-term, consistent management team with a vision of build shareholder value, build great products, have a team, don't take yourself too seriously, try to have a fun experience at work and let's do something to help make the world great, and whether it's the people working on this box are as excited about this as the people who won the Emmy award for a television show or are making a movie that they think can tell a story.

You know, it starts with the people saying let's have a Company with that set of values and we're looking at our competitors and we're trying to be different. I think that over the long term is how you win.

Brett Feldman - *Goldman Sachs - Analyst*

Well, this was a terrific way to start the 25th Communacopia. And we hope to have you back.

Brian Roberts - *Comcast Corporation - Chairman & CEO*

I look forward to it.

Brett Feldman - *Goldman Sachs - Analyst*

Thanks a lot.



Brian Roberts - Comcast Corporation - Chairman & CEO

Thank you.

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