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# EDITED TRANSCRIPT

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## CORPORATE PARTICIPANTS

**Mike Cavanagh** *Comcast Corporation - CFO*

## CONFERENCE CALL PARTICIPANTS

**John Hodulik** *UBS - Analyst*

## PRESENTATION

**John Hodulik** - *UBS - Analyst*

Thank you all for joining. I am very pleased to announce our next speaker is Mike Cavanagh, the President and CFO of Comcast.

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**Mike Cavanagh** - *Comcast Corporation - CFO*

Just CFO.

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**John Hodulik** - *UBS - Analyst*

It said President. Must have been a typo. Just CFO of Comcast. We have got looks like about 35 minutes for questions. So Mike, why don't I start it off?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

Thanks for having us here. Please to be here, John.

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**John Hodulik** - *UBS - Analyst*

Thanks. We are approaching the end of 2015. As we look out into 2016, can you give us a sense for what you see as the strategic priorities for Comcast next year?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

Sure. I would say right off the bat I mean the most important thing for us looking into 2016 is just to continue executing well. So get to some of the big things we are working on strategically but one of the things being with the team seven months that I most impressed with is the execution tempo of the play. So Neil Smit on the cable side, unbelievable what that team has done and when you think up out the disappointment and all the time that when into preparing to do Time Warner and then to pivot well, shift gears to some other priorities which I will get into and then deliver the kind of results you are seeing with the improvement on the subscriber side and the continued growth in broadband, the best third quarter in years in both cases. So execution is great on the cable side, needs to continue. And NBC with Steve Burke and the team there knocking on the door of doubling the cash flow of the business from five years ago when the team acquired the business.

But to get specific and we will go through these in greater detail but the things we are excited about cable first. So one is just to continue delivering on the customer experience. We have talked about it all lot. As I just said, it is a big area of pivotal focus for Neil and the team to really work on root causes of a lot of the things that make the experience better. So it is from billing to on-time arrival, getting it right the first time, everything that is being tracked under that initiative, lots of improving trends on that score. Ultimately shifting to a focus on net promoter side with the big results that you have seen in the numbers already that I think there is more room is just improvement in churn.

Second thing in cable is to just drive market share. So you saw again we are on track for another year of double-digit growth in broadband revenues and nearly 20% growth in business services on the cable side. We will talk about it more but the video side continues to be our goal to grow video subs on a year-over-year basis and we are really encouraged by what we are seeing there.

And then other areas where we are focused on share growth is just enterprise on the business side, continuing to drive things in the wireless space with Wi-Fi and so lots that we are working on in the cable side.

And finally, product there so continuing to drive the X1 platform out into the marketplace, continuing to experiment with segmenting the marketplace and driving again more in the high speed data side.

Then on the NBC side, it is television driving more retransmission and affiliate fees which we still think we are under-monetized there and we will get into it more deeply. But continue to drive the revenue stream coming off of retrans and affiliate side.

You've got a big year in TV next year with the Olympics so look forward in Rio to doing the same that we have done in Sochi and London last time, driving great results in the Olympics and it is also a political year so that is the TV side.

On parks, we've got Harry Potter opening in Hollywood in the early part of next year and when you look at what that franchise has meant everywhere we have opened it the first and second rounds in Orlando and in Japan, it has typically driven a 2 million to 3 million uplift in annual visitors to those parks and we expect it to be the same in California and really be a game changer for the way that park is thought of.

And then finally and I will wrap it up on what we are focused on is film. So film, we are about to finish the best year in the history of Universal Studios with three movies for the first time breaking the $1 billion annual box office globally and that is despite the fact that we will have as you can tell no hits in the fourth quarter so a weaker fourth quarter than expected. But as we think about the way that into 2016, it is a continuous focus on what we call the strategic slate, driving the big franchise properties that we have and animation so we've got some good things coming next year. But simply not as big a slate as this current year.

But nonetheless, we think we have lifted the cruising altitude of the film business and we will continue to drive that. So all in all we've got a lot to be focused on and excited about and like I said at the very beginning, it comes back to really nothing more than one foot in front of the other, continue doing what we are doing on the execution side and I think we will have a great 2016.

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**John Hodulik** - *UBS - Analyst*

That is great. Thanks, Mike. Maybe let's work down that list starting at the top with cable and with video. You said it is a strategic priority to get video growing again. I mean as you look out at the landscape, you have seen a lot of improvement in your video sub trans despite a fairly large change in the backdrop of the industry in 2015. In 2016, do you think you can grow subs for the first time?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

Well, we have set it out as a goal to drive growth on for a full-year. We have been showing progress quarter by quarter by quarter. This quarter, fourth quarter I think will be a solid one on subscriber metrics leading us into next year. So I can't promise it but I can say there is a tremendous amount of focus on getting there.

And the reason is we think we have a great product. So when you think about the X1 technology as well as the breadth of the video that is in there at a great price, we think it is a very compelling proposition and we are seeing it in the results. Also we are trying on the video side to do a much better job segmenting -- the X1 is not for everybody but for the strong user of video, X1 is the best thing that is out there.

We've also as you have seen done Internet Plus, which is more a skinny bundle type of approach that has been out there for a couple of years. It is stabilized now in the base and but it is still there and relevant for someone that wants something skinnier.

But what we are encouraged by in that space is the migration up to other packages. So of those that stay with us after promotional periods, about 30% upgrade to some higher level of video service over time. And that is kind of the point on the video side is trying to make sure that we are segmenting the market right, trying to give different segments of our customer base something that is relevant for them at that moment in time, showcase what we are capable of and hopefully through the life of the relationship steer them into different packages? And so we will get into it later but I am sure but our college campus product XFINITY on campus is doing well, up to 26 universities and giving a younger base an experience with our product that we think is the right thing to do for the long-term.

I already mentioned Internet Plus and Stream, which I think we will talk about a little bit more as yet another example of trying different experiments in the video side. Again with the view that we don't want to give our customers a reason to go anywhere else and so that is the spirit with which we approach it and do that all while we have been driving higher ARPU.

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**John Hodulik** - *UBS - Analyst*

So you have made clear that 2016 is a big year for X1 deployment. We are estimating you guys end the year at about 30%. Where can we expect penetration to go to in 2016 and then maybe longer-term?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

So we ended third quarter at 25% penetration of our video base. We crossed 10 million deployed, we are running at 40,000 X1s a day, it is more than 1 to 1 for households but 40,000 a day. And so your 30% forecast for the end of the year isn't bad. So at that kind of pace, we will be pushing, we will continue to push at that pace if not a little faster through the course of 2016 but around that level. And so we will be informed as we get deep into 2016 and then into 2017.

We are looking at the metrics that come back to us, the steep decrease in churn versus the rest of the population, the much bigger penetration of DVRs and multiple devices, the much higher use of video on demand which really speaks to the engagement of the user. So all driving much higher ARPU for an excellent subscriber than a control group.

And so as long as we are continuing to see those trends you can expect us to keep going at a strong pace and that is our attitude broadly. We are seeing a lot of things across the whole business working well and we will continue to invest behind that.

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**John Hodulik** - *UBS - Analyst*

You recently struck a licensing deal with Cox on the X1 platform. I think you are trialing with Shaw in Canada. Can you talk about maybe the financial benefits this may have and are there any operational benefits that come along with it?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

I would say the business case for that is less the financials of what we get paid by any particular partner that comes along. But it is we think valuable to have something that spans the industry that demonstrates the power of cable broadly and what our technology can do is sort of an affirmation and maybe a way forward for the industry broadly. But I wouldn't point to licensing X1 as something people should be baking into their expectations as a big financial mover for us. But nonetheless, the ubiquity of our platform outside of our footprint we think is a good thing.

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**John Hodulik** - *UBS - Analyst*

Earlier in terms of the growth of the video product, you talked about segmenting and the use of skinny bundles to help drive some penetration at the low-end. Do you expect to see increasing flexibility from the content providers to allow you to sell more skinny bundles?





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**Mike Cavanagh** - *Comcast Corporation - CFO*

Well, we will continue -- all I can say is we will continue to work with programmers to do what is in all of our interests which is really meet the needs of our customers and so to the extent that some portions of the opportunity out there are looking for something different, I think we are prone to want to experiment and try things out. And I think things like the migration upwards over time of what we have seen with the Internet Plus product is actually helpful in conversations with programmers of the evidence that offering greater flexibility provides to their benefit and ours. So we will continue to be advocates for going that way and hopefully meet with good support on the programmer side.

**John Hodulik** - *UBS - Analyst*

And also as you mentioned you recently, you launched the Stream TV product in Boston. (multiple speakers) Can you tell us about the strategy behind this service, are there any early learnings and then maybe the economics of the product.

**Mike Cavanagh** - *Comcast Corporation - CFO*

Too early to have any real learnings. I would go back to the idea that what we are trying to do is make sure that we experiment and bring different products for different segments to the marketplace to our customer base and learn from it and again expose our capability set to a segment that is not really experiencing it and hopefully upsell and migrate as time passes.

What Stream is and isn't is it is a cable service over IP for existing high-speed data customers of ours. So the business -- and it is a thinner video package for $15 is what the cost is but in my mind there is a lot of benefits that come from churn reduction so whether that churn reduction is on a triple play customer or an HST only customer, the idea that we are going to give a video package to a valuable high-speed data customer is a good business case and it is in footprint. So this is cable service in footprint that is what we have the rights for and that is what we are playing with with that product.

**John Hodulik** - *UBS - Analyst*

Do expect to roll this out nationally at least through the footprint and if so, is there any danger to cannibalizing your full service video package?

**Mike Cavanagh** - *Comcast Corporation - CFO*

It would only be in our footprint to the extent we complete a broader rollout as we get through some of the early markets for the reasons described. It is an in footprint cable service offering that relies on the rights we have for content as a cable service and footprint and it will be informed by how we see it working.

**John Hodulik** - *UBS - Analyst*

Got you. And are you concerned about it potentially cannibalizing the full sort of expanded basic sub-base?

**Mike Cavanagh** - *Comcast Corporation - CFO*

Not what we have seen given who we are going -- given that we are going after a non-video customer of ours today, we are watching and learning but more important, we are trying to give customers what they are looking for and try to make our business models work around what the customers want.

**John Hodulik** - *UBS - Analyst*

Got it. Maybe talk a little bit about just competition in the traditional TV market. So it seems as if we saw a bit of a low ebb with DIRECTV being acquired by AT&T. AT&T sort of pulling back on the reins a little bit on the U-Verse side. How would you characterize what you are seeing from your sort of traditional competitors in video?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

I would say it is early days for me but it is competitive. I think this business and other ones I have been in like this is business, these are good, healthy, attractive very competitive businesses. It is no different now than it was five years ago and it is going to be no different five years from now. I mean we've got to run ourselves with a view that we face tough competition all the time and I think we are prepared for that. That is the reason for the investment in X1, that is the reason for the investment in broad content rights, that is the reason for experimenting with different offerings to different segments. It is certainly the reason behind we had gotten to high-speed data yet but the years and years and years of having investment in our network and increase in speeds and capability and capacity that we think gives us a very compelling offering.

So despite the tough competition that is out there, you have seen the results that we have been posting of late and we continue to think we have a compelling product to bring to market. And as I said earlier when you marry that with areas where we can continue to improve customer service being an example and where we are actually putting a lot of resources as a new initiative on top of many of the things we have already continued to be focused on in terms of speeds, capacity, Wi-Fi networks and the like, I think we are in good shape for the competition we face and will face.

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**John Hodulik** - *UBS - Analyst*

You saw a meaningful deceleration in programming cost growth in the second half of 2015. Can we expect slower growth or similar levels of growth in 2016?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

Sadly, no. As we said on the third-quarter earnings call, the second half of this year is a little lower than normal trends. So expect for us in 2016 with some timing of some contracts and deals that are kind of baked or coming that will revert to a higher programming cost, increased trend. And a part of that -- for the reasons that you know - it is re-trans cost across all networks higher, you've got higher sports costs flowing through and then our bias again to work with programmers to make sure we are delivering broad content rights and at the margin we would rather have more inside our offering than less. And so those factors are the factors behind higher programming costs.

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**John Hodulik** - *UBS - Analyst*

Got you. Maybe turning to broadband, there are a lot of questions regarding cable's ability to monetize broadband connection as you take share in the market. What role does the usage-based pricing play in that equation and how would you characterize how Comcast has priced broadband in the market?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

Look, we have been steadily growing high-speed data revenues. It has been an important contributor and that has really been growth in market share which we think continues to run for a while here. We think high-speed data is still underpenetrated relative to what the opportunity in aggregate units.

And then historically, our pricing schemes have been based upon speed so whether it is speed based or usage-based, I mean the idea is that we are investing heavily in capacity, speed, in-home Wi-Fi, out of home Wi-Fi, hotspots and the like to make our broadband offering highly valuable and increasing in customer value.

And so I believe that over time we will in a way that works for our customers and we are experimenting giving customers different ways to work with us, different options for paying which includes the experience of usage-based billing in a way to make sure that over time we get compensated for the investments that today's marketplace requires us to make.

So I continue to be confident that that is the big backdrop, that the investments we are making we will figure out ways to derive value from that and demonstrate value and derive value from that in pricing.

The usage-based billing has been an experiment that we are using that the key data point behind that is kind of intuitive that 10% of our client base uses 50% of capacity. So intuitively experimenting with ways that over time have an element of recognizing that is something that we are trying to experiment with and working in some places where unlimited options are seeing good take-up rates but still experimenting.

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**John Hodulik** - *UBS - Analyst*

So at this point there is no plan to roll it out throughout your footprint at this point?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

No.

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**John Hodulik** - *UBS - Analyst*

That brings us to the wireless that Comcast activated at the end with Verizon to test and learn about the wireless products. It sounds like that is going to happen sometime second quarter next year. Have you decided that Comcast needs to be in wireless beyond Wi-Fi?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

No. We have no news on this topic today. What we have decided is that it is certainly worth at this point triggering the MVNO so that we can work on exploring what kind of offering we could bring and go deeper to learn and experiment. So that is the state of play on the MVNO.

And that sits in the context of having been big believers in Wi-Fi so you have seen us invest in and continue to invest in Wi-Fi as an extension of the value of the broadband pipe which is still the best and cheapest way to transmit data we believe is to get it to the hard wire as soon as possible.

So with the progress we have made on our Wi-Fi product and broadband, we think it makes complete sense to be exploring what possibilities the MVNO, an MVNO offering has to add value to our customer relationships. That is as much as we know. It will take time to draw any conclusions from what we are now going through.

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**John Hodulik** - *UBS - Analyst*

There has been a lot of talk about mobile video obviously with Verizon this morning and earlier with the ad panel. As you look out at the changing way people are consuming video, is mobile video more of a threat or more of an opportunity for Comcast?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

I mean it has got to be an opportunity given our Company's footprint in both the efficiency by which our network can transmit data of all sorts, bits and bytes as well as our capabilities in the video business as both a pay-TV provider and content producer.

I think it has got to be opportunity. So there is plenty of obviously twists and turns to convert that into business models that everyone is trying to do and we will do our share of that and that is the way you should look at us is a great set of assets and that is the way we feel going back to the first question.

Opportunities abound but the work is in going in and figuring it out and then once you figure it out some ways you want to proceed being able to execute well. So I don't think it is more complicated than that. Other than that obviously we are in a moment where consumer tastes are changing so no one really has the ultimate answer. I think trying and experimenting in a lot of different ways and keeping our minds open about the fact that it is a changing environment is important and I feel good about the teams I have become part of that that is the attitude of how we are looking at the shifting landscape.

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**John Hodulik** - *UBS - Analyst*

Got you. One of the next big sort of events in the wireless market is it is going to be the incentive auctions which really get going early next year, a couple of milestones that are coming up. I think Comcast has already suggested on the call that it could be a seller of spectrum where you overlapping stations in a market. Could you talk about how broad that opportunity could be for Comcast?

And then as you look forward to the forward auction, there is a number of reasons why it may or may not make sense for you to participate. Could you give us an update on your related thinking there?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

Sure. I would start with again no new news on the topic of the auction. As you said on the NBC side, we will participate in the auction. Whether we sell will depend upon how the auction progresses but in the many markets we have two sticks, an NBC stick and a Telemundo stick so that puts us in a position to evaluate whether being a seller of one of those sticks is good value from our perspective. So that lens through which NBC will be approaching that side.

And on the cable side, we have not decided to participate yet, no final decision and so that is where we stand.

I would hearken back to the comment about the MVNO. There are things you can learn from engaging but we just haven't yet made a crystallized decision on that front.

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**John Hodulik** - *UBS - Analyst*

And then just quickly on the business services side, it has been the number two growth engine for Comcast for a number of years. Can you continue to grow at the rate it has been and talk about your efforts to penetrate the medium and larger vision markets?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

Sure. So you hit on it there. I think so business services side, we think the natural capability of our network to help the business services segment has been a great business logic for it and where we started it was small business side and we have been doing small and medium began six years ago so we are running with a $5 billion or so -- just shy of $5 billion annualized revenue run rate for what we are currently doing in small and medium-sized.

We are about -- we think there is room to penetrate deeper in both of those markets we are about 10% market penetration in the medium-sized market. But with a great Ethernet product and dedicated sales force we think we can drive that higher. We are obviously higher than that already in the small business side but versus other options in the marketplace, we feel quite good again about the product we are bringing to market and for that base, we think this is a great example of where small acquisitions picking up more capabilities to add more value to the connection side, network management, some on the top managed services that go along with that product set give us room in small and medium to both grab more market share and sell more services is a good reason to think there will be healthy continued growth.

And we just announced since I have joined the formation of a team to go after the enterprise market and so that might sound interesting when you first hear about it but think about the target really is to go after Fortune 1000 companies that are basically networks of smaller medium-sized businesses. So think about any kind of company whether it is retailers, fast food, banks that our operating networks of branch systems, very much the services of the local branches in those context are exactly the needs that we are already delivering to the standalone small and medium-sized businesses.

And so that is resonating when we have been pitching to headquarters at a lot of the companies we have been going after and have a good number already signed up. So we are very excited about what we can do there.

And so to answer the question, I think we will have healthy growth in the business services segment for quite a while and quite excited about it.

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**John Hodulik** - *UBS - Analyst*

Just lastly on cable on the third-quarter call, you announced capital intensive is tweaking up a little bit. You went from 14.5% to about 15% on the guidance. How should we think about capital intensity of the cable business as we look out to 2016 which I guess sounds like it will be the big year for X1 deployment?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

I would put it in the context of we have been investing behind the things that we are seeing working. So it is X1, it is broadband and Wi-Fi gateways, it is business services to name a few, and network capacity broadly. That is driving the results that we have been pleased with and talking about and we are sort of data driven on this stuff so as long as we are seeing the results that we are seeing why wouldn't we continue to invest at the pace that you've seen us invest at. We have a resources to do it.

And so I think looking into 2016 the 15% of cable capital intensity that we are now seeing for 2015 is a good place to expect us to be in that neighborhood in 2016 as well.

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**John Hodulik** - *UBS - Analyst*

Got you. Now let's switch over to NBC with the time we have remaining. Again, as you mentioned great year in 2015, you gave us a little bit of a summary. But what do think will be the core incremental drivers for 2016 versus 2015?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

So in TV again it is going to be retrans on the NBC side. We have got -- that number was $4 million five years ago. It will be $400 million or $500 million this year, probably $800 million next year so it will be a bigger driver of growth, a bigger amount of absolute growth in 2016 than 2015. So that continues to be an opportunity for us on that side of things.

And as I said at the beginning on the affiliate fee side, we think we continue to be under monetized relative to the power of selling together the NBC channels together with a healthy and broad array of cable networks. So that is sold as a package. We think continues to leave us with great opportunity to drive higher affiliate fees. So that is one.

Parks is another. So you are seeing on the park side as I said earlier, we are in the rhythm of driving I think continued growth not just one year but multi-year with an attraction a year to each of the major parks so we have again Harry Potter coming to Hollywood next year, we've got King Kong coming to Florida next year. We will also be opening Sapphire Falls Hotel with another 1000 rooms bringing us over 5000 rooms against a study that says we can drive park visits and handle about 10,000 on-site hotel rooms. So continue to invest there.

In 2017, we will have a waterpark coming to Florida so that is the sort of domestic story.

You saw we bought the 51% of the Japan Park and so continued appetite to take the IP and the skill in the parks business and deploy it more broadly.

And then finally, we have got the -- we are working on definitive agreements to finalize plans to open a park in Beijing that will be 2020 or a little later. So it is still a ways out but a lot is going on in the parks business between attractions, hotels and geographic expansion.

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**John Hodulik** - *UBS - Analyst*

The film business obviously you had the three big films in 2015. You mentioned obviously you won't have the same slate going into 2016 but longer-term can you talk about how you think about this business and its growth drivers?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

Sure. I mean I think Steve said it well earlier in this year where to take it apart, it is obviously a business that fluctuates based upon good fortune because it is a hard business to predict what exactly the results of any one film are going to be. But also there is real business management behind this and so I think we are at a higher cruising altitude as he said on the back of a great work by him, Jeff Shell, Donna Langley and the team there that has worked on what they call a strategic slate, really thinking about managing the slate of films that are going to come in any one year and over a multi-year period with the view of trying to deliver known franchises.

So think about look back on this year, Fast and Furious 7, one of the biggest hits in China of all time and a $1 billion plus global box office movie and it is the seventh of its kind. That will come back around in a couple of year's time. Jurassic World, another example. Pitch Perfect.

So driving the known IP takes a lot of the uncertainty and risk out of the equation. It still is risky but it contains it to a degree. So having a couple of franchise films in the slate every year together with big animation so we have got something new coming from Chris Meledandri and Illumination next year at Secret Lab Pets on top of Minions that we have seen this year so trying to have a good animation in it.

And then away from that, done a lot on the business management side I guess I would call it where we have made the marketing side of the house a global business. We have put Duncan Clark as a singular head of the international distribution side of things and we have taken in-house our China distribution business which used to be repped. All those things are going to have ongoing -- are real contributors to the results this year and they are all ongoing into the future.

So feel good that while we don't have the size slate next year as we had this year that the business is in good shape to be a major contributor in the future.

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**John Hodulik** - *UBS - Analyst*

We have a couple of minutes to take any questions from the audience if there are any questions, please raise your hand and we will get to you. One last one for me, Mike, can you talk about the return of capital (inaudible) Comcast in terms of how you prioritize dividends and buybacks?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

I guess one thing I would say, we ended last quarter at 1.9 times leverage of total net debt and preferred to operating cash flow. Just a reminder, we closed in the quarter the acquisition of Japan which is a leveraged business. We are going to consolidate that so pro forma for that if you redid third quarter, that 1.9 would be 2.1. So just for clarity on that one.

But I think as I have said, we can operate around that level of 2 times feels like a very comfortable level of leverage for us and then in the context of the cash earnings power of the business, I think we can handle the capital intensity that is described where we are investing for things that we think drive future growth. We can do that.

You also saw us this year do what I would call some smaller bolt-on investments but it adds up a little bit when you think about Japan Park, Vox, BuzzFeed and the like. So assuming that we have a placeholder in mind for continuing to do more of the same that is helping the existing businesses evolve and contribute to future growth.

And then we are also and this is not in priority but a balanced plan in balance, we are also going to be able -- we think I think -- to continue to be a good returner of capital to shareholders through I would like to see us steadily increasing dividend and then healthy returns through buybacks as well.

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**John Hodulik** - *UBS - Analyst*

I think we have a question in the audience.

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## QUESTIONS AND ANSWERS

**Unidentified Audience Member**

Two questions. One (technical difficulty) you and your other partners have talked about (inaudible) and the way to get in front of a consumer and migrate that consumer over time into a broader TV offering. Can you talk a little bit about (inaudible) exactly how you would do that (inaudible)?

Secondly, when you rolled out XFINITY and NFINITY out, a lot of the talk at the time of why you would do that was on these two captured -- (inaudible) on a global device. Can you talk a little bit about how much view you are seeing now on the small screen versus the larger screen?

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**Mike Cavanagh** - *Comcast Corporation - CFO*

I will take the second one first, so what we are working on is capturing better data and so while I guess the quick comment on viewership is while we are seeing obviously ratings pressure for traditional programming, what we are seeing is strong aggregate viewing across mobile and in-home for those folks on the XFINITY platform. And so it is allowing us to capture some of those observations. Obviously with products like Stream and Mobility, there is more increasing viewing on mobile devices versus fixed screens and certainly my kids in my household are great evidence of seeing that trend. And so we do see that.

As far as Hulu, both because we -- I am not close to that one I will take a pass on that one.

**John Hodulik** - *UBS - Analyst*

One more question here in the front.

**Unidentified Audience Member**

(inaudible - microphone inaccessible)

**Mike Cavanagh** - *Comcast Corporation - CFO*

The question is comment on our M&A strategy and would we be interested in wireless? So I will give you the expected answer which is we are not going to talk about our M&A strategies but suffice to say that if we will look at a variety of different things and if it makes sense for our shareholders, we will at times be willing to engage in M&A. But as I would take it back to the very beginning which is we very much like the businesses and business strategies that we are involved with, executing well and there is nothing that we need to do in our minds to continue to drive great value for our shareholders.

**John Hodulik** - *UBS - Analyst*

Mike, that is all we have time for today. Thank you very much.

**Mike Cavanagh** - *Comcast Corporation - CFO*

John, thank you very much. Thanks, everybody.