

Statement by Commissioner James H. Quello

In re Bell Atlantic/TCI

February 24, 1994

The FCC is not the evil umpire -- the latest rate reductions were temperate -- we lowered the rates 7% for consumers and provided cable a reasonable rate of return for investment and expansion. Also, there are many local franchise requirements for cable transactions beyond federal regulation.

I believe the cancellation more likely reflects astute John Malone's continued confidence in the strong economic viability of cable rather than in any regulatory overkill.

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TCI's John Malone is a brilliant executive and the leading figure in the cable industry -- He is probably in the genius class.

However, very few human beings can avoid the inherent self-appreciation that accompanies longstanding, successful vertically integrated monopoly power. All industry leaders, whether in cable, broadcasting, telephone or other telecommunications must realize they are not more powerful than the U.S. government acting in the overall public interest.