CTL Cross Exhibit ________

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

CTL Cross-Ex. 3
I-00040105
C-2009-209838
4-14-10
Harrisburg

Sprint

Date: June 29, 2007

Re: Account:

Dear

Our records indicate that over the past year, we have received frequent calls from you regarding your billing or other general account information. While we have worked to resolve your issues and questions to the best of our ability, the number of inquiries you have made to us during this time has led us to determine that we are unable to meet your current wireless needs.

Therefore, after careful consideration, the decision has been made to terminate your wireless service agreement effective July 30, 2007. This will allow you to pursue and engage with another wireless carrier.

We understand that having to switch to another wireless carrier may be an inconvenience, and we want to do everything possible to help you during this transition. So, a credit has been applied to your account to bring your current balance to zero. In addition, we will not require you to pay an Early Termination Fee and you are free to transfer (or "port") your number to another non-Sprint Nextel carrier. You will, however, need to initiate the transfer of your number with the carrier of your choice before July 30, 2007 as the number will no longer be available as of that date.

Should you have any questions regarding the transfer of your number to another wireless carrier or about the final adjustments to your account, please call our customer care department at (877) 527-8405.

Sincerely,

Sprint Nextel Corporation

CTL Cross Exhibit 5

CTL Cross-Ex. 5
I-00040105
C-2009-2098380
4-14-10
Harrisburg JS

Pennsylvania
Docket No. I-00040105
United Telephone Company of
Pennsylvania LLC d/b/a CenturyLink 1-001

INTERVENOR: CenturyLink

REQUEST NO: 001

CTL-Qwest 1-1 Provide a copy of all documents and studies reviewing or analyzing elasticity of demand, as undertaken by Qwest or on behalf of Qwest: (a) regarding actual or potential rate changes relative to bundled services offered by CenturyLink in Pennsylvania; and (b) regarding actual or potential rate changes relative to any local retail services offered by CenturyLink in Pennsylvania. Identify the specific rates and services. Provide study results and all documents and workpapers reviewed and analyzed.

RESPONSE:

No such analysis has been undertaken by or on behalf of Qwest.

Respondent: William Easton

Pennsylvania
Docket No. I-00040105
United Telephone Company of
Pennsylvania LLC d/b/a CenturyLink 1-
002

INTERVENOR: CenturyLink

REQUEST NO: 002

CTL-Qwest 1-2 Provide a copy of all documents and studies reviewing or analyzing elasticity of demand, as undertaken by Qwest or on behalf of Qwest: (a) regarding actual or potential rate changes relative to bundled services offered in Pennsylvania by any ILEC individually or collectively; and (b) regarding actual or potential rate changes relative to any local retail services offered in Pennsylvania by any ILEC individually or collectively. Identify the specific rates and services. Provide study results and all documents and workpapers reviewed and analyzed.

RESPONSE:

No such analysis has been undertaken by or on behalf of Qwest.

Respondent: William Easton

Pennsylvania
Docket No. I-00040105
United Telephone Company of
Pennsylvania LLC d/b/a CenturyLink 1-012

INTERVENOR: CenturyLink

REQUEST NO: 012

CTL-Qwest 1-12 If the Commission reduces intrastate switched access rates by any amount as a result of this proceeding, will Qwest undertake any specific rate commitments to pass through the benefits of the access rate reductions? If yes, fully explain and identify the specific rates.

RESPONSE:

Qwest's long-distance rates are set on a national basis using a model that includes access costs for multiple jurisdictions.

A reduction in access rates will help ensure that the benefits of Qwest offering services will continue to be available in Pennsylvania. Access rate reductions will ultimately be reflected in customers rates given that long distance rates tend to move towards the long run incremental cost of providing service over time.

Respondent: William Easton

Pennsylvania
Docket No. I-00040105
United Telephone Company of
Pennsylvania LLC d/b/a CenturyLink 1-013

INTERVENOR: CenturyLink

REQUEST NO: 013

CTL-Qwest 1-13 If the Commission adopts Qwest's recommendations in this case, will Qwest undertake any specific non-rate commitments to pass through the benefits of the access rate reductions? If yes, fully explain.

RESPONSE:

See response to Request No. 12.

Respondent: William Easton

Pennsylvania
Docket No. I-00040105
United Telephone Company of
Pennsylvania LLC d/b/a CenturyLink 1-
018

INTERVENOR: CenturyLink

REQUEST NO: 018

CTL-Qwest 1-18 Regarding the number of Qwest Point of Presence ("POP") facilities in Pennsylvania, provide the estimated or budgeted POPs for Pennsylvania for 2010 and 2011, if available, and identify the location where Qwest plans to build/install POPs.

RESPONSE:

Qwest Communications Company, LLC has no plans to build any POPs in 2010 or 2011, so there is no estimated or budgeted amount.

Respondent: Jack Shives

Pennsylvania
Docket No. I-00040105
United Telephone Company of Pennsylvania LLC d/b/a CenturyLink 1-020

INTERVENOR: CenturyLink

REQUEST NO: 020

CTL-Qwest 1-20 What are Qwest's costs to provide wireline long distance service(s) in Pennsylvania? Provide all documents, studies, calculations and analyses.

RESPONSE:

Qwest Communications Company, LLC has not conducted a cost of service study to isolate its wireline long distance service costs in Pennsylvania.

Respondent: William Easton

Pennsylvania
Docket No. I-00040105
United Telephone Company of
Pennsylvania LLC d/b/a CenturyLink 1-021

INTERVENOR: CenturyLink

REQUEST NO: 021

CTL-Qwest 1-21 What are Qwest's costs to provide toll service(s) in Pennsylvania? Provide all documents, studies, calculations and analyses.

RESPONSE:

Qwest has not conducted a cost of service study to isolate its wireline long distance service costs in Pennsylvania.

Respondent: William Easton

Pennsylvania
Docket No. I-00040105
United Telephone Company of
Pennsylvania LLC d/b/a CenturyLink 1-
026

INTERVENOR: CenturyLink

REQUEST NO: 026

CTL-Qwest 1-26 Provide a list of all current (as of December 31, 2008 and December 31, 2009) long distance calling plans, services, and products offered or provided by Qwest and exclusively available in Pennsylvania - i.e., long distance calling plans, services, and products which are not also available to Qwest's retail wireline customers in other states. To the extent the response involves more than one Qwest entity, please provide the information by each entity.

RESPONSE:

Qwest does not provide long distance calling plans, services, and products exclusively available in Pennsylvania.

Respondent: Sharon Alvarado

Pennsylvania
Docket No. I-00040105
United Telephone Company of
Pennsylvania LLC d/b/a CenturyLink 1-027

INTERVENOR: CenturyLink

REQUEST NO: 027

CTL-Qwest 1-27 Provide copies of any current (as of December 31, 2008 and December 31, 2009) advertising and marketing materials by or on behalf of Qwest for long distance services offered or provided by Qwest and exclusively available in Pennsylvania and not also available to Qwest's retail wireline customers in other states.

RESPONSE:

Qwest does not advertise or market its long distance services exclusively in Pennsylvania.

Respondent: Sharon Alvarado

CTL Cross Exhibit 7

CTL Cross-Ex. 7
I-00040105
C-2009-2098380
4-14-10
Harrisburg JS

FINAL TRANSCRIPT

Thomson StreetEvents℠

CMCSA - Q4 2009 Comcast Corporation Earnings Conference Call

Event Date/Time: Feb. 03. 2010 / 1:30PM GMT

CORPORATE PARTICIPANTS

Marlene Dooner
Comcast Corporation - SVP of IR

Brian Roberts
Comcast Corporation - Chairman, CEO

Michael Angelakis
Comcast Corporation - EVP, CFO

Steve Burke
Comcast Corporation - COO

CONFERENCE CALL PARTICIPANTS

Jason Bazinet
Citi - Analyst

John Hodulik
UBS - Analyst

Vijay Jayant
Barclays Capital - Analyst

Spencer Wang
Credit Suisse - Analyst

Doug Mitchelson
Deutsche Bank - Analyst

Frank Louthan
Raymond James - Analyst

Craig Moffett
Sanford Bernstein - Analyst

Ben Swinburne
Morgan Stanley - Analyst

Marci Ryvicker
Wells Fargo Securities - Analyst

Jason Armstrong
Goldman Sachs - Analyst

PRESENTATION

Operator

Good morning, ladies and gentlemen, and welcome to Comcast's fourth-quarter and full-year 2009 earnings conference call. At this time, all participants are in a listen-only mode. Please note that this conference call is being recorded.

I will now turn the call over to Senior Vice President, Investor Relations, Ms. Marlene Dooner. Please go ahead, Ms. Dooner.

Marlene Dooner - *Comcast Corporation - SVP of IR*

Thank you, operator, and welcome, everyone, to our fourth-quarter and year-end 2009 earnings call. Joining me on the call are Brian Roberts, Steve Burke and Michael Angelakis.

As always, let me first refer you to slide number two, which contains our Safe Harbor disclaimer, and remind you that this conference call may include forward-looking statements subject to certain risks and uncertainties.

In addition, in this call we will refer to certain non-GAAP financial measures. Please refer to our 8-K for the reconciliation of non-GAAP financial measures to GAAP.

With that, let me now turn the call to Brian Roberts for his comments. Brian?

Brian Roberts - *Comcast Corporation - Chairman, CEO*

Thanks, Marlene, and good morning, everyone. Today, we are pleased to report healthy operating and financial results that demonstrate the underlying strength of our subscription businesses and our ability to continue to manage effectively in a challenging environment.

In 2009, consolidated revenue grew 4% and cash flow increased by 4.4%. We generated $4.4 billion in free cash flow and showed a very strong increase of 21% in that category. This reflects our focus on expense and capital management. We continue to be able to reduce the capital intensity of our cable business, even as we invest in key strategic initiatives to strengthen our competitive position now and in the future.

From an operating standpoint, despite the combination of a weak economy and increasing competition in video, we added 1.5 million net new customers between video, high-speed data and voice. Business services, a new high-growth area for us, was a significant driver in 2009, and the advertising market, which went backwards for most of the year, seemed to solidify toward the end of the year.

So as we review 2009, I think you will see that we executed well, fine-tuning our operating strategy during the year to balance revenue, cash flow and customer growth to deliver solid results.

As you all know, just two months ago, we announced the NBC Universal transaction with GE, and last week, we made our public interest filing at the FCC. Beyond that, we are beginning the planning process and remain very excited about the prospects of this transaction and the opportunity to accelerate value creation for our shareholders.

Steve Burke is leading this effort for Comcast to maximize the opportunities available from the combination of cable and content assets. Given Steve's new focus, I am delighted that Neil Smit will be joining Comcast in March as President of Comcast Cable. Neil is an incredibly talented executive with significant cable, Internet and consumer products experience, and is a terrific addition to our already strong cable management team. Like Steve and me and Dave Watson and Dave Scott, Neil strongly believes in our goal to deliver the best customer experience in the marketplace, driving meaningful innovation and dramatically expanding the products and features we offer our customers.

To do that, we have been aggressively rolling out All-Digital and Wideband. These are initiatives that are central to our strategy, and so we are investing about $1 billion in these two projects between 2009 and 2010, and we've made rapid progress deploying these technologies and new products that follow the rollout.

So for instance, we are actively deploying All-Digital in about 60% of our markets, recapturing and more efficiently using our bandwidth. As we go All-Digital, we offer consumers in those markets 100 or more high-def channels; we double the amount of foreign language programming available to between 50 and 70 channels per market. We also significantly increase the amount of content available on demand to nearly 20,000, choices with 3000 HD options available to our digital customers each month.

In December, we launched On Demand Online nationally, with over 19,000 TV and movie choices, adding a valuable benefit to our customers' cable subscriptions. We also finished 2009 with Wideband capability in 75% of our footprint, reinforcing our leadership position in broadband. Deploying Wideband gives us significant capacity to deliver higher Internet speeds to continue to differentiate our broadband product. It provides us an additional speed advantage, particularly in the 85% of the country without fiber-based competition.

Each of these initiatives helps to strengthen our competitive position now and in the future, and helps us make progress toward our vision of Project Infinity, giving consumers more content anytime, anywhere.

So as we complete the rollout of Wideband and All-Digital and launch new services, we are not only repositioning the Company technically, we are beginning to reposition the Company with the consumer, demonstrating how the technical and product investments we have made can redefine how customers experience video, voice and the Internet.

Beginning next week in 11 markets, we will introduce Xfinity, a new brand that encompasses our robust technology platform, the expanded services we are offering today and the future innovations we are planning to deliver. In the next few months, we will launch Xfinity to almost half of our footprint, and we will reach the majority of our markets by the end of this year.

Xfinity services will continue to evolve, but the important message to our customers is that Comcast is innovating in all our products across many platforms, giving these customers even more choice and control over the entertainment, communications and information they want.

If you will turn with me to the next slide, as we begin 2010, our goal is to continue to deliver and drive profitable growth. We have increasingly diverse revenue streams with strong subscription businesses and increasing opportunities to leverage the robust network to make our products even more distinct and to build new businesses and new growth opportunities. As Steve and Michael will discuss, we are focused on balancing revenue, OCF and customer growth, while managing expenses and capital so that we can generate significant free cash flow.

At the same time, we are not sacrificing investment in areas that significantly strengthen our competitive position or that offer future growth potential. So we expect to substantially complete our Wideband initiative early in 2010 and to substantially complete All-Digital by the end of this year.

We plan to significantly expand wireless High-Speed 2go to many new markets in the new year. And we are now building on our strong momentum in business services to expand the customers we target and our offerings in that space. We will also continue to invest in our network, extending our technical capabilities even further, more widely deploying EBIF technology, for instance, to support interactive TV and advertising.

And through our newly formed Comcast Labs, we will focus on extending and integrating IP technology in order to improve the customer experience, accelerate the pace at which we introduce new products and expand cross-platform experiences.

So therefore, I believe we are well-positioned to continue to build a Company that provides great products to consumers and creates long-term value for our shareholders.

Let me now pass to Michael to review our results in more detail.

Michael Angelakis - *Comcast Corporation - EVP, CFO*

Thank you, Brian. Good morning. As Brian mentioned, 2009 was a year of strong financial and operational progress. We reported solid results and executed well as we aggressively navigated the changing economic and competitive landscape, and remained focused on profitable growth, as well as gained more efficiencies in our expense base and capital program.

We establish our plans on an annual basis, so let's begin by reviewing slide five, which shows the Company's consolidated results for the full year of 2009.

For the full year, consolidated revenue increased 3.9% to $35.8 billion, and operating cash flow increased 4.4% to $13.7 billion, resulting in a consolidated operating cash flow margin of 38.4%, a modest increase when compared to 38.1% during 2008.

In addition to growing our revenue and operating cash flow, we are also very focused on free cash flow per share, free cash flow, and earnings per share as critical metrics in evaluating our earnings growth and the strength of our Company. In each of these key metrics, our performance during the full year reflects meaningful progress and growth.

On a full-year basis, free cash flow increased 21% to $4.4 billion compared to $3.7 billion in 2008. And free cash flow per share increased 23% to $1.53 per share. Over the past year, we have converted 32% of our operating cash flow into free cash flow compared to a conversion rate of 28% in 2008 and 20% in 2007.

We generated earnings per share of $1.26, an increase of 46.5% over 2008. 2009's EPS reflects growth in consolidated operating cash flow, lower interest expense due to lower net debt and a reduced effective tax rate resulting from the recognition of income tax benefits during the year. For 2010, we expect our effective tax rate to be approximately 40%.

Broadly speaking, our results for the full year represent a balanced strategy and solid performance. As we remain focused on executing our strategic, operational and financial plans, there are several areas that should be highlighted.

We continue to manage the business for long-term profitable growth and endeavor to find the right balance between revenue, cash flow and customer growth. This year, we made adjustments during the year and delivered solid customer metrics across all products, despite an incredibly difficult consumer environment and a substantially larger competitive overlap with the RBOCs.

Cable advertising was also challenged in 2009, down $265 million for the year due to the poor economic environment and the lack of political advertising. However, we are experiencing some signs of improvement in advertising. In the fourth quarter, advertising revenue declined 7% versus the prior year. However, if we exclude political, advertising revenue actually increased 10%, a notable improvement from the 20% to 25% declines we experienced in the first half of 2009.

Business services has experienced real momentum over the past year, with revenue increasing 48% to $828 million for 2009. In 2010, we are again enthusiastic about business services' prospects and expect this momentum to continue as we begin to expand our services to medium-sized businesses and cell backhaul.

As we begin to execute our 2010 strategies, we are focused on delivering further growth in revenue, operating cash flow and free cash flow, as well as continued improvement in our capital efficiency.

Let's review our consolidated fourth-quarter results, so please refer to slide six.

For the fourth quarter, consolidated revenue increased 2.9% to $9.1 billion, and consolidated operating cash flow grew 1.1% to $3.4 billion, resulting in consolidated operating cash flow margin of 37.6% compared to 38.3% in the fourth quarter of 2008.

Capital expenditures were $1.6 billion for the quarter, a 6% decrease compared to 2008. As expected, fourth-quarter capital expenditures were higher than the previous three quarters as we accelerated capital to take advantage of favorable tax treatment related to the economic stimulus and attractive vendor discounts.

We generated consolidated free cash flow of $768 million, a decline of 11.1% over the fourth quarter of 2008, reflecting lower net cash provided by operating activities as a result of changes in working capital and higher cash taxes, partially offset by lower CapEx.

Earnings per share for the quarter increased 136% to $0.33 per share, reflecting lower interest expense and the recognition of income tax benefits.

While I would like to spend the majority of this call discussing our full-year results and our views for 2010, there are a few notable items I would like to highlight regarding the fourth quarter. Total video revenue declined slightly by 0.6%, reflecting a 199,000 decline in basic video customers, and video ARPU growth was 2%. This slowdown in video ARPU growth is a result of more moderate rate increases in the fourth quarter of 2009 compared to the increases in the fourth quarter of 2008 and additional bundling and promotion.

As we mentioned previously, midway through the year, we decided to proactively pursue market share by aggressively refocusing our marketing efforts on the triple play offer. As a result, we lost fewer video subs compared to the last year's second half and re-accelerated growth in high-speed Internet in CDV in the second half of 2009.

In addition, we have improved our performance competitively by taking share, even as the RBOCs have meaningfully increased their footprint.

From a segment standpoint, cable operating cash flow increased 2% to $3.5 billion, programming expense growth slowed slightly to 8% and non-programming expenses increased modestly as we continued to aggressively manage our costs.

In addition, we remain very focused on controlling expenses and gaining efficiencies and continue to adjust our cost structure. As a result, we are taking and absorbing an $81 million severance charge in the fourth quarter compared to a $63 million severance charge we incurred in the fourth quarter of 2008. Just to note, this charge is included in our OCF.

Our Programming division, which has been performing well, reported a 5% increase in revenue, but a 17% decline in operating cash flow, reflecting an expected increase in marketing costs to launch new shows and the recognition of higher programming expenses in the fourth quarter.

Corporate and other revenue increased 14% to $138 million, reflecting strong results at CIM, or Comcast interactive Media, and Comcast Spectacor, but operating cash flow decreased 10%, as it includes $20 million of expenses related to the NBC Universal transaction.

Now let's review our Cable division's full-year results in more detail, so please refer to slide seven.

For the full year of 2009, cable revenue increased 3.8% to $33.9 billion, reflecting continued growth in high-speed Internet, voice and business services, partially offset by slower growth in video revenue and a decline in advertising revenue. As I mentioned, we had solid customer additions during the year, with total video, high-speed Internet and voice customers increasing by 1.5 million in 2009, with 47 million video, Internet and voice customers.

Total revenue per video customer remained healthy during 2009, increasing 6% to over $118 per month. Total subscription revenue per customer, which excludes advertising, grew 7.5% to $113, reflecting the following components. Total video revenue increased 1%, reflecting a 4% increase in video ARPU and a decline in basic video customers. During 2009, we lost 623,000 video customers compared to 575,000 in 2008.

The growth in video ARPU reflects rate increases and continued growth in advance services, as we added or upgraded over 1.4 million customers to HD and/or HD DVR services. These benefits were partially offset by additional bundling and promotions, a decrease in pay revenue, as well as a shift in our video mix, as customers have subscribed to lower-priced levels of our digital service.

High-speed Internet revenue increased 7% during the year. ARPU remained stable at $42, and we had solid unit additions of over 1 million this year, with our HSI penetration now exceeding 31%.

Voice revenue increased 23% for the year, reflecting continued growth in our customer base and a modest decline in ARPU to $39 per month. We added over 1.1 million voice customers this year; now have over 7.6 million customers, with penetration for our voice service now approximately 16%.

We have made terrific progress in bundling, and at the end of 2009, almost 28% of our video customers took all three services compared to 23% at the end of 2008.

Overall, we remain focused on profitable and sustainable growth. And while we expect additional video customer losses as the RBOCs expand their overlap, we believe we will see penetration gains in our digital, HD and DVR services, high-speed Internet, voice and business services during 2010.

Please refer to slide eight to review our cable division's operating and cash flow results.

In 2009, cable operating cash flow increased 4% to $13.7 billion, which was in line with top-line growth and contributed to a stable operating cash flow margin of 40.4%. Over the past 12 months, total expenses in our cable segment increased 3.7%, including a 9% increase in program expenses. The increase in our program expenses reflect higher rates, additional digital programming costs, as we have increased our digital customer base, and new programming that has been added to our services.

As we look to 2010, we expect programming expenses to grow, but a slightly slower rate than in 2009. Excluding programming, our expense base increased only 1% in 2009, even as we incurred incremental operating expenses to support the digital transition in the first half of the year to deploy All-Digital, Wideband and wireless and to improve the customer experience. Investment in these key strategic initiatives contributed to a 6% increase in customer service expense and a 5% increase in technical labor expense during the year.

To offset these higher expenses, we continue to extract scale benefits and efficiencies in our high-speed Internet and voice businesses. Compared to the full year of 2008, our direct costs for high-speed Internet declined 1%, and our voice direct costs have decreased 17%.

At the same time, we have managed a reduction in both our marketing and administrative expenses compared to 2008. As part of our focus on cost management and considering the difficult economic environment, we have been very focused on delinquencies and bad debt expense. In 2009, we were successful with this effort, particularly in the second half, where we reduced our net bad debt expense versus 2008.

As I mentioned earlier, we are taking an $81 million severance charge in the fourth quarter to account for further efficiencies and a reduction in staffing levels.

As we begin 2010, we are also undergoing a Companywide initiative, which should result in improved efficiencies and increase our speed to market for new products and features. We call this program Challenge 2010. And as Steve will cover this in more detail later in the call, efficiency gains through this program will help support additional investments we are making in cross-platform or converged services, business services and wireless.

Please refer to slide nine to review our capital expenditures. For the full year of 2009, our capital expenditures decreased 11%, from $5.7 billion in 2008 to $5.1 billion, reflecting slower growth and meaningful reductions in equipment pricing. As you can see on this slide, this represents a meaningful decrease in the business's capital intensity to 14.3% of revenue from 16.7% in 2008 and 19.7% in 2007.

This progress was achieved even as we invested in All-Digital and Wideband strategic initiatives, supported growth in Advanced Video Services, high-speed Internet and voice penetrations and increased our capital investment in business services by over 51% to over $350 million.

Consistent with historical trends, capital expenditures for 2009 continued to be predominately growth-oriented, with growth CapEx accounting for over 70% of total cable CapEx. To recap how our CapEx was deployed in 2009, we added over 1.5 million video, voice and data customers. We deployed 8.8 million digital set-top boxes and adapters, bringing our total deployed to over 36 million. We deployed over 6.2 million digital adapters in 2009 to support the All-Digital rollout.

Also included in this number were almost 2.2 million advanced HD and/or DVR set-tops, as we added over 1.4 million Advance Service customers in 2009, which is actually an increase over 2008. We now have almost 9.2 million HD and/or DVR customers, and our Advance Service penetration is approximately 50% of our total digital video customers.

We also purchased equipment as we accelerated DOCSIS 3.0, or our Wideband initiative. And as Brian mentioned, we have already deployed this technology to 75% of our footprint.

In 2010, we anticipate our capital intensity to decrease further, as capital expenditures are expected to be lower, both in absolute dollars and as a percentage of revenue. We expect improved CPE pricing and further capital efficiencies to be realized in 2010. This further reduction in CapEx will occur even as we invest in areas of future growth. In 2010, we will invest aggressively to sustain our momentum in business services and expand its reach to mid-size businesses and to cell backhaul.

We will complete our deployment of Wideband in early 2010 and the All-Digital effort by year-end. We'll expand our wireless efforts, including the launch of wireless High-Speed 2go in a number of new markets. We will also fund several new initiatives through our newly-formed Comcast Labs that focuses in the areas of converged products, IT technology and switch digital video. Investments in these new initiatives will be included in discretionary CapEx and will represent less than 5% of our total capital.

Please refer to slide 10. We are executing on a disciplined and returns-focused approach to allocating capital, both internally and externally, with the intention of further growing free cash flow and free cash flow per share.

In 2009, as I previously mentioned, we increased free cash flow to $4.4 billion, and this increase represents a 21% increase versus 2008 and an 89% increase over the past 24 months. As previously indicated by our initiatives, our first priority remains to profitably invest in the operating and strategic needs of our business. We will continue to deploy capital to our businesses as it provides attractive incremental returns, enhances our competitive position and delivers sustainable, organic growth.

When it comes to considering potential acquisitions or external investments, we will remain extremely disciplined and execution-oriented, focusing on opportunities that extend our services or add features that allow us to build new, complementary revenue streams. However, in 2010, we expect our energies in this area will be spent on planning for the NBC Universal transition.

A key principle in our capital allocation strategy has been to return capital directly to shareholders in the form of both dividends and share repurchases. Even during the difficult economic environment of 2009, we returned over $1.5 billion to shareholders through a combination of dividends totaling $761 million for the year, and share repurchases.

During the fourth quarter of 2009, we repurchased 18.1 million of our common shares for $300 million. So on a full-year 2009 basis we purchased 49.8 million of our common shares for $765 million. Combined, this represents a total return of capital to shareholders of 35% of free cash flow.

As I believe most of you are aware, in December, we announced a 40% increase in our dividend, our second increase in a year, which was effective last month and increases our annual dividend payments to $0.378 per share. As of December 31, we had approximately $3.3 billion of availability remaining under our share repurchase authorization, and as we have previously announced, we intend to complete this repurchase subject to market conditions by the end of 2012.

The combination of dividends and stock buybacks results in the total payout ratio in excess of 50% of our last 12 months' free cash flow and places our payout ratio on a total return of capital basis at the top of our peers. In addition, based on our current stock price, this combined return of capital allocation represents in excess of a 5% yield.

Now let me pass the call to Steve.

Steve Burke - *Comcast Corporation - COO*

Thanks, Mike. As you look at 2009, we delivered solid financial results and made progress operationally in the face of a challenging economy, increased competition, with over 5 million more homes built by the RBOCs, a decline in advertising revenue of 15% and continuing to invest in important initiatives like the country's digital transition, our own All-Digital efforts, DOCSIS 3.0 and business services.

On previous calls, we've talked about the balance between financial and unit growth. We made a number of midcourse corrections in the middle of 2009 to concentrate more on units in the second half. The good news is this midcourse correction worked. We increased our promotions and refocused our marketing efforts on the triple play. In the fourth quarter, we also decided to take fewer rate increases.

In the fourth quarter of 2009, 6.8 million customers had video rate increases versus the fourth quarter of 2008, with 16.2 million customers getting rate increases. The good news is that we got the units, which proves that we can go after market share by getting more aggressive.

We are really pleased with our unit results. In the second half, we did better on basic subs compared to the second half of 2008 despite more competition. In the second half of 2009, we added 895,000 combination video, voice and data customers versus in the first half of '09, adding 633,000. This was driven by very strong high-speed Internet adds; in the second half of 2009, we added 608,000 versus 393,000 in the first half of '09.

The fourth quarter is also the second consecutive quarter where we added almost as many residential high-speed data customers in the quarter as AT&T and Verizon combined. The RBOC number is all-in for fiber and DSL. We also had stronger voice adds in the second half than in the first half. Overall, these efforts resulted in total revenue per customer remaining healthy during 2009, increasing 6% during the year to over $118 per customer per month.

During the year, we also remained very focusing on managing expenses. With Challenge 2010, we adopted a Companywide program to standardize and simplify processes which not only result in improved efficiencies, but also increase our speed to market for new products and features.

Moving toward a more standardized operating model will help us be more efficient. We are consolidating call centers, introducing more robust IVRs to handle more customer inquiries, reducing the number of truck rolls, increasing self-installation from our hot-drop program, consolidating warehouses and improving our inventory management. The bottom line is we are cutting costs and becoming more efficient, while at the same time investing in new businesses and marketing.

We are continuing to enhance our product superiority and drive long-term growth in our business. Our All-Digital efforts continue to go very well. We've now deployed over 6 million digital adapters. We've completed the All-Digital conversion efforts in 35% of our footprint and are currently active in about 60% of our footprint. And by the end of 2010, we expect 80% of our systems to have made the conversion to All-Digital.

Once you go through this conversion, it creates network and operating efficiencies which complement the previously mentioned cost reduction initiatives. For example, 80% of our customers have been using self-install kits for their digital adapters, and once the home goes All-Digital, we are able to do a number of things that we couldn't do before.

The first market that went All-Digital was Portland, our first major All-Digital market, and there, we are seeing a number of very encouraging trends. Our high-def penetration is growing faster in Portland than most of the other markets in the country now that we have 100 high def channels. Truck rolls are down significantly in the Portland market, and OCF is growing faster in this market than most others. Importantly, customer service scores have also improved markedly. Portland is really leading the pack.

Moving on to DOCSIS 3.0, or Wideband, we've deployed this technology to over 75% of our footprint and plan to complete our DOCSIS 3.0 deployment in early 2010. DOCSIS 3.0 means we have a much faster high-speed data product, particularly in the 85% of the country that doesn't have fiber-based competition. About 35 million homes in our footprint can purchase 50 meg, with the ability for even higher speeds using Wideband technology. In fact, Comcast now has more homes capable of providing 50-meg service than all the other cable and telephone companies combined.

We believe speed will continue to power the next generation of applications and growth in high-speed Internet, and we're delighted to have made such good progress with DOCSIS 3.0.

In 2009, we believe we laid the foundation for our technology platform to stay ahead of competition. As Brian mentioned, now that we are almost complete with repositioning ourselves technically, we are repositioning ourselves with the consumer.

Therefore, we are launching Xfinity on February 12 in 11 markets. This is a major rebranding effort for Comcast Cable. Xfinity gives the customer more choices, more convenience, more control over their entertainment information and communication choices in more innovative ways, and we are really excited to introduce the Xfinity brand to our customers.

Meanwhile, we are continuing to invest in future growth. In business services, we continue to have real success in the small end of the business market, with a lot of room for growth. In fact, we've been growing this business, which is now quite sizable -- revenues have been growing 40% to 50% very consistently. Now we feel we are ready to expand our offering further, targeting companies with 20 to 250 employees; in other words, a larger company size than previously we've been targeting.

This segment of the business market spends $10 billion to $15 billion per year on the services we offer, which represents another opportunity roughly equal in size to the small end of the market, where we've been concentrating so far.

Cell backhaul is another nice complementary business that can further leverage our network and one we are actively pursuing. We size this business at roughly $1 billion for Comcast over time.

Moving on to wireless, we're now in the execution phase with our High-Speed 2go product. In 2009, we launched in five major markets. In July, we launched Portland; Atlanta launched in July as well. In November, we launched Philadelphia; Chicago launched in December; and Seattle launched in December, as well. As of year-end, we are offering the product in more than 9 million of our homes passed, and we look to significantly expand that by the end of 2010.

High-Speed 2go is sold in conjunction with our high-speed data products, sold in a bundle which makes a lot of sense for the consumer and is a straightforward transaction for us to process. We have proven in Portland that Comcast High-Speed 2go bundled with our high-speed data product is a way to increase our high-speed data business.

In Portland, roughly 40% of the High-Speed 2go customers are new high-speed Internet customers for Comcast.

Moving on to advertising, during 2009, as Mike mentioned, our advertising business went backwards $265 million. The good news is this core business is starting to turn around and could be possible upside in 2010. In addition, we continue to work on expanding the advertising opportunity within interactivity, and in the last 18 months, in conjunction with Canoe, we've made real progress on the ITV front.

We've enabled about 12 million households in 30 markets to use the EBIF platform to deliver reliable interactive applications to our customers. These applications include Caller ID to the TV, now available in 3.5 million homes, RFI, Request for Information, piloting in three markets, Chicago, San Francisco and Detroit. We are testing Remind/Record, and we are also testing Shop by Remote with Home Shopping Network.

In 2010, you will see us continue to grow our footprint while launching new ITV applications. At the same time, we are working hand in hand with other MSOs and Canoe to establish standards and provide a national footprint. We think that is really important to making ITV really break through. We are excited about Canoe and think it represents a big opportunity for the industry, as we ramp up interactive advertising products on a national basis.

The upside for advertising in 2010, however, will really be led by the turn in the market, which we are seeing in the fourth quarter, as Mike mentioned, with our core business, net of political, growing 10%, but also strong trends as we enter 2010.

Due to weakness in ad sales in the first half and lack of political, our advertising business declined, and was a real drag on revenue and OCF. It really cost us about 200 basis points of OCF growth in 2009. If current trends continue, this drag could turn into a real lift as we enter 2010.

To summarize, in the worst economy in decades, despite greater competition and investing in more new initiatives in 2009 than any year I can remember, we achieved solid unit and financial growth, and as importantly, are really positioned well for the future. Marlene?

Marlene Dooner - *Comcast Corporation - SVP of IR*

Thanks, Steve. Okay, Operator, let's open up the call for Q&A, please.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Jason Bazinet, Citi.

Jason Bazinet - *Citi - Analyst*

I just had a question regarding Mr. Smit. I guess could you just chat a little bit about what attracted you to Mr. Smit, based on what you saw at Charter, and what, if any, sort of change philosophically or otherwise we might anticipate based on your conversations with him and his sort of philosophy regarding how to run a cable business? Thank you.

Brian Roberts - *Comcast Corporation - Chairman, CEO*

Let me begin and then -- and also, I think it is an important question to have Steve's perspective, because Neil will report to Steve.

But we -- first thing is we wanted to stay very focused on all the execution of Comcast Cable. And while we are going to have a busy year here in preparing for NBC Universal and all the transition and postmerger planning and getting ready to have hopefully an integration, it is important that we get that right, and Steve is able to now focus a lot of his attention on that, as well as begin to think about how we get some of the great benefits that we believe lie in our future.

Neil's track record, both with AOL before Charter and at Charter, through CableLabs and NCTA -- I've known him for a long time -- and I am personally incredibly impressed with his leadership skills, how well I think he will fit into the culture at Comcast. He is just a terrific executive. Charter, obviously, when he got there, had lots of problems that preceded him, and I think he did more than a great job and yeoman's job of dealing with the realities of a company that had too much debt and needed to go through a reorganization.

As it came out of that reorganization, it created an opportunity for him to rethink where he wanted to work for the future, and the timing was amazingly perfect for us. And I think it is going to allow us to continue what we started, not have a big strategic shift. He is working for Steve, but I think he will add an external perspective to help us accelerate and lead and make decisions. And he is a decisive guy and a very fair and decent guy. So I think he'll fit in perfectly. Steve?

Steve Burke - *Comcast Corporation - COO*

Just to add to that, I don't think there will be any philosophy change. Obviously, Neil is going to be an important part of the business, and he'll have things that he does differently than maybe I have done things. But I think in terms of philosophy and the need to keep working on the things we've been working on, Neil is in the exact same place we are.

He also joins a really strong team. I have been with the Company for 11 years, and I think our team right now is stronger than it has been at any point in those 11 years. We have very strong management really across the board, and Neil will only keep that and enhance that. And of course, Brian and I will still be around, and all the strategies and philosophies that we've put in place in the cultural side of the business, I look forward to continuing.

Operator

John Hodulik, UBS.

John Hodulik - *UBS - Analyst*

Thanks. Two quick ones for you. First, have you noticed any change in the competitive pressures in the residential market, say, in the last month or last quarter, just given some of the statements coming out of Verizon seem to be a little bit less market share oriented?

And then secondly, you announced you are going to spend $1 billion in terms of the Wideband and the All-Digital initiatives. 75% done on the Wideband, 60% of the market is being worked on in the All-Digital. Can we assume that sort of a proportionate amount of that $1 billion has been spent in '09, and we should see a tailing-off number in 2010? Or maybe if you could give us an idea of the split between '09 and '10 with that capital, that would be great. Thanks.

Michael Angelakis - *Comcast Corporation - EVP, CFO*

With regards to the second question in terms of CapEx that is dedicated to All-Digital and Wideband, I think your assumption is pretty much correct. It is about a 50-50 split in terms of what has been spent in 2009 and what we expect to spend in 2010.

So Wideband will be done in the early part of this year in terms of our project. That was a smaller ultimate amount than, obviously, the DTA and All-Digital effort. But in terms of absolute dollars, you can go by the assumption that it is sort of half and half.

On the competitive front, I think we have seen a lot of our competitors increase their rates, and we've seen slightly less pressure. But overall, I think our team is executing a heck of a lot better in terms of gaining more market share.

Brian Roberts - *Comcast Corporation - Chairman, CEO*

And one of the things you've got to be very careful of, we have three competitors in almost every market if you include both of the satellite guys and the RBOC. And everybody is being aggressive, everybody is being competitive, and things go up and down during quarters. And we have different programs, marketing promotions and advertising efforts. Plus you throw in the economy.

So I think the notion that there is a major sea change, I would reject. And quarter to quarter, we are going to see ups and downs and times when we are gaining share in high-speed data and times when we're not.

So I think the only thing you can do from an operating point of view is determine a strategy and continue to execute the strategy, and that is what we are doing.

John Hodulik - *UBS - Analyst*

Thanks.

Operator

Vijay Jayant, Barclays Capital.

Vijay Jayant - *Barclays Capital - Analyst*

A question for Steve and a clarification for Mike. Steve, in Europe we are seeing some operators really use DOCSIS 3.0 to not really price it at a massive premium, but use it as a strategy to gain more share in broadband, which is also sort of having a halo effect and sort of reducing video losses.

Can you sort of talk about how you see your philosophy in the pricing of DOCSIS 3.0, between the balance between pricing and market share? And for Mike, you mentioned that programming costs were going to moderate, the cost increase is going to moderate in '10. Is that on a [per-stop] basis or on a total number basis? Thank you.

Steve Burke - *Comcast Corporation - COO*

So DOCSIS 3.0 for us is still fairly new. And even though we've rolled it out in the majority of the country, I think our initial rollout has been focused on making sure that it works technically, making sure that it's available everywhere, making sure that we start to buy DOCSIS 3.0 modems and get pricing down the cost curve. And we have not used heretofore DOCSIS 3.0 as a way to radically change the pricing structure.

I think things will evolve in the future in terms of the product that we are actually offering and the packaging. But right now, I think our approach has been to get the technology out, to make sure that people understand that if they want 50 or 100 meg that we are the place to get it; in 85% of our footprint, the only place to get it. And I think the pricing strategy will evolve over time.

I would not -- if you are following our Company and trying to figure out what we are doing financially, I would not anticipate a major move in terms of collapsing prices or anything like that. I think it is more getting the product out there, trying to figure out what the customer acceptance is and sort of tweaking on the edges.

Michael Angelakis - *Comcast Corporation - EVP, CFO*

I'll take the second question on programming. If you look at the trending schedule, actually the year has been -- we hit a high point in the first quarter, which is consistent, and then slightly trending down. And we ended the year about, I think, 8.5% of increase in total programming costs. For 2010, we expect total programming costs, not on a per-subscriber basis, to be slightly lower than that.

Vijay Jayant - *Barclays Capital - Analyst*

Thank you.

Operator

Spencer Wang, Credit Suisse.

Spencer Wang - *Credit Suisse - Analyst*

Just a question on the expense outlook for 2010, I guess for Mike. Just in terms of some of the other expense categories, should we expect marketing and G&A to continue to trend pretty flat in 2010, given some of the efficiencies?

And secondarily, the voice gross margins, Mike, that had a nice lift in 2009. Should we expect a similar increase in the gross profit margin for voice in 2010? Thank you.

Steve Burke - *Comcast Corporation - COO*

Let me touch on expenses and then pass to Mike. I think if you look at nonprogramming expenses, we are pretty close to flat. And what is going on -- and it is really a major, major effort throughout the Company -- this Challenge 2010 effort is a way for us to take literally hundreds of millions of dollars' worth of cost out of our business. We started this in mid-'09, and I'm really pleased with the results so far. It is really a way to make the Company more efficient, to standardize things, to -- you actually improve customer service while taking a lot of cost out of the business.

So really the goal here is programming costs, we do the best we can, but they are obviously increasing at a rate that is higher than inflation. But then take all of your other costs and try to get those -- get costs out of the business. And I actually think we are going to show real progress all the way through 2010 and into 2011 on the nonprogramming cost side of the business. I think what you see in 2009 should continue in the future.

Michael Angelakis - *Comcast Corporation - EVP, CFO*

Yes, I agree with everything Steve said. And I think on the voice gross margin, as your particular question, I don't think we are going to have the same kind of benefits we had in 2009. Frankly, the team just did a terrific job of taking efficiencies out. I'm not sure the magnitude of those efficiencies in 2010 are still there, but we are working really hard.

I will go just one more step in terms of where I think you are going, in terms of what our margins look like. I think our margins have been very steady over the last few years, and we are anticipating a pretty stable margin as we go forward.

Spencer Wang - *Credit Suisse - Analyst*

Thank you very much.

Operator

Doug Mitchelson, Deutsche Bank.

Doug Mitchelson - *Deutsche Bank - Analyst*

Thank you very much. So cable revenue growth decelerated every quarter for the past three years, until you just reaccelerated a bit in the fourth quarter. And given your comments in the call regarding having the right technical platform in place, soon having plenty of plant capacity across your footprint with the All-Digital coming to completion and your ability to offer better and new services to your customers as a result. Then combining that with the economy getting better, right -- so at least versus last year, especially for advertising -- it seems the Company could be at an important inflection point where revenue growth continues to accelerate. So I guess first, do you agree with that philosophy?

And then just separately, briefly, I'm sure any change is minor at this point, but I was hoping you could comment on NBCU's results and were they as expected and have their budgets improved or deteriorated at all from what you thought pre-deal? Thanks.

Michael Angelakis - *Comcast Corporation - EVP, CFO*

I'll take the NBCU. We are really not commenting on their results. It is just not really appropriate, Doug, and we do spend time with them and work through -- we are planning our transition right now. But certainly, I don't think it is appropriate for us to comment on their results.

With regards to accelerating revenue growth, we'll see. We absorbed -- advertising was down $265 million last year. That is a meaningful amount, and we are off to a relatively good start on advertising. But I think we are working hard to manage ARPU, and ARPU has grown. We hit $120 in the fourth quarter of total ARPU. So we are going to work through the best we can to certainly grow revenue. But I also want to caution you, we are looking at profitable revenue and profitable growth is really something we're probably more focused on.

Steve Burke - *Comcast Corporation - COO*

We would certainly like to see an acceleration, but it is very difficult to predict what is going to happen with the economy, which really affects our business in a number of ways -- housing, discretionary spending, ad sales, and with competition. Again, to my point earlier, it sort of ebbs and flows here.

I do think we had sort of a three-part hit, between the economy's effect on housing and ad sales, plus increased competition during 2009. And to the degree that any of those three things change, one would hope they would change to our benefit. And when they do change, two or three of those change, I think you could see a re-acceleration.

Doug Mitchelson - *Deutsche Bank - Analyst*

Do you feel comfortable giving us the local ad pacings for 1Q?

Steve Burke - *Comcast Corporation - COO*

Well, what I would say is if you look back over the last year, it has gotten better and better and better, and we think that is a trend that is likely to continue. Who knows? But certainly coming out of December and into January, things still look good.

And what is interesting to me is how broad the change in ad sentiment is. When you talk to NBC or when you talk to the NBC cable channels or our cable programming group or our local ad sales, it seems like the world is getting better. Now, the problem is obviously it is month-to-month, and will see where it goes from here. But there is, for me, no reason not to be optimistic.

Doug Mitchelson - *Deutsche Bank - Analyst*

Thank you.

Operator

Frank Louthan, Raymond James.

Frank Louthan - *Raymond James - Analyst*

Thank you. With the SME business and saying that you are going to larger companies at 20 to 250 lines, are you going to be more aggressive in moving into those locations that are out of your local cable region, doing some interconnects and so forth? Are you still mostly going to be concentrating on customers that are within your existing service territory?

Steve Burke - *Comcast Corporation - COO*

I think it is really concentrating on existing service area. We have this tremendous asset, which is the fiber that [we put into] the ground for our residential business. And leveraging that fiber in the commercial space is really what we've been all about. So I think when you take that advantage away, then all of a sudden you are in a very different business. So we are really concentrating in footprint.

Frank Louthan - *Raymond James - Analyst*

Have you found any pushback from customers that have locations in other places that want you to service that, if you are not willing to go out of territory?

Steve Burke - *Comcast Corporation - COO*

From time to time, you will find somebody who has 15 locations inside your footprint and two outside, and sometimes there is a handoff to other cable companies who are in the commercial space. Sometimes those companies go back to the RBOCs. So I think there are examples where it spills over, but the primary concentration is to concentrate on the places where we are.

Frank Louthan - *Raymond James - Analyst*

Okay, great. Thank you.

Operator

Craig Moffett, Sanford Bernstein.

Craig Moffett - *Sanford Bernstein - Analyst*

Mike, you talked about CapEx next year being lower on an intensity basis as well as on a real dollar basis. That puts you for, the first time, meaningfully below 15%. If you look out to 2011 and a little bit longer term, where presumably after you are finished with the All-Digital conversion, your need for standard (inaudible) set-top boxes drops pretty significantly, and I would suspect probably your advanced set-top box demand has dropped pretty significantly as well. Do you feel comfortable sort of projecting out longer-term CapEx? It would seem like it almost has to stay fairly significantly below 15% for the foreseeable future, wouldn't it?

Michael Angelakis - *Comcast Corporation - EVP, CFO*

Well, Craig, I would say one thing. We did actually buy more advanced set-top boxes in terms of dollars in 2009 than we did actually in the prior year. But I think your theory is relatively right. We are continuing to focus on capital intensity. We don't foresee any major changes. We are investing, as we've talked about, I think, quite a bit today, in a number of different areas which we think position ourselves for growth, like business services. We increased our business services investment by roughly 50% plus.

So we feel relatively confident that particularly in 2010, we are going to continue to manage the efficiencies and get what I would consider great growth out of our CapEx. As we go forward, we will see where that goes, but obviously it is a big focus of ours.

Craig Moffett - *Sanford Bernstein - Analyst*

Okay. Thank you.

Operator

Ben Swinburne, Morgan Stanley.

Ben Swinburne - *Morgan Stanley - Analyst*

Steve, I wanted to come back to the price increase information you gave us about the fourth quarter and just maybe a little more color. To what extent was that timing related around taking increases at a different point [to last year] versus sort of a more philosophical change in how you are looking at rate increases and pricing power?

I didn't know if the rate increases came in in places where you were not seeing RBOC penetration, video penetration growth, or how we should think about that piece of the story as well.

And then maybe for Brian, how are you thinking about some of these emerging platforms, particularly the Apple Tablet and other new distribution platforms for content, that could be friend or foe for the cable plant? Obviously, you've got NBCU coming in, so you've got interests all over the value chain. But I just would love to get your reaction from a Comcast perspective at what is being talked about and discussed on the Tablet and other distribution model front.

Steve Burke - *Comcast Corporation - COO*

So Ben, the price increase information you're talking about in the fourth quarter, just to level set everybody, last year, about two-thirds of our systems took a price increase in the fourth quarter. This year, it was about a third.

I would say, in general, we've been sort of, the second half of the year in particular, trying to be more unit focused. And then also during the second half of the year, we have a lot of places where we are converting to All-Digital, a lot of places where we are doing DOCSIS 3.0. We mentioned that we are launching Xfinity.

And we, I think in many instances, felt that from a timing point of view, you don't want to go through a tough digital conversion and raise prices at the same time. So it was a sort of combination of an overall philosophy that we wanted to go for units, but also some timing differential, given what we are doing with the plant.

Brian Roberts - *Comcast Corporation - Chairman, CEO*

Regarding the other platform question, I think, like many people, we are waiting to see some of these products firsthand, so I don't have a lot of specifics on the Apple Tablet. I saw the presentation -- or parts of the presentation.

I think there is incredible time for innovation going on right now. And I don't think it is ever been happening faster or more broadly, and there is going to be some hits and there's going to be some misses.

What I think it is demonstrating and what is driving us is to have a company that is in a unique or very special place where all of our focus is on getting to the consumer with some of the Comcast products. And sometimes that will be at the expense of other Comcast products and sometimes it's going to be an additive experience.

Personally, I don't think people wanting more content on more devices, what they want is anything but a good thing for our Company. Whether we make that content, whether that encourages them to use the content more, and therefore, in and out of the home.

But I went to CES -- let me pick a slightly different -- it relates to your question. And at that time -- and again, since then is the Tablet -- but at that time the hot product was --there were two hot products that I liked at CES. One was Google's new Nexus phone. It was smaller than the iPhone; so a smaller screen was the hot product.

And the other hot product was 150-inch -- or 152 inch 3-D TV in high def that everybody wanted. So you had these two very different extremes that the consumer wants, something really small and portable and something really big in the home. And I think we continue to find ways to service and want to be servicing those needs.

So broadband had -- is showing again in 2009 that faster speed, because folks wanted more bits in their home and our 4G platform that we're working with Clearwire to build to -- have the fastest speeds outside of the home.

Ben Swinburne - *Morgan Stanley - Analyst*

Thank you for the color.

Operator

Marci Ryvicker, Wells Fargo Securities.

Marci Ryvicker - *Wells Fargo Securities - Analyst*

Thanks. I have two questions. The first, what is driving the slowdown in programming expense growth in 2010 versus 2009?

And then secondly, for the SME segment, would it be appropriate to infer that you could increase your $2.5 billion for this segment now that you're focused on larger companies and cellular backhaul?

Steve Burke - *Comcast Corporation - COO*

Let me try the second, and then do the first, and then Mike can jump in if he wants to.

You know, I think our feeling is the small- and medium-size business opportunity is about the same size opportunity as the larger opportunity that we are going into. So really, we look at those two businesses as separate. We really haven't said exactly what our target is for the medium sector. It is just too early. But I think it is reasonable to assume that is incremental to the 2 to 2.5 that we've said.

In terms of the programming expense slowdown, these things are very lumpy, and certain big deals will expire at certain times, and that will drive some of the acceleration. And I think that lumpiness is probably a reason why '09 for us -- and it's different for every cable company, because their deals expire at different times -- was a year that was higher than '10 is likely to be.

Marci Ryvicker - *Wells Fargo Securities - Analyst*

Thank you.

Marlene Dooner - *Comcast Corporation - SVP of IR*

Thanks, Marci. Operator, let's have the last question, please.

Operator

Jason Armstrong, Goldman Sachs.

Jason Armstrong - *Goldman Sachs - Analyst*

Thanks for taking my questions. Maybe just a couple quick ones. On stronger RGUs in the fourth quarter, can you step us through sort of the gross add versus churn components across the key categories to really help us think about where the strength is coming from?

And then maybe second question, more broadly, RGUs sort of down 25% year-over-year, but more flattish if you look at the second half of '09. So the total suggests pressure, but the run rate implies a little bit more stability. What is the right framework to think about as we move into early 2010 forecasting? Thanks.

Steve Burke - *Comcast Corporation - COO*

Well, let me concentrate on high-speed data, although you could kind of make the same comments about everything. Churn is down year-to-year, which is to me a very interesting thing when the RBOCs have added 5 million new homes. And I think a good thing.

And there is a whole variety of theories as to why churn is down. I think some of it is we get more and more bundled customers. I think we've made some efforts and seeing some success with improved service, etc. So churn is down, but gross adds are up for high-speed data.

And the high-speed data business, I think, has made a very interesting pivot. In the first and second quarters, certainly in the second quarter, we were down significantly versus the prior year. And we've had a lot of weeks in the second half of the year where this business, which is a maturing business, where we have 16 million customers, is doing better on a weekly basis than the prior year. And I think a lot of that has to do with the fact that we've made the DOCSIS 3.0 investment, our speeds are better. But that has been surprising to us. So I think it is progress both on gross adds and churn.

And who knows where that goes. It is very difficult to assess. The high-speed data business, I think, has been indexing at less than 100% of prior year, almost every year for certainly three, four, five years, and then all of a sudden in the second half, it is indexing higher. And I think that could be due to a whole variety of things. We are certainly not assuming that as a lock to continue to happen through 2010. We certainly hope it does. But I think these things bounce around, and you will see quarters which are better and quarters which are worse. But we are certainly pleased with where we are.

Brian Roberts - *Comcast Corporation - Chairman, CEO*

Let me perhaps use this to finish the call by just saying that I think we have made real progress on operational execution. And just to echo the service improvements that we have been targeting, because I think it is the whole customer experience that is critical. And so we are starting to see -- and Steve touched on it with our Initiative for 2010 -- to continue to become a better operator in how we answer the phones, how we roll the trucks, how we process all the transactions that we do. The volumes are quite large. And we've made real progress. And I think you're starting to see that also in some of the churn numbers and some of the performance in the second half. There is a real focus on execution. And that is one of the things we absolutely don't want to miss a beat as we kick off the new year.

And at the same time, with the launch of Xfinity and the emphasis on a lot has changed in our consumer proposition, this is, again, a way to begin the new year by putting a real emphasis, particularly in those markets that are complete, some of these strategic initiatives that all the rest of the markets or most of the rest of the markets will complete throughout the year or get close to completion, we think we have a real consumer message that is this is a different experience than you got just two years ago. The world has changed. A lot has changed for the positive. Consumer is in control, and I think we are giving a better and better service experience. Thank you.

Marlene Dooner - *Comcast Corporation - SVP of IR*

Thank you all for joining us this morning. Operator, please provide instructions for the replay.

Operator

30 a.m. Eastern Standard Time. It will run through Monday, February 8 at midnight Eastern Time. The dial-in number is 800-642-1687, and the conference ID number is 47186371. This concludes today's teleconference. Thank you for participating. You may all disconnect.
