



DIRECTV Completes Six Retransmission Deals; Northwest Broadcasting Only Station Owner to Black Out Local Channels in Attempt to Extract Outrageous 600% Increase

DIRECTV Concludes Successful Deals with Hearst, Granite, Gannett, Red River Broadcasting, KLAS-TV and Sarkes-Tarzian Broadcast Groups but Northwest Refuses Requests to Keep Channels Up While Talks Continue or For Arbitration Leaving Its Viewers in the Lurch

EL SEGUNDO, Calif.--(BUSINESS WIRE)-- DIRECTV sharply rebuked Northwest Broadcasting today for attempting to "extort" a more than 600 percent fee increase to carry its local channels and forcing DIRECTV to take down broadcast networks in five markets. DIRECTV asked Northwest to keep the channels up while negotiations continued or bring the issue to arbitration to avoid any programming disruption to its customers, but Northwest refused and demanded the channels be taken down.

The Northwest blackout will take place at midnight PT tonight, affecting DIRECTV customers in Binghamton, N.Y.; Medford, Ore.; Yakima and Spokane, Wash.; and Laredo, Texas.

"We are appalled by the irresponsible behavior of Northwest Broadcasting, which has decided they would rather deprive our customers of their local channels, than make even an honest and good faith attempt to reach a fair deal in contract negotiations," said DIRECTV's Chairman, CEO and President Mike White. "For local broadcast station owners to brazenly hold viewers hostage in an attempt to extort fees that are astronomically higher than what we pay other local broadcasters is flat out wrong. We hope that Northwest will ultimately come to the table in good faith to discuss reasonable terms and fees and they will quickly restore programming to our customers."

He added, "I am sitting at the negotiating table with hundreds of thousands of my customers right behind me. Not a single one of them wants to pay a 600% price increase."

DIRECTV agreed to pay Northwest a fair market price increase that was consistent with fees it negotiated in other recently concluded contract talks for local broadcast channels. In the past weeks alone, DIRECTV was able to come to a fair deal with broadcast groups Gannett, Granite, Hearst, Red River Broadcasting, KLAS-TV and Sarkes-Tarzian, affecting millions of DIRECTV customers.

DIRECTV also pointed out that broadcasters like Northwest have been granted a number of special privileges by the federal government including free use of the public airwaves and have a responsibility to consumers to provide access to their content.

"We believe Northwest has now brazenly abused that privilege when they attempt to manipulate consumers through channel blackouts and threats in order to force their unreasonable demands on distributors like DIRECTV," said White. "And just as broadcasters have a responsibility to protect their viewers from programming disruptions, we have an obligation to protect our customers from unwarranted and outrageous fee increases that further drive up the costs of our programming services and create economic pressure on consumers at a time when they can ill afford it."

DIRECTV noted that the tenor of contract discussions with station owners has changed dramatically in recent years and has seen an increasingly belligerent attitude among broadcasters who are demanding unprecedented fee hikes and threatening blackouts.

While this is of great concern to DIRECTV and other distributors, it has not escaped the attention of the Federal Communications Commission or members of Congress in Washington. The FCC said it will begin the process of examining how to protect customers from the kind of behavior displayed by Northwest and other station owners, who have been involved in contentious contract negotiations this past year. DIRECTV intends to bring Northwest's egregious behavior to the attention of the Federal Communications Commission when it begins its review of retransmission rules this year.

About DIRECTV:

DIRECTV (NASDAQ: DTV) is the world's most popular video service delivering state-of-the-art technology, unmatched programming, the most comprehensive sports packages available and industry leading customer service to its 27.6 million customers in the U.S. and Latin America. In the U.S., DIRECTV offers its 19.1 million customers access to over 160 HD

channels and Dolby-Digital[®] 5.1 theater-quality sound (when available), access to exclusive sports programming such as NFL SUNDAY TICKET[™], award winning technology like iDIRECTV[®] DVR Scheduler and higher customer satisfaction than the leading cable companies for ten years running. DIRECTV Latin America, through its subsidiaries and affiliated companies in Brazil, Mexico, Argentina, Venezuela, Colombia, and other Latin American countries, leads the pay-TV category in technology, programming and service, delivering an unrivaled digital television experience to 8.5 million customers. DIRECTV sports and entertainment properties include three Regional Sports Networks (Northwest, Rocky Mountain and Pittsburgh) as well as a 65 percent interest in Game Show Network. For the most up-to-date information on DIRECTV, please call 1-800-DIRECTV or visit directv.com.

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