

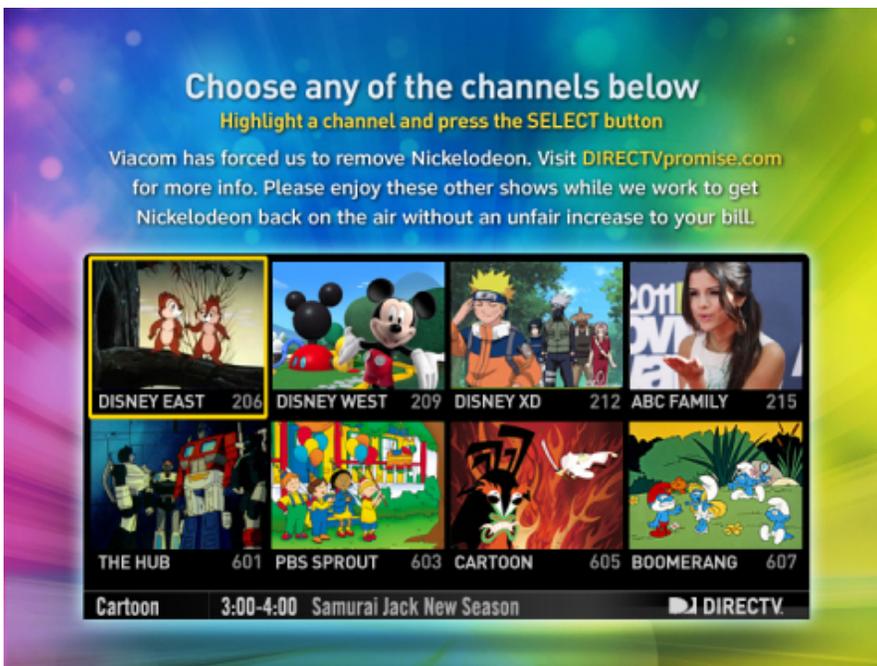


July 11, 2012

## Viacom Drops 17 National Networks from DIRECTV Lineup After Ignoring DIRECTV's Latest Proposal

***Viacom Sends Letter to DIRECTV Demanding Channels be Removed; Pushing DIRECTV Customers to Pay a 30 Percent Rate Hike for Channels In a Ratings Slide***

EL SEGUNDO, Calif.--(BUSINESS WIRE)-- DIRECTV customers were left without Nickelodeon, MTV, Comedy Central and 14 other channels today, after Viacom dropped its networks from DIRECTV at approximately midnight EDT. DIRECTV executives reached out to Viacom both yesterday and today with a new proposal and a request to keep the channels on while we continued to negotiate, but never heard back, so DIRECTV had to comply with their demand to take the channels down or face legal action.



The DIRECTV Kids' Mix Channel will help parents find programming alternatives when they tune to any children's network removed by Viacom to try to force DIRECTV customers to pay a 30% rate hike for the same Viacom channels they get today. (Photo: Business Wire)

"We have been very willing to get a deal done, but Viacom is pushing DIRECTV customers to pay more than a 30 percent increase, which equates to an extra \$1 billion, despite the fact that the ratings for many of their main networks have plummeted and much of Viacom's programming can be seen for free online," said Derek Chang, DIRECTV executive vice president of Content, Strategy and Development. "Viacom sent us a letter last night that outlined our obligations to remove the channels by midnight or face legal action just as they were falsely telling viewers DIRECTV was responsible. Let's be clear, Viacom took these channels away from DIRECTV viewers."

On its Website [www.directvpromise.com](http://www.directvpromise.com), an information resource for customers affected by programming disputes, DIRECTV pointed out that Viacom is demanding an exorbitant increase for many Viacom channels that customers may never watch. DIRECTV stated that if Viacom believes all of its networks are worth so much extra money, DIRECTV customers should have the right to choose which Viacom channels they want to pay to keep and which ones they don't.

"We have absolutely no problem compensating Viacom fairly, but they have now knowingly put our customers in the unreasonable position of either accepting their extravagant financial demands or losing some of their favorite TV shows," said Chang. "We feel our customers should not have to pay more for these networks than the customers of any other TV provider. We reiterated this to Viacom today and have not heard back from them."

"We understand that Viacom's actions are inconveniencing our customers so we are doing everything we can to help them find alternative programming until this gets resolved," Chang added. "Customers will now see a variety of replacement channels available to them on one screen, in a Mix Channel format, when they tune to a Viacom channel. For instance, those going to the Nickelodeon channel slot will see alternative choices for children's programming such as The Disney Channel, ABC Family, Cartoon Network, PBS Sprout, The Hub and Boomerang. Customers can also see full-length Viacom episodes for free by going to [www.directvpromise.com](http://www.directvpromise.com) and clicking on the 'Other Ways to Watch' tab."

**About DIRECTV:**

DIRECTV (NASDAQ: DTV) is one of the world's leading providers of digital television entertainment services delivering a premium video experience through state-of-the-art technology, unmatched programming and industry leading customer service to 33 million customers in the U.S. and Latin America. In the U.S., DIRECTV offers its 19.9 million customers access to more than 170 HD channels and Dolby-Digital® 5.1 theater-quality sound, access to exclusive sports programming such as NFL SUNDAY TICKET™, Emmy® award winning technology and higher customer satisfaction than the leading cable companies for 11 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 12 million customers. DIRECTV sports and entertainment properties include three Regional Sports Networks (Northwest, Rocky Mountain and Pittsburgh) as well as a 60 percent interest in Game Show Network. For the most up-to-date information on DIRECTV, please visit [www.directv.com](http://www.directv.com).

Photos/Multimedia Gallery Available: <http://www.businesswire.com/cgi-bin/mmg.cgi?eid=50337469&lang=en>

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