

DirecTV sued over ads on Charter's bankruptcy case

May 12 2009

(AP) -- Charter Communications Inc. is suing DirecTV Group Inc. over advertisements that try to persuade subscribers to switch TV service by touting Charter's bankruptcy filing.

Charter, a cable TV operator that filed for Chapter 11 reorganization in March, charged satellite TV operator DirecTV with using "false and misleading" ads claiming that Charter couldn't provide the latest technology, add [high-definition](#) channels or offer new exclusive programming given its financial troubles.

Charter said it has been able to do all that and expects to emerge from [bankruptcy](#) protection quickly.

According to Charter, the ads have been running in print, radio, billboards and direct mailings to consumers in Connecticut, Illinois, Louisiana, Michigan, Missouri, Nevada, South Carolina, and Wisconsin.

Charter filed the lawsuit late Monday in the U.S. District Court in St. Louis, where the company has its headquarters.

DirecTV spokesman Robert Mercer said the company has not seen the lawsuit and "we stand by the accuracy of our advertising."

Charter sought bankruptcy protection to reorganize \$21.7 billion in debt. It has never made a profit since going public in 1999 after piling up debt due to acquisitions.

Shares of Charter, which is controlled by Microsoft co-founder Paul Allen, were up half a penny to 4 cents in over-the-counter afternoon trading. Shares of El Segundo, Calif.-based DirecTV were down 70 cents, or 3 percent, to \$23.98.

©2009 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: DirecTV sued over ads on Charter's bankruptcy case (2009, May 12) retrieved 18 April 2024 from <https://phys.org/news/2009-05-directv-sued-ads-charter-bankruptcy.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.