

DirecTV CEO in talks to join News Corp.

June 1 2009, By DEBORAH YAO and RYAN NAKASHIMA , AP
Business Writers

The chief executive of DirecTV Group Inc. is in talks to return to News Corp. to be Rupert Murdoch's second in command.

Chase Carey is in "serious negotiations" to rejoin to News Corp. and talks have been going on for a while, but there's no set title for him yet, according to a person with knowledge of the negotiations. This person was not authorized to comment and spoke on condition of anonymity, confirming earlier reports.

The move would fill a gap at News Corp. after Peter Chernin, its president and chief operating officer, steps down June 30 to embark on a lucrative movie production deal with News' 20th Century Fox studio.

But it would leave a leadership vacuum at DirecTV, the nation's largest [satellite TV provider](#).

DirecTV is combining with Liberty Media Corp.'s entertainment unit and forming a new, publicly traded company.

It's unclear how Carey would get out of his DirecTV employment agreement, which runs until the end of 2010. His contract also does not allow him to participate in ventures that compete with DirecTV during the term of his agreement, and also for 12 months after leaving the company.

DirecTV had no comment and a call to Carey was not immediately

returned. Liberty did not return a call for comment.

Carey had been co-chief operating officer at News Corp., as well as CEO of its satellite TV unit, Sky Global Networks Inc.; co-COO of Fox Entertainment Group and CEO of Fox Television.

Carey would likely provide operational leadership and help News Corp. interact with Wall Street, where he is highly regarded, said Barclays Capital analyst Anthony DiClemente.

"I think that if Chase came in, it'd be a huge plus," DiClemente said. "You need operational leadership at News Corp. to fill the Chernin void."

But it will also leave room for the eventual succession of 36-year-old James Murdoch, the chief executive of News Corp. in Asia and Europe and Murdoch's fourth child, DiClemente said.

Billionaire [Rupert Murdoch](#), 78, controls more than a third of News Corp.'s shares, mostly through a family trust that will be passed onto his children. James Murdoch is viewed as being groomed to take over his father's spot.

The appointment would also mark the latest in an executive shuffle at News Corp. following the announcement of Chernin's departure.

Among other moves, Fox Searchlight president Peter Rice was moved to take over Fox Broadcasting, former AOL chief executive Jonathan Miller was hired to run News' digital businesses, and Facebook veteran Owen Van Natta took over social networking site MySpace.

Meanwhile, Liberty Media's chief executive, Greg Maffei, has said there's a possibility that DirecTV could be sold to a phone company after

it's spun off. Speculation has centered on a major phone company, such as AT&T Inc., as a possible suitor.

AT&T and Verizon Communications Inc. are rolling out TV services to compete with cable, but they are not hooking up most of the country. A tie-up with DirecTV would allow them to instantly offer video nationwide.

Currently, AT&T has a partnership with DirecTV that lets them sell each other services.

DirecTV was once controlled by News Corp. In February 2008, Liberty Media swapped its 16.3 percent stake in News Corp. plus \$625 million in cash for a controlling stake in DirecTV and three regional sports networks.

Media mogul John Malone, who controls Englewood, Colo.-based Liberty Media, will hold a 24 percent voting stake at the new company. He will remain as chairman of DirecTV after the spin-off.

Shares of El Segundo, Calif.-based DirecTV rose 48 cents to \$22.98 in afternoon trading in an up market, while New York-based [News Corp.](#) gained 62 cents to \$11.85.

Liberty's entertainment unit tracking stock, Liberty Entertainment Group, was up 56 cents to \$24.72.

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

<https://phys.org/news/2009-06-directv-ceo-news-corp.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.