

Cablevision, Scripps butt heads over fee increase

January 4 2010, By J.W. ELPHINSTONE , AP Business Writer

(AP) -- The spat over a fee increase between Cablevision Systems Corp. and Scripps Networks Interactive Inc. heated up Sunday with cable TV viewers in New York, New Jersey and Connecticut still caught in the crossfire.

About 3.1 million subscribers lost access to HGTV and the Food Network on Friday after Scripps pulled its programming while negotiating a new contract with the cable provider.

In a statement Sunday, Cablevision said Scripps is demanding a 200 percent fee increase, which would drive up customer rates if accepted. For 2010, the average rate increase for subscribers is 3.7 percent, Cablevision spokesman Jim Maiella said.

The company maintains that the HGTV and Food Network channels remain available to Cablevision subscribers if Scripps chooses to turn the programming back on while a contract is worked out.

In a separate statement late Sunday, Scripps said more than six months of negotiations haven't been able to produce an agreement, and its recent requests for sit-down discussions have been rejected. Scripps said Cablevision currently pays about 25 cents per subscriber for the combined networks, and described the fee increase it's asking for as "fair market rate" for popular networks.

"We regret deeply the interruption of service for Cablevision customers

who rely on us for quality programming," the company said.

Scripps said earlier Sunday that it has received an "outpouring" of viewer support, citing 80,000 e-cards from its ilovefoodnetwork.com and ilovehgtv.com Web sites. Cablevision's Maiella called the customer outrage "modest" and mostly manufactured by Scripps.

A more amicable ending was reached Friday in a similar dispute between Fox and [Time Warner Cable](http://www.time-warner.com), the nation's second-largest cable provider. Fox had threatened to force Time Warner Cable and Bright House to drop its signal from 14 of its TV stations and a half-dozen of its cable channels if Time Warner didn't increase payments to Fox in a contract that took effect Friday. The companies have not said how their New Year's Day agreement will affect customers' bills.

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