

Mediacom, Sinclair averts TV blackout in 11 states

January 7 2010, By MICHAEL J. CRUMB , Associated Press Writer

(AP) -- Sinclair Broadcasting Group's television stations will remain on the lineups of Mediacom Communications Corp.'s cable TV systems after the two companies announced a new fee agreement Thursday to avert a blackout.

About 700,000 Mediacom subscribers in 11 states had been at risk of losing Sinclair programming over Sinclair's demands that Mediacom pay more to carry its stations. A Jan. 1 deadline was extended to midnight Friday so football fans could still watch college bowl games on Sinclair stations as the two sides continued to negotiate.

As the new deadline approached, Mediacom announced a one-year agreement allowing it to carry 22 Sinclair television stations, including Fox and CBS affiliates in Cedar Rapids and a Fox affiliate in Des Moines. Details of the agreement were not released.

More than half of the affected Mediacom subscribers are in Iowa. The rest are in Alabama, Florida, Georgia, Illinois, Kentucky, Minnesota, Missouri, Tennessee, Virginia and Wisconsin.

The dispute came less than a week after the Fox television network reached a deal with [Time Warner Cable](#) Inc. and Bright House Networks, averting threats to remove Fox-owned stations from more than 6 million [cable TV](#) customers in New York, Los Angeles, Orlando, Fla., and other markets. The cable companies and Fox owner News Corp. had similarly sparred over the fees paid by the cable operators.

Cable companies and broadcasters across the country have been engaged in tough negotiations as broadcasters face declines in advertising revenue along with the rising cost of carrying sporting events and other programs. The broadcasters argue that they cannot afford to let cable systems carry their stations for free when cable channels they increasingly compete with earn subscriber fees in addition to ad revenue.

Tom Larsen, vice president of legal and public affairs for Mediacom, said confidentiality agreements between the companies prevented him from discussing details of the new deal. He said the two sides had been involved in "really active negotiations the past few days."

David Smith, president and chief executive officer of Sinclair, said the Hunt Valley, Md., company was pleased with the agreement and its "acceptable economic arrangement."

As part of the deal, Mediacom, which is based in Middletown, N.Y., agreed to drop a complaint filed with the Federal Communications Commission against Sinclair, arguing the broadcaster had not negotiated in good faith.

A similar dispute two years ago resulted in Sinclair stations being removed from Mediacom for about five weeks. That time, an agreement was reached two days before the Super Bowl.

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