

# TEGNA Blacks Out DISH Customers in 38 Markets

*TEGNA rejects DISH offer to extend contract, including retroactive 'true-up' for new rates, which would keep local channels up for benefit of consumers while negotiations continue*

*TEGNA turns back on public interest obligations – holds local viewers hostage to create 'deal leverage'*

*DISH advocates for FCC and Congress to put an end to broadcaster blackouts*

ENGLEWOOD, Colo.--([BUSINESS WIRE](#))-- Despite DISH's offer to extend contract negotiations, tonight TEGNA Inc. (formerly Gannett Co., Inc.) has blacked out DISH customers' access to its local channels in 38 markets across 33 states and the District of Columbia. The media conglomerate has used the move to gain deal leverage as it seeks above-market rate increases double the current DISH rate.

DISH Network L.L.C. is a wholly-owned subsidiary of DISH Network Corporation (NASDAQ: DISH).

"With DISH willing to grant an extension and a retroactive true up on rates, TEGNA had nothing to lose and consumers had everything to gain by leaving the channels up," said Warren Schlichting, DISH senior vice president of programming. "Instead, TEGNA chose to turn its back on its public interest obligations and use innocent consumers as bargaining chips."

DISH and TEGNA had been making steady progress in their recent negotiations, and DISH was hopeful that they would come to a mutual agreement to renew carriage of the TEGNA local stations. In that spirit, DISH offered a short-term contract extension to TEGNA that would include a retroactive true-up when new rates

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were agreed upon, and would preserve the ability of DISH customers to access the TEGNA local stations while negotiations continued. The true-up would ensure that TEGNA was made whole at the new rates for the period of any contract extension.

"We are actively working to negotiate an agreement that promptly returns this content to DISH's programming lineup," added Schlichting.

### **Need for Retransmission Consent Reform**

"TEGNA's decision to cut ties with DISH customers is a prime example of why Washington needs to stand up for consumers and end local channel blackouts," said R. Stanton Dodge, DISH executive vice president and general counsel. "Broadcasters like TEGNA use their in-market monopoly power to put profits ahead of the public interests they are supposed to serve."

Broadcasters currently prevent pay-TV companies from temporarily substituting an out-of-market station during a local broadcaster blackout. This leaves consumers in the dark and leaves pay-TV companies powerless to serve their customers.

Dodge continued: "Actions like these are precisely the reason that Congress has mandated, and the FCC has started, a formal process to investigate negotiating tactics that use innocent consumers as bargaining chips."

The Federal Communications Commission (FCC) issued a Notice of Proposed Rulemaking on September 2, 2015. Read the NPRM here: [http://transition.fcc.gov/Daily\\_Releases/Daily\\_Business/2015/db0902/FCC-15-109A1.pdf](http://transition.fcc.gov/Daily_Releases/Daily_Business/2015/db0902/FCC-15-109A1.pdf)

Along with other pay-TV companies and public interest groups that form the [American Television Alliance](#) (ATVA), DISH has asked the FCC to consider these and other tactics as violating "good faith" negotiations.

Read an ATVA Ex Parte filed with the FCC on September 2, 2015 here: <http://apps.fcc.gov/ecfs/document/view?id=60001223881>

### **Rising Retransmission Rates**

Each year, the cost to carry local broadcast stations rises far beyond the rate of inflation, leading to blackouts across the country that affect millions of subscribers of various pay-TV companies. According to SNL Kagan, a leading source on the media industry, broadcast fees burdening pay-TV consumers were as low as \$215 million in 2006, soared to \$4.9 billion in 2014 and are

expected to more than double to reach \$10.3 billion in 2021.

DISH customers can visit [DISHPromise.com](http://DISHPromise.com) for more information and to ask the FCC and Congress to end TV blackouts.

For a list of affected stations, visit <https://dishnetwork.newshq.businesswire.com/document-library/tegna-station-list>.

## About DISH

DISH Network Corp. (NASDAQ: DISH), through its subsidiaries, provides approximately 13.932 million pay-TV subscribers, as of June 30, 2015, with the highest-quality programming and technology with the most choices at the best value. Subscribers enjoy a high definition line-up with more than 200 national HD channels, the most international channels, and award-winning HD and DVR technology. DISH Network Corporation is a Fortune 250 company. Visit [www.dish.com](http://www.dish.com).

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