

DIRECTV VIACOM STALEMATE CONTINUES AS VIEWERS SUFFER



DIRECTV

Both DirecTV and Viacom are rigidly standing by their adopted stances. Both acknowledge that things have reached such a pass, that an agreement in the carriage conflict does not seem likely any time soon. The DirecTV, Viacom standoff is one of the longest cable blackouts in the industry's history and those in the know, say that neither side is in a hurry for a quick resolution. Viacom sounded resigned to a long drawn conflict in a statement on Wednesday it admitted that the impasse between them could go on "indefinitely." DirecTV said that Viacom's premium channel EPIX was at the center of the dispute and any resolution hinged on resolving the EPIX disagreement. EPIX is a joint venture between Viacom's Paramount Pictures movie studio, Metro-Goldwyn Mayer, and Lionsgate. Formed 4 years ago it offers amongst other things the James Bond franchise. Viacom says that it commands viewership in more than 30 million homes. DirecTV said that EPIX was the roadblock and Viacom's insistence that we carry it set things back to square one. Viacom's proposal for carriage of 17 channels was acceptable to DirecTV, "However, as part of that offer, Viacom insists that we carry the EPIX channel at an additional cost of more than half a billion dollars" DirecTV said in a statement. "We know our customers don't want to pay such an extreme price for an extra channel, they simply want the ones they had returned to them. We stand ready and willing to work with Viacom to get this done and, once again, ask Viacom to do the right thing and restore these channels to our customers immediately." Viacom wrote in a statement, "We made a significant and comprehensive compromise proposal to DirecTV last Thursday that could have resulted in restoring all of our services to DirecTV subscribers by Friday morning. We have since made several additional compromise proposals—even as recently as last night—to find a resolution acceptable to DirecTV." They alleged that instead of accepting their compromise proposal forward, DirecTV created more impediments on the path to a resolution. However, DirecTV refuted the statement and called it "totally inaccurate." They said they were unaware of what compromises Viacom had made, since they had not gone public with them. The only thing they had made clear was they wanted an additional 30 percent or one billion dollars more for their services. Executive VP of content distribution Denise Denson admitted, "I really don't see any end in sight, truthfully. The company's website is already advising viewers to look for content from Nickelodeon, Comedy Central, MTV or any of the affected Viacom channels to switch providers. The clash had started when Viacom asked for a higher fee to which DirecTV said that they did not merit. This led to DirecTV being forced to black out 26 Viacom channels, including some very popular ones like, MTV, Comedy Central, Spike, VH1, and Nickelodeon. It is estimated that more than 20 million viewers are being affected by this unyielding standoff. Denying access to channels, that the customers have already paid for and are entitled to, is both ethically and professionally wrong. Viacom and DirecTV have both lost the high moral ground and they may have to pay an even higher price than more money, in the longer run.