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January 24, 2018

**VIA ECFS**

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

**Re: Notice of Oral *Ex Parte* Presentation – MB Docket No. 18-9.**

Dear Ms. Dortch:

Pursuant to Sections 1.1204(a)(3), (10) and (11) of the Commission's rules, 47 C.F.R. § 1.1204(a)(3), (10), (11), notice is hereby provided of meetings on January 23, 2018 between executives of Starz Entertainment, LLC ("Starz"), together with their counsel, and officials at the Federal Communications Commission (FCC). Specifically, on January 23<sup>rd</sup>, Jeffrey A. Hirsch, the Chief Operating Officer of Starz, together with Edward "Smitty" Smith and the undersigned of DLA Piper, met with Commissioner Mignon L. Clyburn and her Chief of Staff, David Grossman, and intern Joseph Kerins; and Commissioner Jessica Rosenworcel and her Policy Advisor, Kate Black.

During these meetings, Starz referred to its Emergency Petition for Injunctive Relief regarding the deletion of 16 of its channels by Altice USA, Inc. ("Altice") and its subsidiary Cablevision Systems Corporation ("Cablevision") and discussed the reasons supporting expedited FCC action on this petition. Specifically, Starz reviewed the significant harms to customers and substantial financial loss to Starz in the absence of prompt Commission action. Starz also provided background information regarding the company and its channels. The attached deck was distributed at the meetings and details the issues discussed and points raised.



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Please do not hesitate to contact me if you have questions or concerns.

Respectfully submitted,

**DLA Piper LLP (US)**

*/s/ R. Michael Senkowski*

R. Michael Senkowski

Partner

MS

cc: Commissioner Mignon L. Clyburn  
Commissioner Jessica Rosenworcel  
David Grossman  
Kate Black





Emergency Petition for Injunctive Relief

Emergency Restoration of Service for  
Over 1 Million Customers

January 23, 2018



# Reasons for Meeting

## SWIFT FCC ACTION IS NEEDED TO RESTORE SERVICE TO CUSTOMERS

Starz has provided premium content to Cablevision customers for **over two decades**

January is a key month for Starz's business, with a new original show, "Counterpart", premiering this Sunday, January 21st

Among Altice/Cablevision homes, STARZ has a large and loyal following

- **More than 1 in 8** watched STARZ/STARZENCORE more than any other cable or broadcast network in 2017, averaging **more than 76 minutes of viewing STARZ/STARZ ENCORE every day**

On January 1st, Altice/Cablevision cut off STARZ service to **over 1 million customers in the New York metropolitan area.**

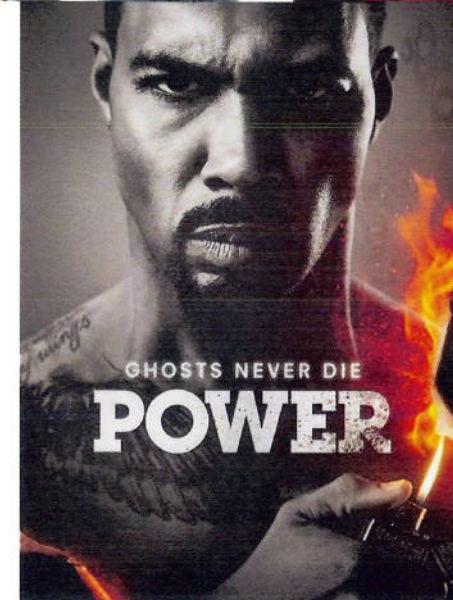
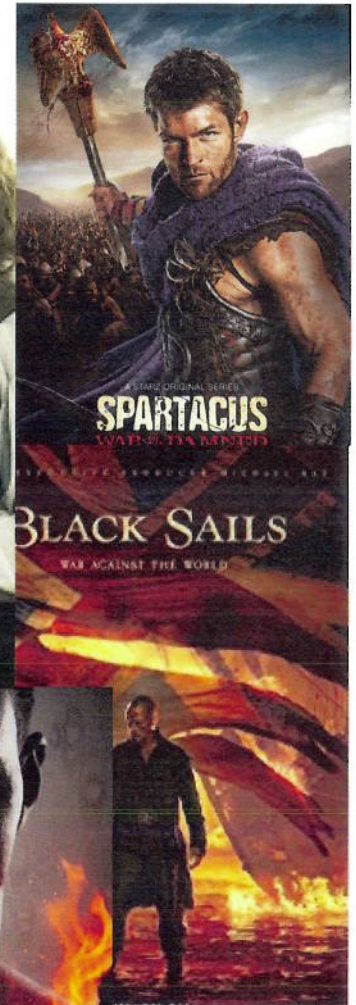
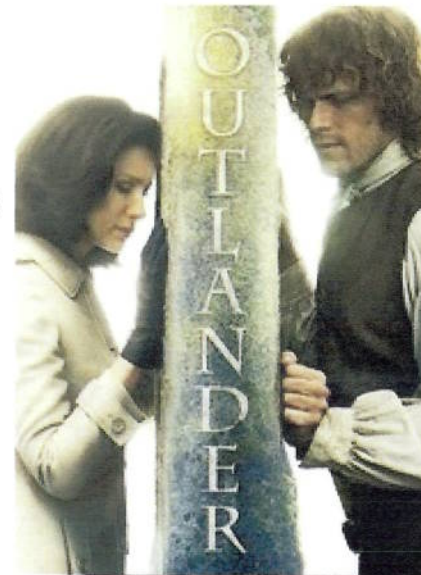
Customers have filed approximately 42,000 complaints to date

Starz requests emergency injunctive relief in filing today

# About Starz

## Top Premium Channel with World-Class Content

- One of the largest filmed entertainment libraries in the world, via Starz and Lionsgate content.
- Theatrical and independent movies.
- Annual investment of \$1.8 billion in new television and motion picture content.
- No. 2 and No. 4 top drama in premium television.
  - Starz programming is very popular with African American and LGBTQ viewers
  - Power is number 1 show among American Americans on premium television and number 2 in African American households served by Altice's footprint.
  - Outlander has high ratings among female viewers as 2017's #2 scripted series behind HBO's Game of Thrones



# The Starz Suite of Channels

**16 premium channels offering a diverse range of entertainment options for all audiences**

- MOVIEPLEX
- STARZ East
- STARZ West
- STARZ Kids & Family
- STARZ Edge
- STARZ in Black
- STARZ Comedy
- STARZ Cinema
- STARZ ENCORE East
- STARZ ENCORE West
- STARZ ENCORE Action
- STARZ ENCORE Black
- STARZ ENCORE Classic
- STARZ ENCORE Family
- STARZ ENCORE Westerns
- STARZ ENCORE Suspense



# Timeline of Key Events Pre-Deletion



# Timeline of Key Events Post-Deletion





# The FCC's Rules

The FCC's rules require that cable operators provide customers and local authorities with prior notice of service changes and meet standards for customer care and responsiveness.

- **Rule 76.1603(b)** – Customers will be notified of any changes in rates, programming services or channel positions **as soon as possible** in writing. Notice must be given to subscribers a **minimum of thirty (30) days** in advance of such changes if the change is within the control of the cable operator...
- **Rule 76.1603(c)** – In addition to the requirement of paragraph (b) of this section regarding advance notification to customers of any changes in rates, programming services or channel positions, cable systems shall give **30 days written notice to both subscribers and local franchising authorities** before implementing any rate or service change.
- **Rule 76.309(c)(1)** – The cable operator will maintain a local, toll-free or collect call telephone access line which will be available to its subscribers 24 hours a day, seven days a week...

**These rules are designed to protect customers by allowing them to voice their concerns and make alternative viewing arrangements, if necessary.**

# Test for Emergency Injunctive Relief

Commission applies a four-pronged test to determine whether to order injunctive relief and considers:

1. The likelihood that the requesting party will succeed on the merits;
2. The threat of irreparable harm to the requesting party in the absence of the requested expedited, preliminary relief;
3. The degree of injury to other parties if the expedited relief is granted; and
4. The extent to which issuance of the order will further the public interest.

# Injunctive Relief is Warranted

The four-pronged test is met here:

1. Starz is very likely to succeed on the merits of this case based upon the facts alleged in the Petition
2. Starz and consumers require the prescribed thirty days prior notice, and are at risk of irreparable harm if an expedited injunction is not granted
  - Consumers lose access to favorite programming without the ability to make alternative arrangements, particularly minority communities who comprise a major share of STARZ customers
  - Consumers are continuing to pay for programming they don't receive
  - STARZ loses key January audiences for its programming, which establish viewing patterns for months to come
  - STARZ sustains significant brand damage when its programming is not available (and loses viewership) in a major market like New York



# Injunctive Relief is Warranted (cont'd)

3. The Altice Companies will not suffer significant harm if the injunction is granted
  - FCC has previously found temporary carriage not to cause harm to the cable operator
  - Here, Altice/Cablevision continue to be compensated by customers at rates identical to when the programming was available
  - License fees for the thirty day period can be deposited in an escrow account and repaid to Altice/Cablevision if the FCC or a court concludes no rule violations occurred.
4. Granting an emergency injunction furthers the Public Interest
  - Injunctive relief protects the important interests of consumers
  - The public interest is harmed where consumers are denied receipt of programming that they expect and for which they have paid

# Injunctive Relief Requested

Expedited injunctive relief requested: Order the Altice Companies to:

1. Reinstate carriage of the Starz Channels on all Cablevision systems on which they were carried prior to January 1, 2018, on the terms that were then applicable to their carriage;
2. Provide subscribers with thirty days' written notice of its decision to discontinue carriage of the Starz Channels, as measured from the later of the date of the Altice Companies' notice to Cablevision subscribers or the date of the Commission's order imposing this relief; and
3. Provide responsive service and a level of customer care meeting the standards demanded by the Commission's rules.

# Informational Appendix:

## About Starz



- Starz is an American-based leading integrated global media and entertainment company, headquartered in Englewood, CO. Starz is a subsidiary of Lions Gate Entertainment Corp. (dba Lionsgate) and provides premium subscription video programming on domestic U.S. pay television networks (Starz Networks) and global content distribution (Starz Distribution), [www.starz.com](http://www.starz.com). The Starz Networks operating unit is home to the flagship STARZ brand with 23.6 million subscribers in the United States as of December 31, 2015, with the STARZ ENCORE SM network at 32.2 million subscribers.
- STARZ is sold through U.S. multichannel video distributors, including cable operators, satellite television providers, telecommunications companies, and other online and digital platforms. Starz offers subscribers more than 5,000 distinct premium television episodes and feature films every year and up to 1,500 every month, including STARZ Original series, first-run movies and other popular movie and television programming.
- Starz has the #2 most-subscribed premium pay TV service in the U.S.
- Starz provides premium subscription video programming to American viewers on numerous platforms
  - Cable
  - Satellite
  - Telecommunications Carriers
  - Online Video
  - OTT

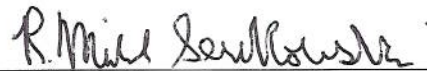


**CERTIFICATE OF SERVICE**

I, R. Michael Senkowski, hereby certify that on this 24<sup>th</sup> day of January, 2018, a copy of the foregoing Notice of Oral *Ex Parte* Presentation was served by first-class U.S. mail, postage prepaid, upon

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