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UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

WESTERN DIVISION

ROB BRANTLEY, DARRYN COOKE, WILLIAM and BEVERLEY COSTLEY, PETER G. HARRIS, CHRISTIANA HILLS, MICHAEL B. KOVAC, MICHELLE NAVARRETTE, JOY PACHIE, TIMOTHY J. STABOSZ, and JOSEPH VRANICH, individually and on behalf of all others similarly situated,

Plaintiffs,

v.

NBC UNIVERSAL, INC., VIACOM INC., THE WALT DISNEY COMPANY, FOX ENTERTAINMENT GROUP, INC., TIME WARNER INC., TIME WARNER CABLE INC., COMCAST CORPORATION, COMCAST CABLE COMMUNICATIONS, LLC, COXCOM, INC., THE DIRECTV GROUP, INC., ECHOSTAR SATELLITE L.L.C., CHARTER COMMUNICATIONS, INC., and CABLEVISION SYSTEMS CORPORATION

Defendants.

Case No. CV07-06101 CAS (VBKx)

Hon. Christina A. Snyder

DEFENDANT CABLEVISION SYSTEMS CORPORATION'S ANSWER TO SECOND AMENDED COMPLAINT

ANSWER TO COMPLAINT

Defendant Cablevision Systems Corporation ("Cablevision") answers Plaintiffs' Second Amended Class Action Complaint ("SAC") as follows:

1. Denies the allegations of paragraph 1 to the extent that they relate or are intended to relate to Cablevision, except admits that it has entered into certain written agreements with the Programmer Defendants and respectfully refers the Court to those agreements for their content; denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations of this paragraph and therefore denies them; and neither admits nor denies any allegations that are statements of legal principle or legal conclusion, not allegations of fact.

2. Denies the allegations of paragraph 2 to the extent that they relate or are intended to relate to Cablevision, except admits that it has entered into certain written agreements with the Programmer Defendants and respectfully refers the Court to those agreements for their content; denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations of this paragraph and therefore denies them; and neither admits nor denies any allegations that are statements of legal principle or legal conclusion, not allegations of fact.

3. Denies the allegations of paragraph 3 to the extent that they relate or are intended to relate to Cablevision, except admits that it has entered into certain written agreements with the Programmer Defendants and respectfully refers the Court to those agreements for their content; denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations of this paragraph and therefore denies them; and neither admits nor denies any allegations that are statements of legal principle or legal conclusion, not allegations of fact.

4. Denies the allegations of paragraph 4 to the extent that they relate or are intended to relate to Cablevision, except admits that it has entered into certain written agreements with the Programmer Defendants and respectfully refers the Court to those agreements for their content; denies knowledge or information

sufficient to form a belief as to the truth of the remaining allegations of this paragraph and therefore denies them; and neither admits nor denies any allegations that are statements of legal principle or legal conclusion, not allegations of fact.

5. Denies the allegations of paragraph 5 to the extent that they relate or are intended to relate to Cablevision and denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations of this paragraph and therefore denies them.

6. Admits that Plaintiffs purport claim to seek the relief described in paragraph 6.

PARTIES

7. Denies knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 7.

8. Denies knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 8.

9. Denies knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 9.

10. Denies knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 10.

11. Denies knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 11.

12. Denies knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 12.

13. Denies knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 13.

14. Denies information sufficient to form a belief as to the truth of the allegations of paragraph 14, except admits that Joy Psachie is a customer of Cablevision with a billing address in Bronx, New York.

15. Denies information sufficient to form a belief as to the truth of the allegations of paragraph 15.

16. Denies information sufficient to form a belief as to the truth of the allegations of paragraph 16.

17. Denies information sufficient to form a belief as to the truth of the allegations of paragraph 17.

18. Denies information sufficient to form a belief as to the truth of the allegations of paragraph 18.

19. Denies information sufficient to form a belief as to the truth of the allegations of paragraph 19.

20. Denies information sufficient to form a belief as to the truth of the allegations of paragraph 20.

21. Denies information sufficient to form a belief as to the truth of the allegations of paragraph 21.

22. Denies information sufficient to form a belief as to the truth of the allegations of paragraph 22.

23. Denies information sufficient to form a belief as to the truth of the allegations of paragraph 23.

24. Denies information sufficient to form a belief as to the truth of the allegations of paragraph 24.

25. Denies information sufficient to form a belief as to the truth of the allegations of paragraph 25.

26. Denies information sufficient to form a belief as to the truth of the allegations of paragraph 26.

27. Denies information sufficient to form a belief as to the truth of the allegations of paragraph 27.

28. Admits that Cablevision is a corporation organized under the laws of Delaware with its principal place of business in Bethpage, New York and

that it has approximately 3 million subscribers in the United States, and denies information sufficient to form a belief as to the truth of the allegation that "CSC is one of the larger operators of cable television systems in the United States."

JURISDICTION AND VENUE

29. Denies the allegations of paragraph 29, except admits that Plaintiffs purport to bring this action under Sections 4 and 16 of the Clayton Act, 15 U.S.C. §§ 15 and 26.

30. Denies the allegations of paragraph 30, except admits that plaintiffs purport to invoke the subject matter jurisdiction of this Court pursuant to 28 U.S.C. §§ 1331, 1332(d) and 1337, and Sections 4 and 16 of the Clayton Act, 15 U.S.C. §§ 15 and 26.

31. Denies the allegations of paragraph 31 to the extent directed to Cablevision, including any allegation that Cablevision maintains an office, is found or transacts business in this District, except admits that plaintiffs purport to place venue in this judicial district pursuant to 15 U.S.C. §§ 15, 22, 26 and 28 U.S.C. § 1391(b) and (c), and denies knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 31 to the extent they relate to defendants other than Cablevision.

CLASS ACTION ALLEGATIONS

32. Denies the allegations of paragraph 32, except admits that Plaintiffs purport to bring this action as a class action pursuant to Federal Rule of Civil Procedure 23 on behalf of the persons described in paragraph 32.

33. Avers that paragraph 33 contains legal conclusions as to which no response is required; however, to the extent a response is required, denies the allegations of paragraph 33.

34. Avers that paragraph 34 contains legal conclusions as to which no response is required; however, to the extent a response is required, denies the allegations of paragraph 34 and each subparagraph thereof.

35. Avers that paragraph 35 contains legal conclusions as to which no response is required; however, to the extent a response is required, denies the allegations of paragraph 35.

36. Avers that paragraph 36 contains legal conclusions as to which no response is required; however, to the extent a response is required, either denies or denies knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 36.

37. Avers that paragraph 37 contains legal conclusions as to which no response is required; however, to the extent a response is required, denies the allegations of paragraph 37.

38. Avers that paragraph 38 contains legal conclusions as to which no response is required; however, to the extent a response is required, denies the allegations of paragraph 38.

NATURE OF TRADE AND COMMERCE

39. Avers that paragraph 39 contains legal conclusions as to which no response is required; however, to the extent a response is required, denies the allegations of paragraph 39.

40. Denies the allegations of paragraph 40 to the extent they are allegations of fact as to which a response is required.

41. Denies the allegations of paragraph 41 to the extent that they are allegations of fact as to which a response is required and relate or are intended to relate to Cablevision, except admits that Cablevision offers a "basic cable" service to its subscribers, does so lawfully, and the service includes retransmission of local television broadcast signals and public, educational and government access channels; and denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations of this paragraph.

42. Denies the allegations of paragraph 42 to the extent that they are allegations of fact as to which a response is required and relate or are intended

to relate to Cablevision, except admits that in 1992, the Cable Consumer and Competition Act became law, refers the Court to the December 13, 2004 issue of *Forbes* for a complete statement of its contents, and denies information or knowledge sufficient to form a belief as to the truth of the remaining allegations of this paragraph.

43. Because the allegations of paragraph 43 are not directed at Cablevision, no response is required; however, to the extent a response is required, denies knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 43 to the extent they are allegations of fact.

44. Because the allegations of paragraph 44 are not directed at Cablevision, no response is required; however, to the extent a response is required, denies knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 44 to the extent they are allegations of fact.

45. Denies the allegations of paragraph 45 to the extent that they are allegations of fact as to which a response is required and relate or are intended to relate to Cablevision, except admits that it has entered into certain written agreements with the Programmer Defendants and respectfully refers the Court to those agreements for their content and denies knowledge or information sufficient to form a belief as to the truth of the allegations that are directed at the conduct of persons other than Cablevision.

46. Denies the allegations of paragraph 46 to the extent that they relate or are intended to relate to Cablevision, except (i) admits that it has entered into certain written agreements with the Programmer Defendants and respectfully refers the Court to those agreements for their content; (ii) admits that Plaintiffs have quoted excerpts from statements by Cablevision's Chairman Charles Dolan but denies that they have quoted them accurately or in context and respectfully refers the Court to the text of those statements for their full content; and (iii) denies

knowledge or information sufficient to form a belief as to the truth of the remaining allegations of this paragraph.

47. Denies knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 47.

VIOLATIONS ALLEGED

48. Repeats and realleges its responses to paragraphs 1 through 47 as if fully set forth herein.

49. Avers that paragraph 49 contains legal conclusions as to which no response is required; however, to the extent that any response is required, denies the allegations of paragraph 49.

50. Denies the allegations of paragraph 50.

51. Denies the allegations of paragraph 51.

52. Denies the allegations of paragraph 52.

53. Avers that paragraph 53 contains legal conclusions as to which no response is required; however, to the extent that any response is required, denies the allegations of paragraph 53.

SEPARATE AND ADDITIONAL DEFENSES

In addition to the foregoing, Cablevision alleges and asserts the following affirmative defenses. By pleading these defenses, Cablevision does not assume the burden of proving any fact, issue, or element of a cause of action where such burden properly belongs to Plaintiffs. No assertion of any defense is intended or may be construed as a concession that any particular issue or subject matter is relevant to Plaintiffs' allegations.

FIRST SEPARATE AND ADDITIONAL DEFENSE

Venue is improper in this District.

SECOND SEPARATE AND ADDITIONAL DEFENSE

The SAC fails to state a claim upon which relief may be granted against Cablevision.

THIRD SEPARATE AND ADDITIONAL DEFENSE

Plaintiffs fail to allege sufficient antitrust injury or any other cognizable injury.

FOURTH SEPARATE AND ADDITIONAL DEFENSE

Plaintiffs lack standing to assert their claims.

FIFTH SEPARATE AND ADDITIONAL DEFENSE

The claims in the SAC are barred in whole or in part by the applicable statutes of limitation and/or repose, by prescription, and/or by laches.

SIXTH SEPARATE AND ADDITIONAL DEFENSE

Plaintiffs have failed to mitigate any harm it may have suffered.

SEVENTH SEPARATE AND ADDITIONAL DEFENSE

To the extent that plaintiffs seek to impose liability for acts or practices subject to the jurisdiction of the FCC, the FCC has primary jurisdiction over such acts and practices.

EIGHTH SEPARATE AND ADDITIONAL DEFENSE

The claims of the SAC are barred, in whole or in part, because the alleged sums to be restored to allegedly injured Plaintiffs, if any, are speculative and it is impossible to ascertain and allocate such alleged sums.

NINTH SEPARATE AND ADDITIONAL DEFENSE

The claims of the SAC are barred, in whole or in part, by the equitable doctrines of waiver and abstention.

TENTH SEPARATE AND ADDITIONAL DEFENSE

To the extent Cablevision has acquired market power in any relevant market, such market power is not the result of any exclusionary, predatory, or otherwise illegal conduct.

ELEVENTH SEPARATE AND ADDITIONAL DEFENSE

The SAC fails to allege relevant markets in a manner that gives Cablevision notice of the charges against it and is so vague and ambiguous as to deny Cablevision notice of the relevant markets.

TWELFTH SEPARATE AND ADDITIONAL DEFENSE

Plaintiffs' alleged damages were caused, in whole or part, by the conduct of others and not as a result of any act or omission on the part of Cablevision.

THIRTEENTH SEPARATE AND ADDITIONAL DEFENSE

Cablevision's conduct purportedly challenged in the Complaint is lawful and is supported by legitimate business justifications.

FOURTEENTH SEPARATE AND ADDITIONAL DEFENSE

The SAC, and each purported cause of action therein, is barred due to Plaintiffs misjoinder of parties.

FIFTEENTH SEPARATE AND ADDITIONAL DEFENSE

Cablevision hereby adopts and incorporates by this reference any and all other separate and additional defenses asserted or to be asserted by other Defendants in this action to the extent that Cablevision may share in such separate and additional defenses.

WHEREFORE, Cablevision prays as follows:

1. Judgment on the SAC in favor of Cablevision;
2. Dismissal of the SAC with prejudice;
3. An award to Cablevision of its costs and expenses incurred herein; and
4. Such other and further relief as this Court deems just and proper.

JURY DEMAND

Pursuant to the Seventh Amendment and Rule 38(b) of the Federal Rules of Civil Procedure, Cablevision demands a trial by jury of all issues so triable.

Dated: August 1, 2008.

Respectfully submitted,

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Attorneys for Defendant
Cablevision Systems Corporation

CERTIFICATE OF SERVICE

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is Sullivan & Cromwell LLP, 1888 Century Park East, Los Angeles, California 90067-1725. I make this service at the direction of a member of the Bar of this Court.

On August 1, 2008, I caused the foregoing document described as:

DEFENDANT CABLEVISION SYSTEM CORPORATION'S ANSWER TO SECOND AMENDED COMPLAINT

to be served on the interested parties in this action by placing a true and correct copy thereof enclosed in a sealed envelope addressed as follows:

Paul Sirkis
Simpson Thatcher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017-3954

[X] BY MAIL: I caused such envelope to be deposited in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.

I am "readily familiar" with this firm's practice of collection and processing correspondence for mailing. It is deposited with U.S. postal service on that same day in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on August 1, 2008, at Los Angeles, California.

Marina G. Green