

Consumers keep getting screwed over by service providers of pay TV services *whether cable or satellite companies) and the content providers who own the TV channels and often the content on the channels. Customers sitting down to watch the local news in Louisville, Ky. on Time Warner Cable (formerly Insight) now get to see stories about ongoing bankruptcy woes at Eastman Kodak, house fires in Irondequoit, road work in Greece, and Scott Hetsko's local forecast... for Rochester, N.Y. No, it is not some weird sunspot reception and nobody transported you from Kentucky to western New York while you were sleeping. It's simply another epic battle waged in:

RETRANSMISSION CARRIAGE CONSENT WARS: 2012

"Not getting the channels you are paying for does not necessarily entitle you to a refund, but does require you to pay more when a deal is eventually struck."

These skirmishes used to be commonplace around the end of the year, when carriage agreements between cable, satellite, and telephone companies with cable networks and local stations came up for renewal. When the programmer passed a figure written on a folded up piece of paper across the table to your pay television provider, the shock and awe of that number, occasionally 100-300 percent more than the year before, was the opening shot in a battle that now increasingly leads to favorite local stations or cable channels being stripped from your lineup.

In Louisville, that is precisely what happened to WLKY-TV, one of 15 stations owned by Hearst Television, taken off the lineup when Time Warner Cable/Insight/Bright House Networks could not successfully negotiate a renewal agreement. Time Warner complained Hearst wanted 300% more for each of the affected stations, an increase sure to be passed along to cable customers already long weary of endless annual rate increases. That was the same story told in other cities affected by what is now a week-long blackout. In Greensboro/Winston-Salem, N.C., Time Warner customers are doing without WXII-TV. Kansas City customers lost two local stations owned by Hearst – KMBC and KCWE. Two stations are also missing from Bright House's lineup in Orlando: WESH and WKCF.

But why are Louisville viewers now watching the boating forecast for Lake Ontario, several hundred miles away? Because Time Warner Cable thinks it has a signed contract with Nexstar Broadcasting Group that lets them turn several Nexstar-owned stations into "superstations," importing them in cities where

contract disputes have knocked the local station off the cable lineup. In Louisville, WLKY, a CBS affiliate, has been replaced by WROC, the CBS affiliate in Rochester. In Greensboro and several other cities, WXII, an NBC affiliate, has been replaced with WBRE in Wilkes Barre, Penn. Some other Time Warner customers are instead watching WTWO out of Terre Haute, Ind., for NBC shows.

It represents a half-measure that Time Warner Cable's Jeff Simmermon tells *Stop the Cap!* is "making the best of a tough situation."

Viewers are naturally outraged.

"I've always wanted to know the weather and news in Rochester, Buffalo, Ontario and Caribou," Kelly Grether teased. "Louisville did make [WROC's weather] map believe it or not."

Others are simply confused and engaged in must-flee TV.

"I saw the news coming on," Greensboro resident Mona Wright **told** the *News & Record*. "It didn't take me but one minute to figure out that these counties were nowhere around us; I changed the channel."

Some Louisville viewers are even assuming the sales and discounts being advertised on WROC are good in Kentucky as well (often, they are not).

For now, it is difficult for Kentucky viewers to know what WROC is airing because the local on-screen program guide has not been updated to include listings for the Rochester station. Time Warner is pushing a lot of viewers to WROC's website for program information.

Viewers hoping to practice their Jeopardy and Wheel of Fortune skills during the dinner hour lost that opportunity altogether in some cities, while in the Triad of North Carolina, viewers discovered the two shows on two different channels at the same time.

For now, WROC has completely ignored its new Kentucky audience, but WBRE's morning anchors now regularly acknowledge and welcome their viewers from several states away.

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The dispute has since enlarged to bring in side players who are unimpressed with Time Warner's creative problem-solving:

- Impacted stations now off Time Warner's lineup think the "new" stations on the lineup are about as honorable as employing scab workers during a union strike;
- Nexstar, for the second time, declares Time Warner is illegally importing their stations to unauthorized places. They are threatening to complain to the FCC and possibly sue to stop the practice. Nexstar earlier complained about a similar dispute in upstate New York which left viewers in northern New York watching WBRE in Wilkes-Barre. But the carriage dispute was settled quickly enough for WBRE to go back to being viewable only in Pennsylvania, ending the dispute;
- Syndicated program owners sell shows like Wheel of Fortune on a "market exclusive" basis, which means competing local stations already paying for syndicated shows do not want out of area stations also carrying those shows to local audiences, diluting their audience.

Advertisers on stations now off the lineup paid ad rates based on tens of thousands of cable viewers who are now probably watching another station. Some are demanding "make goods" or outright refunds to get the value for money they were originally promised.

But nobody is more caught in the middle than consumers, especially those paying for channels they are no longer getting.

“I want my money back,” says Orlando Bright House customer Luis Fernandez. “I have lost two stations on my lineup and my bill should be going down to compensate, but Bright House is refusing to credit me.”

Time Warner Cable does not usually give refunds either, arguing that its customers pay for a package of channels and the technology that delivers those networks to customers. Giving a refund for the loss of one or two stations would be tantamount to the industry’s worst nightmare: getting customers used to the idea of paying individually for every channel.

One customer willing to make himself a major nuisance in Wauwatosa, near Milwaukee, Wis., finally wore Time Warner down and secured a \$5 a month discount on his bill for the length of the dispute that knocked Milwaukee’s WISN off his lineup.

“[I called] Time Warner to voice my disgust in them putting me (the paying customer) in the middle of their negotiation failures, and after reaching a ‘supervisor,’ I was able to get a discount on my monthly bill,” the reader **told** the *Journal-Sentinel*. “It wasn’t easy, but I did it.”

Hearst is encouraging viewers to drop Time Warner like a hot potato and switch to AT&T U-verse or a satellite provider like DirecTV. Negotiations seem to be continuing on a sporadic basis, but one week later, customers heading for the door have already left or are simply watching the local news on another channel.