

FAQ about KAVU, KXTS and KMOL, DISH contract negotiations

December 3rd Update: KAVU, KXTS , KMOL and DISH have agreed to another extension to try to work out a deal without interrupting service to our viewers. This is the 19th extension KAVU, KXTS and KMOL has offered over the past four months in an attempt to meet an agreement, which now runs until Friday at 6 p.m.

November 30th Update: DISH has accepted KAVU, KXTS and KMOL's offer of an 18th extension. Our agreement has been extended to Monday at 6 p.m. Time and time again over four months, KAVU, KXTS and KMOL has granted extensions so we can work out a fair deal without affecting viewers. Both sides know what's fair and KAVU, KXTS and KMOL is committed to reaching a deal.

Q. What's going on and what is this negotiation about?

The KAVU, KXTS and KMOL agreement with DISH expires at 6 p.m. Friday, December 7. To avoid a disruption in your DISH service, we have offered to continue negotiations for a new agreement.

In fact, we have granted 19 extensions over the last four months in an effort to reach a new agreement without any disruption in service to our viewers. We don't know if DISH will agree to another extension at this point so we felt it was necessary to alert DISH customers to the possibility that they may lose access to KAVU, KXTS and KMOL local news as well as World News Tonight with David Muir, American Ninja Warrior, Big Bang Theory and sports programming. Both KAVU, KXTS and KMOL and DISH have extensive data about the actual viewership of KAVU, KXTS and KMOL and all the other channels. There *is no dispute* that KAVU, KXTS and KMOL is one of the most viewed channels, if not the most viewed channel on DISH's system in this local area. In fact, local broadcasters have 40 percent of all local viewing yet receive a small portion of the fees DISH charges you.

We are simply asking for a fair fee, just as we have with the agreements we have with all other cable and satellite systems. This fee helps us offset significant costs charged to us by KAVU, KXTS and KMOL for its programs and the most important operation expense of all, the responsibility of covering the news, weather, sports, emergency and community service information in the crossroads.

Q. How will this negotiation impact my monthly bill with DISH?

This is completely up to DISH, which has built a very profitable business by reselling programming provided by local stations and cable companies.

DISH DOES NOT have to pass along any fee increase it may agree to with KAVU, KXTS and KMOL.

Whatever increase DISH and KAVU, KXTS and KMOL might agree to, to characterize KAVU, KXTS and KMOL as being greedy or holding viewers hostage is simply not true. DISH is a publicly-traded, \$14 billion company. Its chairman is the 106th richest man in the world and answers to shareholders first.

It is entirely up to DISH what, if any, increase they pass through to you.

Q. Is KAVU, KXTS and KMOL making unreasonable demands of DISH?

No. What we are asking is fair. KAVU, KXTS and KMOL has negotiated dozens of agreements with other cable and satellite providers--DISH has negotiated THOUSANDS of agreements. Both parties know what's fair.

KAVU, KXTS and KMOL has agreements with all other operators in the market and our request for compensation from DISH is in the same range as all the other agreements we have negotiated. What we are asking for is far below the rates DISH pays to national cable channels which are far less popular than KAVU, KXTS and KMOL, have far fewer viewers, and provide no local news or community service.

We are willing to make a very fair deal with DISH similar to agreements we have with its competitors. If BOTH parties can continue to negotiate, a deal can be reached. That's why we've offered another extension.

We sincerely hope it doesn't come to this but if you value KAVU, KXTS and KMOL programming, you may have to switch providers to continue watching us. We assure you we will continue to negotiate in good faith with the goal of resolving this issue as soon as possible.

Q. Is KAVU, KXTS and KMOL the only local broadcaster having trouble reaching a fair deal with DISH?

Not at all. In fact, several small, family-owned broadcasters have had trouble reaching agreement with DISH. While we have agreements with all other cable and satellite providers, DISH has had several outages in other markets with local broadcasters over the past few years.

Q. What are my other options for getting KAVU, KXTS and KMOL programming?

All cable and satellite providers other than DISH will continue to carry KAVU, KXTS and KMOL without interruption. You may also use an antenna to receive our digital, high-definition signal over the air free of charge. If you're interested in switching to another provider, here is a list of contacts:

- [Suddenlink 1-877-694-9474](tel:1-877-694-9474)

Other local providers may serve your area as well.

Q. How can KAVU, KXTS and KMOL charge DISH for its programming when it is free to over-the-air viewers?

Any individual can watch our programming for FREE with the use of an antenna but we don't allow anyone to carry our programming and resell it to the public without fair compensation. This right to negotiate for fair compensation has been part of Federal law since 1992 and was enacted in large part to help ensure that local TV stations would be able to enhance their local news and community service efforts. Our local news operation is by far the largest single

expense of the television station, as it should be. We provide many hours of local news each week. Again, our agreements with operators such as DISH support our ability to provide local news and other programming.

Q. What will we be missing if KAVU, KXTS and KMOL is not available on DISH?

We produce nearly 22 hours of local news each week covering the issues important to Madison and the surrounding communities. In addition, we broadcast ABC, NBC, and CBS's award-winning news, sports and entertainment programming.

Q. Won't DISH just add another ABC, NBC and CBS affiliate from another market?

In short, they can't. KAVU, KXTS and KMOL is the local affiliate for this area on the gulf coast of Texas and federal law prevents them from doing so.

Q. Why wouldn't the local TV station grant an extension of the negotiation period to the operator so its programming continues to be seen?

We have offered an extension. Unfortunately, DISH has not yet accepted.

We are keenly aware that if DISH removes us from their system, viewers will be caught in the middle of a business dispute. We pledge to you that we will continue to do everything to resolve this dispute so that doesn't happen.

Q. Why are two giant companies fighting and putting subscribers in the middle of their negotiation?

KAVU, KXTS and KMOL is no giant. DISH is a national company with \$14.4 Billion in annual revenues and we're a small, family-owned company whose revenues *are far less than a rounding error for* DISH. We employ local people that are invested in your community, DISH just cashes your checks.