

ROGERS ANNOUNCES PLANS TO DROP AMC — AND THIS ISN'T THE FIRST TIME THEY'VE CLASHED

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Against a backdrop of cord-cutting and declining revenues for traditional cable, Rogers subscribers may soon lose access to shows such as “The Walking Dead” and “Better Call Saul,” thanks to the latest salvo in the ongoing battle between AMC and television providers.

Rogers cable began informing customers last month that it will drop AMC on Jan. 1, confirming the move in its online community forum.

“It is indeed true that the AMC channel will no longer be available as of 11:59 p.m. ET, December 31, 2019,” a company moderator said in a post. “We apologize for any inconvenience this may cause.”

Customers who pay a separate fee for AMC as an individual channel will no longer see the charge on their bills, the company said.

Customers who subscribe to the Flex package through internet-protocol Ignite TV will be able to replace AMC with another available channel. Subscribers to digital TV will simply see the channel dropped from theme packs with no change in price.

The two companies are continuing discussions and both say they hope to avoid seeing the channel dropped by reaching an agreement before the end of the year.

“Rogers has long been one of our valued content partners in Canada and we look forward to continuing our partnership with them for years to come,” said Georgia Juvelis, spokesperson for New York-based AMC Networks.

Despite ongoing negotiations, Rogers was required to make the impending drop public by the CRTC’s Television Service Provider Code, which stipulates that cable companies give customers at least 30 days notice of any programming changes.

“We hope to reach a fair agreement to continue offering the channel to our customers,” Rogers spokesperson Zac Carreiro said.

This isn’t the first time the two companies have clashed, nor is Rogers the only Canadian TV provider to take issue with AMC.

Rogers nearly dropped the channel in 2013 after a similar dispute over distribution terms. The fight went public, with AMC launching a website that urged subscribers to pressure the cable provider into keeping

the network's shows on the air. A new deal was ultimately reached without disruption of service.

Details of such negotiations are private, but aside from fees they can also involve other carriage demands.

CRTC rules prohibit domestic networks from requiring abusive penetration-based rates or minimum revenue guarantees, but foreign companies aren't necessarily bound by such restrictions. U.S. networks can ask that cable providers place their channels in more widely distributed packages or that they guarantee a certain number of subscribers.

Montreal-based Videotron similarly announced last year that it was dropping AMC from its channel offerings, citing onerous carriage demands, before coming to a last-minute agreement.

B.C.-based Telus, meanwhile, sued AMC Networks in a U.S. court in 2013 for threatening to withhold its content as it pushed for higher fees. The case was ultimately resolved, with Telus continuing to offer the channel in its television lineup.

Canadian TV industry watchers believe AMC is overestimating the value of its programming to cable providers as streaming services continue to grab subscribers and cord cutting picks up steam.

Earlier this decade, the company had popular, award-winning hits such as "Breaking Bad," about a meth-dealing high school teacher, and "Mad Men," a drama set in the 1960s advertising industry. But none of its current shows rank in the top 30 most-watched programs in Canada as tracked by Numeris.

A recent survey by the Media Technology Monitor found that one in seven Canadians have transitioned from traditional TV to online and streaming services, with an additional one in five intending to do so over the next year.

"The Walking Dead" is aging and AMC doesn't have any other big hits at the moment, so obviously carriers won't value it as much," said Kaan Yigit, president of Toronto-based analysis firm Solutions Research Group. "Ultimately, no channel is worth as much as they think they are worth in an environment of cord-cutting."

With little visibility into negotiations, some Rogers subscribers are in the meantime blaming the cable provider for AMC's impending removal.

"Rogers keeps raising the rates over and over and yet people are getting less and less," said Laurence Price, a customer in Thornhill.

Many of AMC's shows are available through streaming services such as Netflix, but as Price points out, it's usually older content.

"They're a season or two behind and people are going to read spoilers. What's good about that?"