

Corporate crisis: cbs and time warner

Business



Outline of the Research Paper on the Conflict between TWC and CBS

Introduction: As power and control shifts between cable providers and content owners, the latter are gaining ground because they have other options to use in delivering content to viewers. Cable companies also have the cachet and audiences with advertisers. Therefore, in the end, continued fights between content providers and cable owners allows for losses for all the participants. Cable organizations are responsible for crediting every offered channel services by the use of carriage fees. In some cases, they pay for retransmission charges for broadcast services. The costs are discussed between the content owners and cable companies, but currently such discussions have emerged nasty probably due to overcharging of transmission fees. The tussle between Times Warner and CBS proves that negotiations between cable companies and content owners are escalating into serious fights against television and web convergence. The reason proves that these two players are in constant shift of power. While the content owners have gained ground since they have access to broadband connections from the comfort of their homes, cable owners have the cachet and audiences with advertisers.

Thesis Statement:

The tussle between Times Warner and CBS proves that negotiations between cable companies and content owners are escalating into serious fights against television and web convergence. The reason proves that these two players are in constant shift of power. While the content owners have gained ground since they have access to broadband connections from the comfort of their homes, cable owners have the cachet and audiences with advertisers. This study will focus on the causes and impacts of conflicts

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between content suppliers and cable providers. Therefore, this study will focus on the determination of the Mitigation measures that may be applied to curb conflicts between cable providers and content owners.

CBS Mission Statement:

“ CBS Corporation, and its divisions are committed to building an environment that values diversity throughout the corporation and in its business practices” (CBS Corporation, 1). The company’s goal is to impact the world, especially the industry, with its publishing, cable, radio stations, local TV, network news, and network programming services.

Global Impacts of CBS Network:

CBS has been a revolutionary in providing communication and entertainment services through its basic units such as publishing, cable, radio stations, local TV, network news, and network programming services.

Financial Analysis:

SWOT Analysis:

Summary of TWC:

Offers voice, high-speed data, and video services in the United States and Puerto Rico as well as Canada

It served over 15 million clients as of December 31, 2014 throughout Texas, Southern California, Wisconsin, Kentucky, Ohio, the Carolinas, and the state of New York.

A brief and comprehensive summary of the conflict:

TWC undervaluing programming of CBS

CBS asking for increase in subscriber fees

TWC losing the fight to CBS

CBS’ and TWC’s initial response:

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Communication

Media

Court

Later responses from TWC and CBS managements:

Brief description of risks involved for CBS and comprehensive evaluation of risk factor in addition to mitigation choices:

Financial

Legal

Protocol

Analysis of why Times Warner lost the battle:

Lessons learnt:

Conclusion:

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