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Cablevision Systems Corporation Q1 2009 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) the first question comes from the line of Douglas Mitchelson – Deutsche Bank Securities.

Douglas Mitchelson – Deutsche Bank Securities

I guess you can't answer on MSG, but I am wondering if a LeBron James acquisition would be accretive to a public entity. On the FiOS side, just curious with the passings having slowed to 40,000 in the quarter, you said the slowest in four years, are you also seeing their ability to add subscribers slow?

Greg Seibert

I wouldn't say that their overall competitive position has changed significantly in terms of being able to add subscribers. The most significant issue in subscriber acquisition at the moment for us is the economy.

Douglas Mitchelson – Deutsche Bank Securities

Again, I guess you said you couldn't discuss MSG at all, but can you just tell us what the considerations might be for determining whether or not this would be a good idea?

Greg Seibert

The operative word here is explore. We're going to take a look at the considerations associated with a potential spin. But at this point we really can't comment.

Operator

The next question comes from the line of Jessica ReifCohen – Merrill Lynch.

Jessica ReifCohen – Merrill Lynch

And what you're thinking in regards to longer term about Newsday and.

Hank Ratner

We missed the first part of your question.

Jessica ReifCohen – Merrill Lynch

I was just wondering, I know you won't comment on MSG, but I was wondering if you could comment on what your thinking in regard to strategic options for other assets like Newsday and/or Rainbow?

Gregg Seibert

At this point in time we have no intention to enter into any transactions involving any of those assets.

Jessica ReifCohen – Merrill Lynch

And completely separately, more on fundamentals, if one of you could explore on the interactive advertising front, what do you think the upside is and over what time frame? What do you need to see and how does your own effort work with Canoe, since you are partner in that?

Tom Rutledge

I think it will take a number of years for the interactive advertising to be a major driver of the business, but it has an opportunity immediately to expand our inventory at the local level and to make advertising more effective for advertisers. That should create an opportunity to generate new revenue locally.

There's a lot of money being spent on a variety of advertising vehicles, direct mail, broadcast television, newspapers, throughout our footprint, to reach our subscribers. Historically, we have had a fairly limited amount of inventory in the major programming services. So the most fundamental opportunity that it creates is a new way of communicating with customers that essentially gives us more inventory.

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