Associated Press
Fox: No More Pursuits Of Content Companies

Politico
In Amazon's shopping cart: D.C. influence

Wall Street Journal
ESPN Adds Tilt's Group Payment Tech to Fantasy Football Apps (registration may be required)

New York Times
Google and Barnes & Noble Unite to Take On Amazon

Bloomberg
Disney CEO Iger Says He Won't Rule Out Naming a President

Wall Street Journal
Viacom's Cable-Ad Sales Disappoint (registration may be required)

The dust appeared to be settling on 21st Century Fox's brief pursuit of Time Warner Inc., as both entertainment conglomerates on Wednesday pointed to strong quarterly earnings and declared themselves well-positioned without acquisitions. Fox Chairman and CEO Rupert Murdoch called "resolute" his company's decision to withdraw its $85-a-share offer for Time Warner. He added that the company was "strategically complete." Chase Carey, Fox president, said Fox has "no plans to pursue any other" content companies as an alternative to Time Warner. "We are done," he said on the earnings conference call.

For his part, Time Warner Chief Executive Jeff Bewkes, who along with the board had rejected Fox's offer last month, offered a full-throated defense of Time Warner's prospects as a stand-alone company. On Time Warner's earnings call earlier Wednesday, he said the company's results in the latest quarter and in recent years showed that a strategy of focusing on video content along with "operational and capital efficiency" was working.

Mr. Bewkes made clear he doesn't believe Time Warner needs to combine with any other big company. Time Warner—owner of the Warner Bros. film studio as well as cable channels HBO,TNT and CNN—has "leading scale in all of our businesses" and is "not lacking something that we need," he said. "I would just encourage everybody, because you are all looking at these kinds of things in more than one case, to look at all sides of the issue when you are contemplating the benefits and the risks of putting very large companies together," Mr. Bewkes said, emphasizing he wasn't discussing any particular deal.

For his part, Mr. Carey said that while Fox didn't need more scale, the potential acquisition of Time Warner presented a "unique" opportunity to get more. "Scale does matter," he said. Other benefits of acquiring Time Warner would have been the "ability to mix and match assets," particularly on the international front, and the ability "to create those next-generation" content experiences on digital platforms.

Time Warner said last month that it rejected Fox's offer partly because it believed its own growth plans could deliver more value to shareholders than any offer Fox was in a position to make. Analysts said there was little in Time Warner's call that gave them much new insight into how Time Warner planned to get its stock to the $85-a-share level that Fox offered, although some said they expected the company to rise that high within a couple of years. Time Warner stock fell nearly 13% at $74.24 Wednesday but remains above the $71 where it was before news of Fox's proposed deal broke last month.

Michael Nathanson, an analyst at MoffettNathanson, said Time Warner, which has slated an investor day in the fall to detail its long-term growth plan, is "under pressure to show that their plan is a superior alternative to accepting a bid." On Wednesday, Fox's class A nonvoting shares rose 3.3% at $32.33 and, after the results were released, rose an additional 4.2% in after-hours trading to $33.68. One of the reasons Fox withdrew its offer was an 11% selloff in its stock in the weeks after the offer became public. For the quarter ended June 30, Time Warner earnings rose 10% to $850 million, or 95 cents a share, from $771 million, or 81 cents, a year earlier. Revenue rose 2.7%.

Fox, for its part, reported even stronger earnings for the latest quarter on revenue that soared 17%. For the fiscal fourth quarter ended June 30, Fox reported a profit of $999 million, or 45 cents a share, compared with a loss of $371 million, or 16 cents a share, a year earlier. (21st Century Fox and News Corp, owner of The Wall Street Journal, were until mid-2013 part of the same company.)

The results made clear that both companies are heavily reliant on cable channels for

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growth. Revenue at Time Warner's Turner Broadcasting increased 4.7% to $2.75 billion, fueled by a jump in subscription revenue, driven mainly by higher rates and international growth. Operating income rose 14%. Ad revenue increased 1%. At Time Warner's HBO unit, revenue leapt 17% and operating income was up 19%. HBO's results were lifted by its licensing of programming to Amazon.com Inc. 's Prime video service.

At Fox's cable network programming unit, which includes FX, FXX, Fox News and the newer Fox Sports 1 channel, revenue jumped 13%, helped by a 12% rise in domestic ad revenue and 19% increase in domestic affiliate revenue. But expenses rose sharply, reflecting the cost of new channel launches. Operating income before depreciation and amortization—a measure of profitability—rose by 11%. Both companies also face challenges caused by ratings weaknesses at some of their flagship networks. Time Warner, which has been working to reverse ratings declines at Turner channels like TNT and CNN, warned that these turnaround efforts would likely result in restructuring charges in the second half of the year.

Meanwhile, 21st Century Fox reported an 11% decline in advertising revenue at its television segment, led by ratings declines at the Fox broadcast network's "American Idol." Although the company recently replaced the head of Fox network with the heads of its studio, Gary Newman and Dana Walden, Mr. Carey warned that any fixes to the Fox broadcast network would take time. "We are not expecting anything dramatic in terms of a turnaround this year from a profitability perspective," he said. Profits were up at both companies' film studio units. Warner Bros. boosted operating income 29%, in part because of a decline in restructuring costs. For Fox, several hit movies— including "X-Men: Days of Future Past" and "Rio 2"— helped the Twentieth Century Fox film studio to nearly triple operating income before depreciation and amortization. – ***Wall Street Journal***; **more from *Reuters***

Scripps Networks Interactive Inc. said second-quarter revenue rose 6.5%, driven by advertising, affiliate fees and international operations. The company's lifestyle media segment includes television and Internet brands HGTV, DIY Network, Food Network and Cooking Channel, among others and collectively reaches more than 170 million consumers each month in the U.S., across Asia, Europe, the Middle East and Africa. Scripps Networks posted a profit of $153.8 million, or $1.07 a share, compared with a year-earlier profit of $159.7 million, or $1.08 a share. Excluding special items, earnings rose to $1.14 a share, from $1.08 a share. Revenue climbed 6.5% to $708.1 million. Analysts polled by Thomson Reuters recently forecast earnings of $1.13 a share on revenue of $710 million.

Advertising revenue for the lifestyle media segment rose 6.5% to $486 million, while revenue from affiliate fees grew 4.1% to $188 million on higher rates and the benefit of expanded distribution of the Cooking Channel and DIY Network, Scripps said. The company's corporate and other revenue, which primarily includes international operations, jumped 26% to $25 million, supported by expanded international distribution and the launch of its uLive digital business in the U.S. – ***Wall Street Journal***