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Patrick Drahi's Altice NV Thursday said it would buy Cablevision Systems Corp. for about \$10 billion, demonstrating the European cable company's deal-making appetite in its quest to become one of the largest telecom players in the U.S.

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Through Altice, Mr. Drahi has been one of the most acquisitive telecom entrepreneurs in Europe over the past two years, expanding his small French cable group into a communications company with

assets stretching from Portugal to the Caribbean. The latest deal, first reported by The Wall Street Journal, values Cablevision at \$17.7 billion including debt and will create the number four cable operator in the U.S. market.

The move highlights the depth of the Franco-Israeli tycoon's ambitions across the Atlantic just as telecoms companies are running into roadblocks for any further industry consolidation in Europe. Only four months ago, Altice made its first venture into the U.S. with its \$9 billion purchase of smaller U.S. cable firm Suddenlink.

European regulators have sent mixed signals in recent months about permitting more

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mergers in the region's telecommunications and cable industry, denting the prospects of deals in the near term. On Friday, Scandinavian telecom operators Telenor ASA and TeliaSonera AB abandoned plans to combine their Danish operations after failing to secure European antitrust approval, signaling a tougher approach in Brussels toward mergers that reduce the number of mobile-phone operators in individual European countries from four to three.

Mr. Drahi, who operates with a small, tightly knit team of lieutenants, has acknowledged that one of Altice's biggest challenges is having enough managers in his team to keep up with the rapid expansion. Mr. Drahi has until now financed his shopping spree with cheap debt. The Cablevision transaction will be financed with mixture of debt, cash and equity, Altice said. Private-equity firm BC Partners and the Canada Pension Plan Investment Board have an option to participate for up to 30% of the equity of Cablevision. The takeover is expected to close in the first half of 2016 once regulatory approvals have been obtained

Mr. Drahi has made clear that the U.S. is his new hunting ground where he hopes to replicate his success in Europe. The Altice formula involves cutting costs by bundling four products: TV, high-speed Internet and fixed- and mobile-phone services. That so-called quadruple-play model doesn't yet exist on a large scale in the U.S. "My vision is to do the same in the U.S., but bigger," Mr. Drahi said in an interview with The Wall Street Journal over the summer.

Altice has said it aims to eventually have around half of its assets in the U.S., compared with around 15% forecast for the end of 2015. Still, the latest deal comes sooner than expected. Altice's chief Executive Dexter Goei said on the company's second quarter earnings call in July that the company would in the short term focus on closing the Suddenlink deal and integrating Portugal Telecom in Europe rather than expanding further in the U.S. When asked about the potential for future M&A, he said: "We've got a lot of work already on our plate". The Suddenlink deal has yet to get regulatory approval. Altice said it would pay \$34.90 a share for Cablevision, which serves 3.1 million customers across its TV, voice and high-speed data services throughout the New York metropolitan area.

Mr. Drahi is known for bold moves. Just after announcing a deal to buy Suddenlink in May, the company quickly turned its attention to Time Warner Cable Inc., which was in the process of negotiating a sale to Charter Communications Inc. Charter beat Altice to that prize, with a \$55 billion deal to buy TWC that is pending. Mr. Drahi has said he decided not to bid for TWC because he felt the company wasn't yet ready to take on such a large company in a new market. – *Wall Street Journal*; [more in New York Times](#)

Buying NBCUniversal from General Electric 4½ years ago may be the best thing Comcast has ever done. NBC has reclaimed the top spot among broadcast networks under Comcast ownership. Universal theme-park revenue has gone from \$400 million to \$1.2 billion. And Universal Pictures is closing in on what Comcast CEO Brian Roberts called "maybe the best year in Hollywood history." "We're cruising at a new level," Roberts told attendees at Goldman Sachs' Communacopia conference Wednesday morning.

Even NBCU's cable operations, which aren't expected to sustain recent growth rates, stand to benefit from a so-called entitlement gap. This is the discrepancy between share of viewers and share of ad dollars, which in the case of NBCU's cable networks is exerting upward pressure on advertising rates. As for competition from Internet-based streaming offerings, Roberts reminded his audience that Comcast's cable operations just reported their best quarter in nine years.

Unlike its competitors, Comcast's churn rate has lessened, due in part to such technological developments as a "talking remote." In the last few months, Roberts said, the company has distributed about 1 million of the devices, which respond to a customer's

commands, such as “Find me ‘The Royals’” by having the TV drama show up on the screen. So what’s to fear from Apple TV? Besides, Roberts continued, “great content will have value however the world evolves.” It’ll just get to customers in increasingly different ways, across increasingly different platforms. But one constant — already the industry’s “sweet spot,” Roberts said — will remain. And that’s broadband, which even “cord nevers” need to receive streaming options.

“Bill Gates once told me, ‘Someday you’ll have more data [or broadband] customers than video customers,’” Roberts said. “That happened last quarter.”

Starz’s Chris Albrecht was chief executive of the hour at the Communacopia Conference Wednesday after speculation of a tie-up with Lionsgate was superseded by a [**Bloomberg report that AMC Networks had resumed takeover talks with Starz.**](#) The report, published late Tuesday, prompted Albrecht to tell attendees, “There’s nothing to announce.” But he added that, given all the talk between potential partners these days, “I’m more amazed more [M&A rumors] don’t come out.” Albrecht, who’s transforming premium network Starz into an original-programming powerhouse with series such as “Power,” at least pretended to have no urge to merge. Referring to Lionsgate and AMC, Albrecht said, “We have some things on the front burner with those guys.” He didn’t elaborate on his tease. — *New York Post*

Port Authority Transit Corporation (PATCO) commuters will have full WiFi access at all 13 of the train line’s stations by early October, Delaware River Port Authority officials said Wednesday. The service will be available for free through Comcast, said John Rink, PATCO’s general manager. Comcast customers will be able to sign in with their Xfinity user IDs and passwords. Nonsubscribers will be able to register with an email address after they accept the terms of use. WiFi has been available at many stations already in recent months for beta testing of the system, authorities said. Cellphone service also will be available to Verizon customers on trains in transit between stations, including within tunnels, in December or January, Rink said. — *Philadelphia Inquirer*



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