

September 3, 2024



Dear President Khator,

Throughout its 30-year history, DIRECTV has often been the first to embrace and develop new sports innovations, including conference-specific channels. We've held a prominent position in sponsoring, funding, and promoting college athletics, conferences, and the public and private institutions within them.

We have worked diligently to earn distinction and trust as the preferred sports provider, so we were extremely disappointed when Disney elected to suspend ESPN, ESPN2, ESPNU, ACC Network, SEC Network, and ABC on the opening weekend of the college football season. Disney's actions have denied alumni, students, and fans the simple pleasure of cheering on their favorite teams and reinvesting their loyalties into the University of Houston community.

DIRECTV has always sought to find and deliver the most popular programming from a wide array of content providers to create a single, straightforward consumer experience, something that individual programmers could not accomplish independently. We are platform agnostic, offering several millions of customers streaming, satellite, and IPTV options to get their programs. To many millions of fans nationwide and within your state, we are the sports leader, given our combination of national sports channels, league-operated and conference-specific channels, regional sports networks, team-specific channels, and local broadcast stations where individual teams televise their games.

We are proud to have developed a vast network of 300,000+ local sports bars, restaurants, hotels, barbershops and salons, and other places where fans gather to watch your games across your state and the broader region. We service the airplanes and trains your fans use to travel to stadiums and military bases where the troops serving our nation relax watching games.

We remain willing to invest significant resources to keep the ESPN suite of networks, and ABC-owned and affiliated stations while adding complementary services like Disney's ESPN+ or other direct-to-consumer (DTC) products. Fan loyalty is at the core of our mission: We want to offer maximum choice and value by empowering fans to choose the content they want at lower price points, not forcing them to accept a bloated bundle of expensive channels they don't watch.

Instead of digging in their heels and demanding the status quo, we need Disney to work with us to create more flexible options that better serve today's consumer preferences, like:

- **Flexible Packages.** The ability to choose from genre-based programming without piecing together and purchasing an extensive lineup of channels that don't meet their desires.
- **Lower-Priced Alternatives.** Price points closer to the DTC options they are familiar with and the ability to pay for all their programming through one platform.
- **Aggregated Experience.** Access to their favorite shows and sports and the ability to discover live "linear" TV and on-demand content in one complete experience – instead of through numerous disjointed entry points while managing multiple individual subscriptions to those products.

Disney's unwillingness to evolve will significantly accelerate the decline of Pay TV, making it harder and more expensive for your fans to watch the team they love. We can smoothly transition to a new service model to give consumers more choice, control, and value to complement Disney and other programmers' streaming offerings, delivering a new solution where everyone wins.

We're asking you to please work with your other Chancellors and Presidents, Commissioner Yormark, and your elected officials to empower fans and push for flexibility in the marketplace. This will help guarantee the public, whose taxes and tuitions help pay for the public universities in your conference, access to the content they love and deserve.

Sincerely,

A handwritten signature in black ink, appearing to read "Hamlin Wade".

Hamlin Wade
Head of State & Local Affairs, DIRECTV