

Rocco connects again with Triax

Mediacom doubles subscribers at below-market prices

By Price Colman

If Mediacom CEO Rocco Commisso is feeling on top of the world right now, he has good reason.

Commisso last week cemented the \$740 million acquisition of Triax Midwest Associates, doubling Mediacom's subscriber base to about 700,000. He's paying about \$2,200 per subscriber in a market where prices of \$3,000 to \$4,500 per subscriber are common.

That leaves him plenty of cash to rebuild the Triax systems and launch new services. Meanwhile, mega-mergers elsewhere in cable are likely to spawn some attractive deal opportunities down the road.

There's also the hint of an initial public stock offering, which would provide Mediacom with cash for other, perhaps even bigger acquisitions on the horizon.

And even though Commisso calls the acquisition of 342,000-subscriber



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Triax "the biggest deal of my life," it also requires a footnote—"Subject to sudden change."

He notes: "Within the context of this marketplace, this is the last remaining sizable acquisition at this price."

Other properties that would fit with Mediacom's strategy of buying into non-metropolitan markets are either gone or too expensive. At least for now. That's likely to change as larger operators such as AT&T, Time Warner, Comcast, Cablevision Systems and Adelphia begin to digest recent acquisitions and decide some systems don't fit with their clustering strategies.

Good as the deal is for Mediacom, it's also a positive for Denver-based Triax, which is cashing out of cable. Triax paid an average of \$1,200 per subscriber for the properties in Arizona, Illinois, Indiana, Iowa, Michigan, Minnesota and Wisconsin that are being sold to Mediacom, sources say.

"This is a very important transaction for Rocco," says a source in the investment community. "It gets him to a size where he can consolidate around some of these markets. It's a very, very sound strategy."

Middletown, N.Y.-based Mediacom, not quite four years old, has grown quickly.

Like some in its peer group of mid-sized operators, Mediacom has purposely focused on secondary markets,



CABLE'S TOP 25

PEOPLE'S CHOICE

The Kids Choice Awards, Nickelodeon's annual salute to kid-friendly celebrities and their adoring fans, ranked No. 3—with an 8.4 share—in last week's ratings.

Following are the top 25 basic cable programs for the week of April 19-25, ranked by rating. Cable rating is coverage area rating within each basic cable network's universe; U.S. rating is of 98 million TV households. Sources: Nielsen Media Research, Turner Entertainment.

Rank	Program	Network	Day	Time	Duration	Rating Cable U.S.	HHs (000)	Cable Share
1	WWF Wrestling	USA	Mon	10:00P	65	6.1 4.7	4627	9.6
2	WWF Wrestling	USA	Mon	9:00P	60	5.8 4.4	4403	8.2
3	Kids Choice 99	NICK	Sat	8:00P	90	4.4 3.1	3278	8.4
4	WCW Monday Nitro Live!	TNT	Mon	8:00P	60	4.3 3.3	3291	6.7
5	WWF Wrestling	USA	Sun	7:00P	60	4.0 3.0	2998	7.1
6	WCW Monday Nitro Live!	TNT	Mon	9:00P	60	3.9 3.0	2941	5.5
7	WCW Monday Nitro Live!	TNT	Mon	10:00P	66	3.4 2.6	2615	5.4
8	Rugrats	NICK	Sat	9:30A	30	3.3 2.5	2465	11.3
8	South Park	CMDY	Wed	10:00P	30	3.3 2.0	1942	5.1
10	Rugrats	NICK	Sat	9:00A	30	3.2 2.4	2388	10.9
11	WCW Thunder	TBS	Thu	9:11P	63	3.0 2.3	2274	4.5
11	Rugrats	NICK	Thu	7:30P	30	3.0 2.3	2253	5.6
11	Rugrats	NICK	Wed	7:30P	30	3.0 2.3	2238	5.4
14	Hey Arnold	NICK	Wed	8:00P	30	2.9 2.2	2209	4.9
14	Walker, Texas Ranger	USA	Wed	8:00P	59	2.9 2.2	2205	4.7
14	Walker, Texas Ranger	USA	Mon	8:00P	60	2.9 2.2	2188	4.5
14	Rugrats	NICK	Sun	10:00A	30	2.9 2.2	2179	8.9
14	Wild Thornberrys	NICK	Sat	10:00A	30	2.9 2.2	2143	9.8
19	Spongebob	NICK	Sat	9:30P	30	2.8 2.1	2136	5.1
19	Rugrats	NICK	Mon	7:30P	30	2.8 2.1	2101	5.0
19	Walker, Texas Ranger	USA	Tue	8:00P	60	2.8 2.1	2088	4.4
19	Hey Arnold	NICK	Mon	8:00P	30	2.8 2.1	2088	4.5
19	Rugrats	NICK	Tue	7:30P	30	2.8 2.1	2087	5.0
19	Road Rules VII	MTV	Mon	10:00P	30	2.8 2.0	2005	4.2
25	Wild Thornberrys	NICK	Tue	8:00P	30	2.7 2.1	2038	4.5
25	Wild Thornberrys	NICK	Sat	10:30A	30	2.7 2.1	2033	9.6
25	Hey Arnold	NICK	Sat	11:00A	30	2.7 2.0	2011	9.7
25	Cousin Skeeter	NICK	Tue	8:30P	30	2.7 2.0	1988	4.1

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