

BAKER & HOSTETLER LLP  
3200 National City Center  
1900 East 9<sup>th</sup> Street  
Cleveland, Ohio 44114-3485  
Tel.: (216) 621-0200  
Matthew R. Goldman, Esq. (MG 0719)  
Wendy J. Gibson, Esq. (WG 4117)

Attorneys for Scripps Networks, Inc., Respondent

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
In re : Chapter 11  
RCN CORPORATION, et al., : Case No. 04-13638 (RDD)  
Debtors. : Jointly Administered  
: Judge Robert D. Drain  
-----X

**LIMITED OBJECTION OF SCRIPPS NETWORKS, INC.  
TO ASSUMPTION OF HGTV CONTRACT IN CONNECTION WITH  
JOINT PLAN OF REORGANIZATION AND BRIEF IN SUPPORT THEREOF**

Now comes Scripps Networks, Inc. d/b/a Home and Garden Television, a/k/a HGTV (“Scripps”), and for its limited objection to the assumption of Debtors’ contract with HGTV states as follows:

1. Scripps Networks, Inc., a wholly owned subsidiary of Scripps Howard Broadcasting Company, is a successor party to a contract (the “Contract”), among, inter alia, Scripps, the National Cable Television Cooperative, and RCN Corporation, relating to the cable television service known as “Home and Garden Television.” The Contract by its terms runs from January 1, 2001 through January 1, 2006.
2. Debtor seeks to assume the Contract in connection with the confirmation of its plan.
3. Scripps has no objection to the Contract being assumed provided that the pre-petition default amount is paid on assumption. That amount is \$32,460. The Debtor has contended that the

amount owing is \$0.

4. The default amount owing results from an audit for the period June 2001 through May 2002. The audit found that RCN provided HGTV to less than 85% of its subscribers in certain areas, meaning that it owed fees under a higher rate structure as to those areas, and also determined that RCN had not paid fees for certain New Jersey communities and also for two systems in Illinois during all or part of the applicable time period. A copy of the unpaid audit invoice is attached as Exhibit A.

**ARGUMENT**

5. 11 U.S.C. Section 365(b)(1) provides that:

If there has been a default in an executory contract or unexpired lease of the debtor, the trustee may not assume such contract or lease unless, at the time of assumption of such contract or lease, the trustee—

(A) cures, or provides adequate assurance that the trustee will promptly cure, such default; . . . .

6. Presently, there is a default in the amount of at least \$32,460.

7. Accordingly, Scripps objects to the assumption of the executory contract without properly paying for the amounts that are owed.

WHEREFORE, Scripps prays that any assumption of its contract be conditioned on the payment of all amounts that are owed thereunder, which Scripps calculates at \$32,460, and for such other and further relief as this Court deems just and proper.

Dated: November 30, 2004

Respectfully submitted,

/s/ Matthew R. Goldman  
Matthew R. Goldman (MG 0719)  
Wendy J. Gibson (WG 4117)  
Baker & Hostetler LLP  
1900 East Ninth Street  
3200 National City Center  
Cleveland, Ohio 44114-3485  
(216) 621-0200



**AFFILIATE INVOICE**

**INVOICE #**

**601-502 AUDIT**

Invoice Date: June 20, 2003  
 Due Date: July 31, 2003  
 MSO Name: RCN

Invoice Amount: \$32,460.00

Balance due per CAA Audit for period 6-01 to 5-02. Per CAA audit, RCN did not pay on all subs and did not pay for tier penalties for Princeton, NJ. System was at less than 85% penetrated throughout the audit period.

Nonpayment for:	Period:	Amount Due:	
Hillsborough Non-Rebuild, NJ	January and February, 2002	\$7,332.00	
Hillsborough Rebuild, NJ	January and February, 2002	\$1,634.00	
Hunterdon, NJ	January and February, 2002	\$5,580.00	
Long Hill, NJ	January through March, 2002	\$6,490.00	
One Point, IL	June through August, 2001	\$2,921.00	
Wedgewood, IL	June through August, 2001	\$3,494.00	
	Total for nonpayment:	\$27,451.00	\$27,451.00
Tier fees for Princeton, NJ	June 2001 through May 2002	\$5,009.00	\$5,009.00
Total Amount Due per CAA Audit for June 2001 through May 2002:			\$32,460.00

If you have any questions about this invoice, please call Pat Shannon at (865) 560-3935, fax to (865) 531-9938 or email at pshannon@hgtv.com Thank you.

Please remit to:  
 HGTV  
 Attn: Pat Shannon  
 P O Box 640810  
 Cincinnati, OH 45264-0810

Exhibit A

**CERTIFICATE OF SERVICE**

The foregoing document has been served electronically and in addition has been served by hand or by fax upon each of the following except as otherwise noted, each this 30th day of November, 2004:

Skadden, Arps, Slate, Meagher & Flom LLP  
Four Times Square  
New York, NY 10036-6522  
(Attn: D.J. Baker, Esq. and  
Frederick D. Morris, Esq.)

Simpson, Thacher & Bartlett LLP  
425 Lexington Avenue  
New York, NY 10017-3954  
(Attn: Peter V. Pantaleo, Esq. and  
Elisha Graff, Esq.)

Milbank, Tweed, Hadley & McCloy LLP  
One Chase Manhattan Plaza  
New York, NY 10005  
(Attn: Dennis F. Dunne, Esq. and  
Deirdre Ann Sullivan, Esq.)

Office of the United States Trustee  
33 Whitehall Street  
New York, NY 10004  
(Attn: Paul K. Schwartzberg, Esq.)  
[By hand delivery to court and by U.S. mail]

/s/ Wendy J. Gibson\_\_\_\_\_

Wendy J. Gibson