



**NEWS RELEASE**

**FOR IMMEDIATE RELEASE**

## **Competition Spurs Strong Increase in Cable Technology and Digital Media Salaries; Sales Compensation Also Soars**

**NAPERVILLE, ILL., December 11, 2014** — 2014 was a dynamic year for compensation in the cable television industry. The Cable and Telecommunications Human Resources Association’s (CTHRA) 2014 Annual Compensation Surveys found that salaries for digital media and technology jobs rose significantly; compensation soared for many sales positions; and executives, particularly among multiple system operators (MSOs), continued to receive very large incentive grants.

The entrance of new content developers, the continued proliferation of broadband and the growing consumer shift from traditional television to online and mobile viewing spurred competition for technology and digital media talent. As a result, salary increases for those positions rose well above the national average.

“Rising salaries illustrate the cable industry’s nimble response to changes in the competitive landscape, which includes a fierce battle to attract and retain technology and digital media talent,” said Pamela Williams, CAE, CTHRA’s executive director.

Sixty-five companies participated in the 2014 survey, which is conducted annually to track and analyze trends in salaries, incentives and other forms of compensation. CTHRA’s analysis revealed 2014 salary adjustment budgets (which include pay raises delivered through merit increase, promotional increase and market or cost of living adjustment) remained on their steady upward

track. Once again, cable operators reported an average salary adjustment budget of 3.0%, identical to last year, while programmer salary budgets grew by 3.1%, exceeding 2013 budgets. Nationwide, 2014 salary adjustment budgets averaged a 3.0% increase (see Table 1).<sup>1</sup>

<b>Table 1. Average Salary Adjustment Budget</b>				
<b>Segment</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
<b>MSO</b>	3.0%	3.0%	3.1%	3.0%
<b>Programmer</b>	3.1%	2.9%	3.0%	3.2%
<b>General Industry</b>	3.0%	2.9%	2.8%	2.7%

<sup>1</sup> ERC, Mercer, Hay Group, WorldatWork, Aon Hewitt, The Conference Board, Culpepper

## MSOs Increase Base Salaries, Management and Sales See Incentive Gains

Among cable operators, base salaries grew at varying rates across all job categories, with growth ranging from 1% for salaried employees to 4% for management (See Table 2). Management and sales experienced robust gains in Total Direct Compensation (TDC), which includes base salary, bonus and long-term incentives (LTIs). TDC rose 9% for management and a hefty 13% for sales (see Table 2). For management, these gains were primarily due to large LTIs, while the increases for sales accrued from a combination of strong bonuses or short-term incentives (STIs) — driven by robust sales — and LTIs.

Sales compensation sizzled at MSOs in 2014. All MSO sales categories saw increases in Total Cash Compensation (TCC), which includes salary and bonus. Especially hot this year were multiple dwelling unit (MDU) account executives, who saw TCC soar by 18% (see Table 3). Direct, commercial and retail sales representatives also experienced TCC increases of 5%, 6% and 7% respectively.

Level	Base	TCC	TDC
<b>Management</b>	4%	4%	9%
<b>Salaried</b>	1%	1%	1%
<b>Hourly</b>	3%	3%	N/A
<b>Sales</b>	2%	10%	13%

TCC: Total cash compensation (base salary and bonus/STI)  
TDC: Total direct compensation (base salary, bonus/STI and annualized LTIs)

Level	Base	TCC
<b>Direct Sales Reps</b>	-1%	5%
<b>MDU AEs</b>	1%	18%
<b>Commercial AEs</b>	1%	6%
<b>Retail Sales Reps</b>	2%	7%

TCC: Total cash compensation (base salary and bonus/STI)

Job Title	Base
<b>Chief Technology Officer</b>	+7%
<b>Manager, Network Op Center</b>	+7%
<b>VP, Information Technology</b>	+6%
<b>Director, Network Op Center</b>	+5%
<b>Director, Technical Operations</b>	+5%

Top technology jobs also reaped big gains at cable operators, with base pay for chief technology officers and other high-level tech positions climbing between 5% and 7% (See Table 4) and significantly outpacing the national average.

“Cable operators are now competing with more companies for technology talent,” said Hali Croner, chief executive officer of The Croner Company, the firm that conducted the surveys for CTHRA. “The presence of over-the-top companies has upped the game for MSOs seeking to find, recruit and retain top digital talent.”

Level	Base	TCC	TDC
<b>C Level/Top/EVP</b>	7%	8%	8%
<b>SVP</b>	3%	5%	8%
<b>VP</b>	4%	4%	5%
<b>Director</b>	2%	3%	4%
<b>Manager</b>	4%	5%	5%
<b>Journey</b>	4%	5%	5%
<b>Operator</b>	2%	3%	3%

TCC: Total cash compensation (base salary and bonus/STI)  
TDC: Total direct compensation (base salary, bonus/STI and annualized LTIs)

## Programmers See Increases in Base Salary, Bonuses and Robust Growth for Sales Positions

Base salaries for non-sales positions also rose among programmers, with increases ranging from 2% to 7% (see Table 5) depending on position level. Incentives further boosted programmer compensation by another 1% to 5% for non-sales positions, with TDC increasing from 3% for operator-level jobs to 8% for executives in 2014.

Programmers also saw strong compensation growth for most ad sales positions in 2014. Although base salary growth was more modest,

ranging from -1% to 4%, incentives surged in nearly all sales categories. EVPs topped the sales ranks with TDC skyrocketing by 33%. Other impressive gains came at the SVP and VP levels, with TDC escalating by 14% and 12% respectively (see Table 6).

“2014 was a really good sales year,” Croner said. “For nearly all sales positions surveyed, actual compensation exceeded target TCC.” This aggressive growth may have been due to robust sales goals set in 2013.

Like their MSO counterparts, programmers significantly increased compensation for in-demand jobs. Average base salaries for digital media positions rose at rates from twice to five times the national average, with increases ranging from 6% for director of digital media marketing to 15% for vice president of digital media marketing (see Table 7).

<b>Table 6. Programmer Sales Compensation 2014 vs. 2013</b>			
<b>Level</b>	<b>Base</b>	<b>TCC</b>	<b>TDC</b>
<b>Top/EVP</b>	4%	25%	33%
<b>SVP</b>	3%	14%	14%
<b>VP</b>	1%	10%	12%
<b>Director</b>	0%	6%	5%
<b>Senior Ad Sales AE</b>	3%	-1%	-1%
<b>Ad Sales AE</b>	-1%	10%	10%

<b>Table 7. Hot Digital Jobs — Average Change to Base Salary</b>	<b>Base</b>
<b>VP, Digital Media Marketing</b>	+15%
<b>VP, Digital Media</b>	+14%
<b>Director, Digital Distribution</b>	+11%
<b>SVP, Digital Media</b>	+9%
<b>Manager, Digital Media Marketing</b>	+9%
<b>VP, Digital Distribution</b>	+6%
<b>Director, Digital Media Marketing</b>	+6%

TCC: Total cash compensation (base salary and bonus/STI)

TDC: Total direct compensation (base, bonus/STI and LTIs)

### **Incentives Popular, Full-Value Shares Prevail**

Short and long-term incentives continue to be important components of compensation in the cable industry, reflecting employers’ emphasis on retention. Long-term incentives, such as stock options, shares and long-term cash awards, are linked to a company’s financial performance and value creation over multiple years. Some 75% of MSO participants offer LTIs with most awards going to directors and above, although 16% also offer LTIs to managers. Especially noteworthy is the fact that 75% of the MSOs offering LTIs provide full-value shares. Top MSO executives continue to receive large LTI grants exceeding \$1 million indicating that these awards are primarily ongoing annual grants rather than new-hire or one-time retention grants. Among programmers, 76% offer LTIs to directors and above, and 83% of programmers that offer LTIs offer full-value shares.

Among CTHRA’s MSO survey respondents, 88% offer short-term incentives or bonuses, with 57% of those offering STIs to all employees. STIs are also popular with programmers: 89% of respondents offer bonuses, with 39% of those offering STIs to all employees and 61% rewarding managers and above.

### **New Jobs Have Emerged to Meet Changing Market Needs**

Keeping pace with industry changes, CTHRA fine-tuned the 2014 survey with participant input on emerging jobs. CTHRA’s MSO Compensation Survey reported on 172 positions, including 12 new titles in the areas of business intelligence, program management, instructional design, technical support and sales. The survey also included one new job family: technical support.

The MSO survey also reflected the industry’s growing centralization and regionalization. “This year we collapsed the management jobs into one set of management titles and asked participants to indicate whether those jobs had corporate or regional scope,” explained Croner.

CTHRA's 2014 Programmer Compensation Survey reported on 339 positions, including 98 new titles, 15 new job families and two new career levels — senior manager and senior director. The new job families included: photo producing, studio business administration, digital media delivery software engineering, digital mastering/encoding services, transport encoding services, remote operations, digital vault, metadata analysis, photo editing, data science, distribution/sales and sales training.

“The addition of senior manager and senior director positions to many of the job families reflects the growing maturity of cable programmers and supports further career advancement,” Croner said.

### **Methodology**

Participation in CTHRA's 2014 Compensation Surveys increased this year to 65 companies (16 MSOs and 49 programmers) from 63 in 2013 (see attached 2014 participant list). Participants represented the majority of the industry's employers, including all of the top 25 national cable networks, all five national broadcast networks, new content providers and seven of the eight largest cable operators (including one satellite delivery company). The survey results are industry-specific, providing an in-depth analysis of pay practices for nearly 150,000 incumbents, including both exempt and nonexempt positions ranging from technicians to top executives.

The 65 participants submitted data reflecting 2014 budgets and base compensation figures. The Croner Company, a leading compensation consulting firm specializing in compensation plan design, compensation surveys and organizational design, developed the surveys and collected and analyzed the data, separating results into two participant categories: MSOs and programmers. Given the highly confidential survey data, the results from any given company cannot be seen. Only summary information pertaining to all participants is available. This reporting approach complies with Federal Trade Commission (FTC) regulation and encourages participation without fear of exposing proprietary information to the public.

For more information about CTHRA's surveys, please visit [www.cthra.com/surveys](http://www.cthra.com/surveys).

**CTHRA's 2014 survey participants are listed on the next page.**

**Media Contact:** Melissa A. Hicks, Mosaic Marketing, 484.888.6766

### **About CTHRA**

The Cable and Telecommunications Human Resources Association (CTHRA) is the premier human capital resource for the industry and a growing nonprofit organization with more than 3,000 members spanning 50 companies. CTHRA provides industry-specific benchmarks, information and resources, as well as networking and educational opportunities. Its groundbreaking initiatives include compensation, employee benefits and human capital metrics surveys, an Annual HR Symposium, roundtables and webinars. For more information, visit [www.cthra.com](http://www.cthra.com).



#### **2014 OPERATOR SURVEY PARTICIPANTS**

Armstrong Utilities Inc.  
Atlantic Broadband Inc.  
Baja Broadband  
BendBroadband  
Bright House Networks  
Cable One Inc.  
Cablevision Systems Corporation  
Charter Communications Inc.  
Comcast Cable Communications Inc.  
Cox Communications Inc.  
DIRECTV Inc.  
General Communication Inc.  
RCN Telecom Services LLC  
Time Warner Cable Inc.  
Wave Broadband  
WOW! Internet – Cable – Phone

#### **2014 PROGRAMMER SURVEY PARTICIPANTS**

A&E Television Networks LLC  
Amazon.com Inc.  
AMC Networks Inc.  
AT&T  
beIN Media Group LLC  
Cablevision Systems Corporation  
CBS Corporation  
CBS Corporation – Showtime Networks Inc.  
Crown Media Holdings Inc.  
C-SPAN  
DIRECTV Inc.  
Discovery Communications Inc.  
Disney ABC Television Group – National Broadcast Network  
Disney ABC Television Group – Disney ABC Cable Networks Group  
DLA Inc.  
ESPN Inc.  
Fox Networks Group – Fox Broadcasting Company  
Fox Networks Group – Fox Cable Networks Group  
HBO Latin America Production Services  
Home Box Office Inc.  
HSN Inc.  
Hulu LLC  
iHeartMedia  
ION Media Networks Inc.  
Jet Propulsion Laboratory  
Madison Square Garden

Major League Baseball  
Microsoft Corporation  
MLB Network LLC  
National Basketball Association  
National Football League  
NBCUniversal Media LLC – Cable Networks, Comcast Programming Group  
NBCUniversal Media LLC – National Broadcast Networks  
nuvoTV  
PGA Tour  
QVC Inc.  
Scripps Networks Interactive Inc.  
Sony Pictures Entertainment  
Starz Entertainment LLC  
The Inspiration Networks  
The Tribune Company  
The Weather Channel  
Time Warner Cable Inc.  
Turner Broadcasting System Inc.  
Univision Communications Inc.  
Viacom Media Networks  
Warner Bros. Entertainment – The CW Television Network  
Warner Bros. Entertainment  
World Wrestling Entertainment Inc.

###