

.0

stone



na

rategy, Honors

University

Contents

Executive Summary	3
Company Profile	4
Key Numbers.....	5
Key People	5
Collaboration is Key for Discovery	6
Current Collaboration System	7
What Discovery needs to improve communication and collaboration	8
PBWorks.....	9
About PBWorks.....	9
Features	10
Security	11
Easy to Use and Enterprise Functionality	12
Applying PBWorks to DCI.....	13
Increasing Productivity with PBWorks.....	13
Drawbacks and Considerations.....	14
Implementation Plan	15
Who will use PBWorks.....	15
How will employees use PBWorks.....	16
The role of IT	17
Training	18
Conclusion.....	19
Appendix.....	20
Discovery around the World.....	20
Discovery at Glance	21
Discovery Communications, Inc: Financial Standing.....	23
Success Stories and Testimonials.....	25
How May the PBWorks Tech Experts Help?	26
PBWorks features illustrated.....	27
Discovery Communication, Inc Financial Statements.....	28

Executive Summary

Discovery Communications, Inc (DCI)'s success and competitive advantage depend on its ability to adapt to and take advantage of changing conditions. In order to retain its leadership position in the market, DCI needs to ensure superb communication between divisions.

DCI should employ PBWorks, an online collaboration tool, in monitoring all stages of its television program and film development. PBWorks enhances employee communication and collaboration, which is essential throughout the process of filming, editing, even accounting for costs and making sure all the independent contractors (the guys with the cameras chasing alligators) are all compensated properly. The process is long and complex:

development → production → post-production → sales and distribution → marketing → finance/accounting/payroll

PBWorks enables multiple users to contribute to or modify files and documents, which leads to increased employee involvement and motivation. DCI can especially benefit from this tool, since the people who make things happen for Animal Planet, Discovery Channel, etc... are spread out throughout the world.

In addition, DCI can benefit from increased employee productivity and have a tool that would measure progress throughout office workers and corporate teams throughout the world.

PBWorks' reliability and usability features save time for employees in that they require little previous technical knowledge. In addition, the PB Works support team can assist employees and answer questions in case problems arise. PB Works also places emphasis on security and provides numerous features that allow a company to ban certain IP addresses and "whitelist" others. For DCI, using a business version would provide many enhanced features and capabilities, although at a cost. Nevertheless, the benefits PBWorks brings in terms of superior communication, convenience, security streamline its processes and surely outweigh the costs.

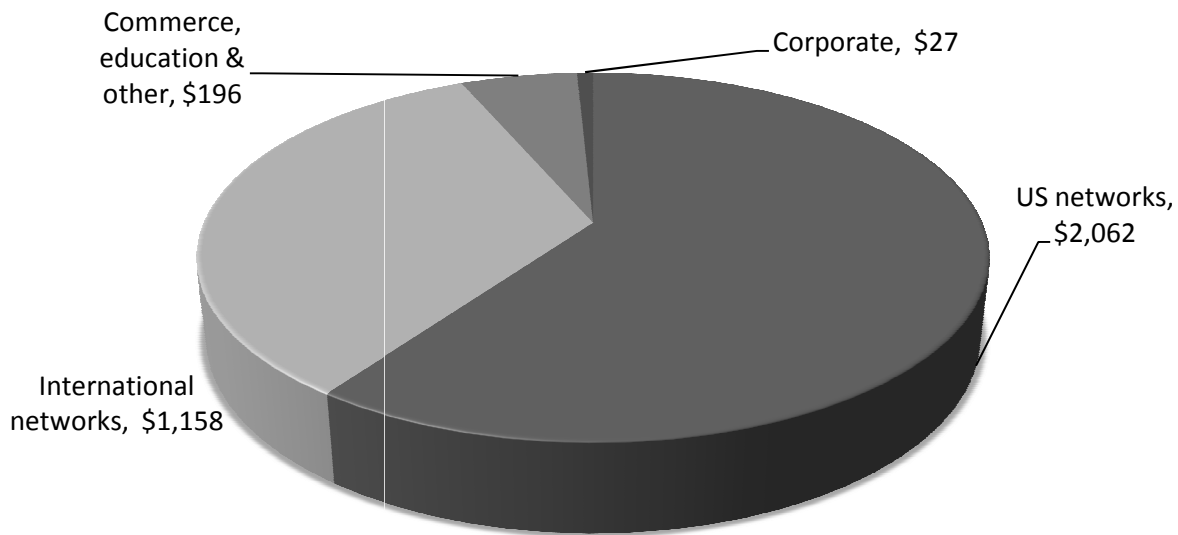
Company Profile

Discovery Communications (Nasdaq: DISCA, DISCB, DISCK) is the world's number one nonfiction media company reaching more than 1.5 billion cumulative subscribers in over 180 countries. The world headquarters is located in Silver Spring, MD.

The Group's principal activity is that of global media and entertainment company. It provides original and purchased programming across multiple distribution platforms in the United States and over 170 other countries. Led by the Discovery Channel, it offers over 100 worldwide networks offering customized programming in 38 languages.¹

DCI empowers people to explore their world and satisfy their curiosity through the 100-plus worldwide networks: Discovery Channel, TLC, Animal Planet, Science Channel, Investigation Discovery, Planet Green and HD Theater, as well as leading consumer and educational products and services. Recently, the company has gained huge market share in educational programs used in the classrooms and home schooling, e.g. Cosmeo.²

DCI has a diversified portfolio of digital media services, including HowStuffWorks.com and petfinder.com. Additionally, it owns and operates a diversified portfolio of Website properties and other digital services in the United States and internationally. It has three segments: U.S. Networks, International Networks, and Commerce, Education, and Other.



2008 Sales (in millions)

Source: Hoovers.

¹ Worldscope

² <http://corporate.discovery.com/our-company/overview/>

DCI has been working to expand its portfolio of cable channels in addition to maintaining its existing outlets. The company joined with talk show host Oprah Winfrey to form The Oprah Winfrey Network, a joint venture to operate OWN: The Oprah Winfrey Network to launch in early 2011. DCI is also partnering with toy maker Hasbro to launch a network called The Hub that is aimed at kids to debut in 2010.

DCI is also planning for the future of television content. The company joined with Sony Corporation of America and IMAX in 2010 to create a new programming service to provide a 24-hour schedule of 3-D TV content. Planned for 2011, the new channel hopes to gain traction with the introduction of 3-D capable televisions by such manufacturers as LG Electronics, Panasonic, and Sony.³

The company's ongoing growth and increasing partnerships with other companies calls for a simple but foolproof communications and collaborations system.

Key Numbers⁴

Company Type	Public (NASDAQ (GS): DISCA)
Fiscal Year-End	December
2009 Sales (mil.)	\$3,516.0
1-Year Sales Growth	2.1%
2009 Net Income (mil.)	\$559.0
1-Year Net Income Growth	76.3%
2009 Employees	4,400
1-Year Employee Growth	10.0%

Key People⁵

Chairman	John S. Hendricks
President, CEO, and Director	David M. Zaslav
COO	Peter Liguori
SEVP and CFO	Bradley E. (Brad) Singer
Chief Marketing Officer	Wonya Y. Lucas

³ Discovery Communications, Inc. Company Overview. Hoovers. Web.
http://hoovers.com/company/Discovery_Communications_Inc/cykyri-1.html

⁴ Hoovers Company Report, Discovery Communications, Inc

⁵ Hoovers Company Report, Discovery Communications, Inc

Collaboration is Key for Discovery

To enhance the production, post-production and creative processes

Current Collaboration System

Production, Post Production, Creative Teams

***** insert images from phone

What Discovery needs to improve communication and collaboration

Easy to use, accessible, effective, safe online platform

The current collaboration system Discovery is using works, but the Discovery production, post-production and creative teams could greatly benefit from a more efficient and safer online collaboration platform.

Possible solutions:

Efficient:

Safe:

PBWorks

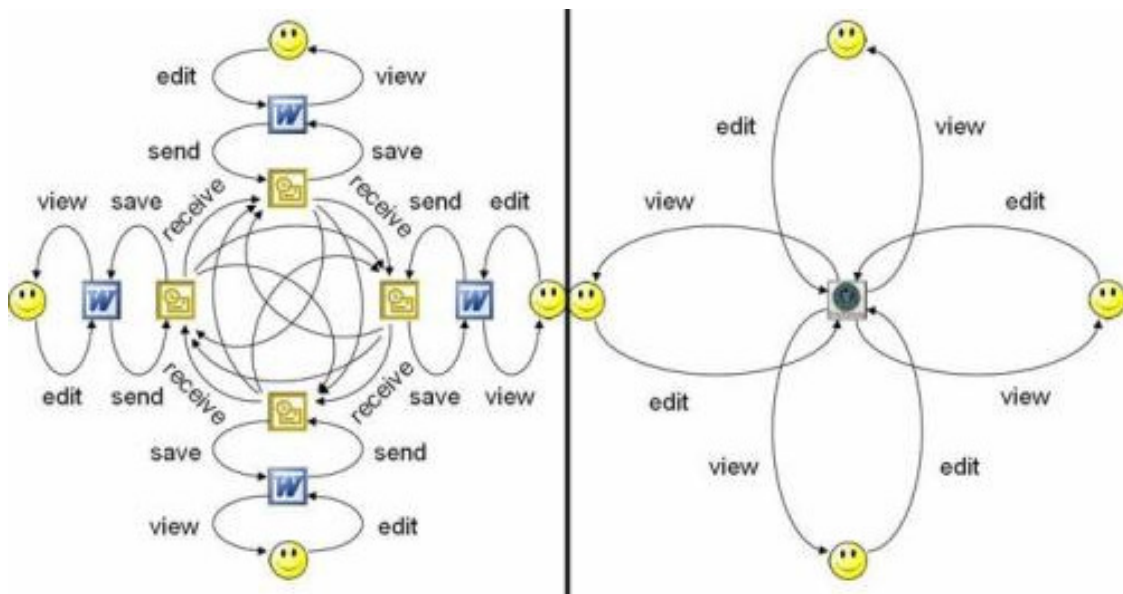
About PBWorks

PBWorks is an online collaboration platform which allows users to create documents, manage projects, and share files as a seamless team. User files, tasks, and institutional knowledge are accessible anywhere in an easy-to-use online platform—be it from the Amazon Jungle, the South Pole, or from home.

PBWorks also offers online conferencing.

Users can connect to a team and collaborate with customers and partners on a whole new level.⁶

E-mail Collaboration vs. PBWorks Collaboration⁷



⁶ <http://pbworks.com/content/biz+features>

⁷ <http://www.wikinomics.com/blog/index.php/2008/03/26/wiki-collaboration-leads-to-happiness/>

Features

PBWorks offers powerful real-time collaboration features:

Collaborative Page Editing allows multiple people to collaborate on the same page and removes the need to send documents around and wait for comments — the client's pages and documents can be centralized on a workspace for as many editors as the users grant access to. Any time changes are made, PBWorks can send out automated email notifications to keep everyone up to date.

Document Management can be used to share documents, spreadsheets, PowerPoints, or any kind of document imaginable — right on the company/team workspaces. Users can even convert Word, Excel, and WordPerfect documents into editable workspace pages using Document Import.

Voice Collaboration is a new feature offered by PBWorks. Voice collaboration allows users to start an instant conference call by having PBworks dial the desired participants. Users can add new participants at any time, and each conference call is recorded and stored for later review. There are no dial-in numbers or meeting codes to remember, and it works with regular phones.

Integrated Presence/IM/Chat gives users the ability to see who else in the organization is logged into PBworks, and send them instant messages from within the product. The one-on-one and group chat sessions provide real-time communications.

Live Editing and Notifications features make collaboration easy to track. Whenever a user is editing a workspace page, the other users viewing that page can see the edits appear in real-time. Users can use Live Editing with Voice Collaboration together, and eliminate the need for web conferencing tools like WebEx.

Complete History and Audit Trail ensures safety and forces users to be responsible. PBworks keeps a complete audit trail of every change made to a workspace. Users can see who changed what and can reverse any change with a couple clicks (if the user has been granted access). Each workspace allows managers to maintain full accountability of employers and even interns.

PBWorks also allows users to manage **Project Deadlines**. Users can set up Tasks and Milestones for managing projects. Tasks and milestones are per workspace, so users can set up one workspace per project. As the project evolves, users can update their Tasks and see how things are progressing.

Network Dashboard is meant to eliminate clutter and confusion when a user has more than one workspace (is part of more than one team). Users can see all workspaces from one unified network dashboard. This feature enables viewing detailed user profiles, all project activity and upcoming tasks. Users can even set up Dashboard Modules on the dashboard to publish content to all network users.

PBWorks will allow DCI employees and partners to collaborate real-time on any document/file imaginable (word, PowerPoint, PDF, spreadsheets, etc...). PBWorks keeps complete audit trail so **users can see who made what changes and when**. Users can set Task and Milestones for project deadlines. Tasks are associated with the workspace, so users know what projects have the highest priority.

Users find out about **edits, file uploads, comments** and other activity within the organization in **real-time**, rather than waiting for email notifications. They always know what is happening.

Security

For a competitive public company like Discovery Communications, security is essential to maintain competitiveness and to prevent mistakes. Currently, Discovery uses email collaboration and share drive access. This seems safe, but there is a major loophole: employees and interns are granted folder access.

This means an intern could have access to the folder of the entire division for which the intern is working. Currently, an intern could accidentally save a file in the wrong folder, delete a folder or a file, or even make a mistake which the manager would not be able to track down and hold the intern accountable.

PBWorks' security features eliminate such possibilities of mistakes and errors. Some of these features offered by PBWorks are:

Access Controls

PBworks includes Reader, Writer, Editor, and Administrator **access control levels** to control how and which specific pages users can access: e.g....marketing team can be restricted to pages in the Marketing folder, while CEO can see all pages.

Page and Folder-Level Access

This is not available with the Share Drive systems (what Discovery uses currently). Which means right now, an intern and/or employee can access and manipulate all corporate information in the division.

IP Whitelisting and blacklisting

For additional security, access may be granted to specific IP addresses to guarantee who is accessing the network and workspaces. IP blacklisting, on the other hand, allows users to blacklist specific IP addresses (perfect for banning previous employees and/or clients).

Easy to Use and Enterprise Functionality

- 60 Second Setup
- Search
- Point-and-Click Editor
- Tags and Folders
- Automatic backup

No need to wait for IT team, create a network in PBWorks in minutes.

Use the powerful search option to find info across documents, pages, workspaces. Using tags like “marketing” and “sales” users can place pages into multiple categories.

Users can insert images, files, colors, and fonts effortlessly and in seconds using the Point-and-Click Editor.

All is safe with automatic backup on multiple servers in multiple locations!

Enterprise Functionality

- Single sign-on---PBworks integrates with any authentication scheme, including LDAP and Active Directory.
- SLA and Uptime---PBworks provides 99.9% uptime and industry-leading customer support.
- Developer Platform and API---PBworks' API allows developers to create programs and web applications that directly interact with PBworks data and users.

Applying PBWorks to DCI

Increasing Productivity with PBWorks

Intra-company and inter-company collaboration system

Discovery Communications, Inc is a massive company with over 4,000 employees and numerous divisions, spread out in North America, Europe and Asia.

Due to the simplicity of PBWorks, any employee or team of employees will find the platform beneficial. Some examples follow, of course, any one from HR and IT to corporate can collaborate with other teams and individuals.

Filming and production: Wherever in the world, the teams which film for all Discovery shows will be able to bounce off ideas with corporate headquarters, media production teams in offices or anyone else really.

Engineers and product developers: The engineers who design the toys for Discovery Commerce (Discovery Store) can collaborate and brainstorm together and keep the marketing team in the loop by restricting access to viewing, not editing.

Finance Teams: Finance teams can collaborate on excel spreadsheets and even allow access to Interns for help. All files would be accessible from any safe internet connection, thus giving more flexibility to teams. Any administrator will be able to change access settings as needed, as opposed to having to wait for the IT department.

Marketing Teams: keeping presentations, images, and other files safe and accessible will allow teams to brainstorm together, create campaigns and collaborate on any project.

Since PBWorks keeps complete audit trail, all the teams will be able to go back and see who made what changes and allocate responsibility accordingly. This feature is also great for performance measure, since PBWorks will indicate to managers in real time which employees are completing their delegated tasks.

Most importantly, PBWorks will allow DCI to enhance intra-company communication by allowing different departments and teams to collaborate at anytime from anywhere.

Drawbacks and Considerations

A drawback in using PBWorks would be the risk of placing important and private information online, since putting information on the internet can never be entirely secure. However, PBWorks has the strongest security available out of any of its competitors and although DCI might not want to put its most private information online, it should not deter the company from using it for other work.

PBWorks can be free, but the business edition which DCI will want to use comes at a cost of \$20 per user per month for employees only. Clients and vendors may be added for free!

Included in the price is of course own collaboration network, hosted at PBWorks' data center with unlimited customer support by email 6 days a week, unlimited storage on servers, unlimited online workspaces and templates and unlimited guest accounts for clients, partners and vendors.

The implicit and explicit benefits, however, outweigh the costs of PBWorks' services. Saving the time and paper alone from having to email back and forth documents and printing them as another way to share them would make up for a large portion of the cost. PBWorks' own excellent support center offsets implicit IT costs.

Implementation Plan

Who will use PBWorks

Any team could benefit from its features

How will employees use PBWorks

Implement on a team basis

The role of IT

Saving time and money

Training

Quick and Effortless: online tutorials and help

Conclusion

Appendix

Discovery around the World





Discovery at Glance

About Discovery Communications:

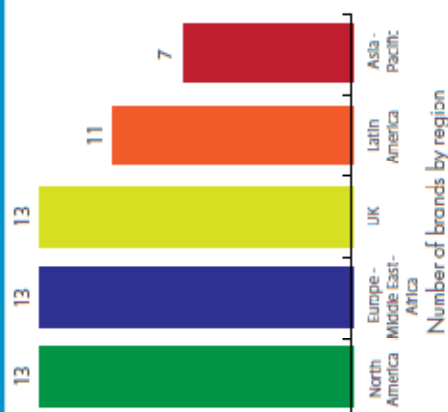
Discovery Communications is the world's number one not-for-profit media company reaching more than 1.5 billion cumulative subscribers in over 180 countries. Discovery empowers people to **explore their world and satisfy their curiosity** through 100-plus worldwide networks, led by Discovery Channel, TLC, Animal Planet, Science Channel, Investigation Discovery, Planet Green and HD Theater, as well as leading consumer and educational products and services, and a diversified portfolio of digital media services including HowStuffWorks.com.

As Reported February 10, 2010

GLOBAL BUSINESSES & BRANDS

U.S. NETWORKS	INTERNATIONAL NETWORKS	COMMERCE
<p>74.5 million cumulative subscribers⁽¹⁾ in the United States</p> <p>Subscribers</p> <p>Discovery Channel 100M</p> <p>TLC 99M</p> <p>Animal Planet 96M</p> <p>Discovery Health 74M</p> <p>Discovery Kids 59M</p> <p>Science Channel 58M</p> <p>Military Channel 55M</p> <p>Investigation Discovery 55M</p> <p>Planet Green 55M</p> <p>FirTV 53M</p> <p>HD Theater 30M</p> <p>Discovery en Español⁽²⁾ 7M</p> <p>Discovery Familia⁽³⁾ 4M</p>	<p>969 million cumulative subscribers⁽¹⁾ in over 180 countries</p> <p>Subscribers</p> <p>Discovery Channel 275M</p> <p>Animal Planet 239M</p> <p>Discovery Travel & Living 177M</p> <p>DMAX Germany/UK 43M</p> <p>Discovery Science 41M</p> <p>Discovery Home & Health 36M</p> <p>Discovery Kids 28M</p> <p>People+Arts 24M</p> <p>Discovery Real Time 19M</p> <p>Discovery World 17M</p> <p>Discovery Turbo 13M</p> <p>Discovery Knowledge 10M</p> <p>Shed 10M</p> <p>Investigation Discovery 10M</p> <p>TLC Canada 8M</p> <p>Discovery HD 6M</p> <p>Discovery Civilization 3.5M</p> <p>Discovery Historia 1M</p>	<p>More than 12 million unique visitors⁽⁴⁾ annually to DiscoveryStore.com</p> <ul style="list-style-type: none"> E-commerce Catalog Licensing & Merchandising <p>EDUCATION</p> <p>Video-based broadband educational content serving one million U.S. K-12 teachers</p> <ul style="list-style-type: none"> Discovery Education streaming Discovery Education Science Discovery Education Health Discovery Education Assessment Discovery Educator Network

WORLDWIDE BRANDS





OWNERSHIP

- Discovery Communications is publicly traded on Nasdaq under the symbols: DISCA, DISCB and DISCK

ON THE HORIZON

- Partnership with Oprah Winfrey and Oprah.com, coming to more than 70 million homes

<div> <div>OWN</div> <div>THE OWNERSHIP NETWORK</div> </div> <ul style="list-style-type: none"> Partnership with Oprah Winfrey and Oprah.com, coming to more than 70 million homes Discovery/Hasbro Joint Venture Children's Network, debuting late 2010 Discovery / Sony / Imax Joint venture 3D Network, coming in 2011 <div>   </div>	<div> <div>Investigation Discovery</div> <div>TLC Canada</div> <div>Discovery HD</div> <div>Discovery Civilization</div> <div>Discovery Historia</div> </div> <div> <div>10M</div> <div>8M</div> <div>6M</div> <div>3.5M</div> <div>1M</div> </div> <ul style="list-style-type: none"> Discovery Education Assessment Discovery Educator Network
<div> <div>OWN</div> <div>THE OWNERSHIP NETWORK</div> </div>	<div> <div>Investigation Discovery</div> <div>TLC Canada</div> <div>Discovery HD</div> <div>Discovery Civilization</div> <div>Discovery Historia</div> </div> <div> <div>10M</div> <div>8M</div> <div>6M</div> <div>3.5M</div> <div>1M</div> </div> <ul style="list-style-type: none"> Discovery Education Assessment Discovery Educator Network
<div> <div>OWN</div> <div>THE OWNERSHIP NETWORK</div> </div>	<div> <div>Investigation Discovery</div> <div>TLC Canada</div> <div>Discovery HD</div> <div>Discovery Civilization</div> <div>Discovery Historia</div> </div> <div> <div>10M</div> <div>8M</div> <div>6M</div> <div>3.5M</div> <div>1M</div> </div> <ul style="list-style-type: none"> Discovery Education Assessment Discovery Educator Network

<div> <div>OWN</div> <div>THE OWNERSHIP NETWORK</div> </div> <ul style="list-style-type: none"> Partnership with Oprah Winfrey and Oprah.com, coming to more than 70 million homes Discovery/Hasbro Joint Venture Children's Network, debuting late 2010 Discovery / Sony / Imax Joint venture 3D Network, coming in 2011 <div>   </div>	<div> <div>Investigation Discovery</div> <div>TLC Canada</div> <div>Discovery HD</div> <div>Discovery Civilization</div> <div>Discovery Historia</div> </div> <div> <div>10M</div> <div>8M</div> <div>6M</div> <div>3.5M</div> <div>1M</div> </div> <ul style="list-style-type: none"> Discovery Education Assessment Discovery Educator Network
---	--

<div> <div>OWN</div> <div>THE OWNERSHIP NETWORK</div> </div>	<div> <div>Investigation Discovery</div> <div>TLC Canada</div> <div>Discovery HD</div> <div>Discovery Civilization</div> <div>Discovery Historia</div> </div> <div> <div>10M</div> <div>8M</div> <div>6M</div> <div>3.5M</div> <div>1M</div> </div> <ul style="list-style-type: none"> Discovery Education Assessment Discovery Educator Network
--	--

<div> <div>OWN</div> <div>THE OWNERSHIP NETWORK</div> </div>	<div> <div>Investigation Discovery</div> <div>TLC Canada</div> <div>Discovery HD</div> <div>Discovery Civilization</div> <div>Discovery Historia</div> </div> <div> <div>10M</div> <div>8M</div> <div>6M</div> <div>3.5M</div> <div>1M</div> </div> <ul style="list-style-type: none"> Discovery Education Assessment Discovery Educator Network
--	--

OWN

THE OWNERSHIP NETWORK

- Partnership with Oprah Winfrey and Oprah.com, coming to more than 70 million homes
- Discovery/Hasbro Joint Venture Children's Network, debuting late 2010
- Discovery / Sony / Imax Joint venture 3D Network, coming in 2011





OWN


THE OWNERSHIP NETWORK

Discovery Channel Global Education Partnership

Discovery Education 3M Young Scientist Challenge

AFI/Discovery Channel Documentary Festival





howstuffworks.com

@treehugger

Petfinder.com

[1] Subscriber numbers as of December 31, 2009. U.S. figures according to The Nielsen Company in the U.S. and internal estimates where Nielsen data is not available. International figures according to internal data review and external sources, where available. [2] Internet traffic data from January 1 through December 31, 2009, according to ComiTime, Inc. [3] U.S. Hispanic networks are distributed to U.S. subscribers, but are operated by and included as part of Discovery International Networks for financial reporting and management purposes.

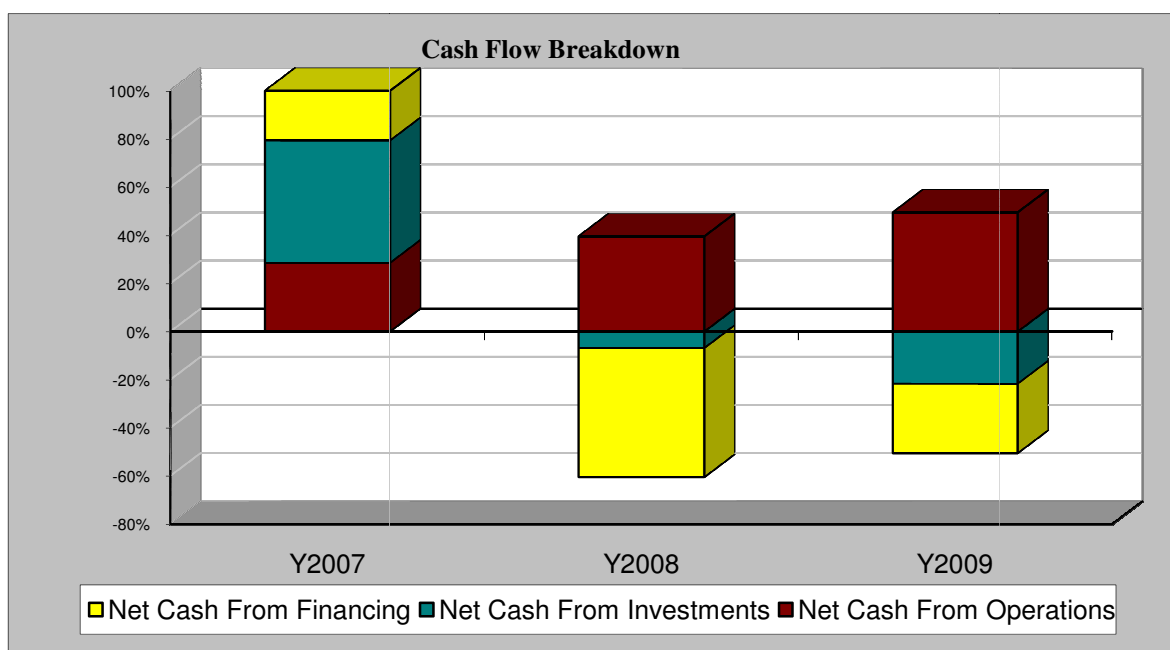
One Discovery Place, Silver Spring, MD 20910-3354 • www.discoverycommunications.com • 240.662.2000

Discovery Communications, Inc: Financial Standing

Discovery Communications, Inc (DISCA) Key Financials⁸

Key Financials	Y2008	Y2009	% Change
Sales	3,443.00	3,516.00	2.08%
EBITDA	1,305.00	1,372.00	4.88%
EBIT	1,073.00	1,217.00	11.83%
Pretax Income	815.00	1,023.00	20.33%
Net Income	274.00	552.00	50.36%
EPS	0.98	1.30	24.62%
Free CF per Shr.	#N/A	#N/A	#N/A
Book Value/Shr.	19.63	21.86	10.19%

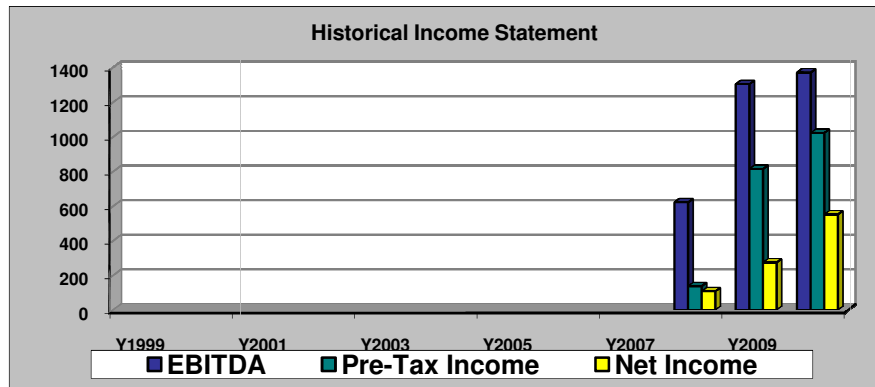
DISCA Cash Flows Breakdown for 2007, 2008 and 2009⁹



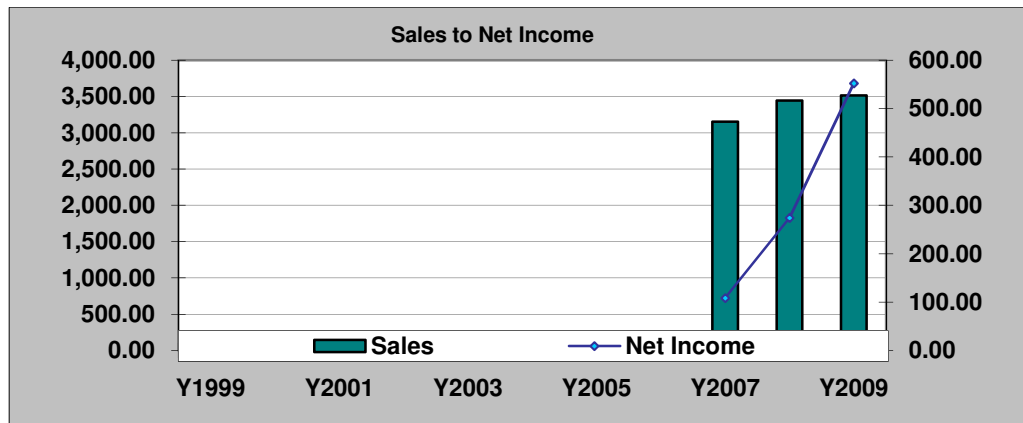
⁸ Thomson Financial, April 2010

⁹ Thomson Financial, April 2010

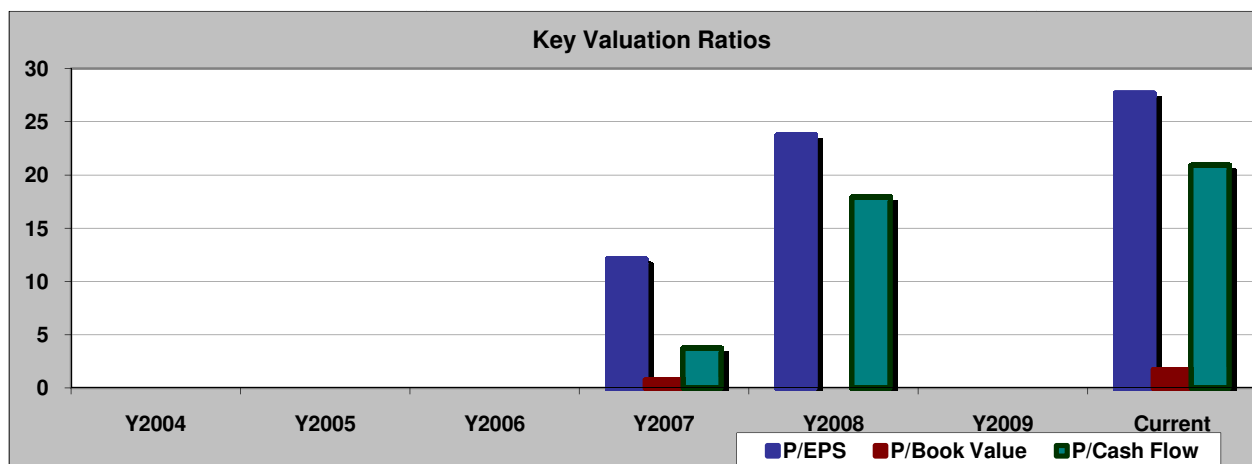
Income Statement Breakdown¹⁰



Growth of Net Income compared to Sales¹¹



Key Financial Ratios¹²



¹⁰ Thomson Financial, April 2010

¹¹ Thomson Financial, April 2010

¹² Thomson Financial, April 2010

Success Stories and Testimonials



BRACEWELL
& GIULIANI

Creating a Valuable Legal Knowledgebase »

Leading law firm uses PBworks to build a custom legal knowledgebase that save 2 hours per research request.



Making PBworks An Integral Part Of Managing Web Design Clients »

Leading design firm uses PBworks to collaborate across the agency/client boundary.



Deloitte.DIGITAL
Professional services online.

Collaborative Authoring = Working Faster with Better Results »

Deloitte Digital uses PBworks to work faster, involve more people, and deliver a better end result than email collaboration.

13



Building a Technical Knowledgebase in Less Than a Week »

RBC saves an IT rollout by deploying a worldwide knowledgebase/support solution in less than a week.

14



**"PBworks is a frictionless collaboration tool.
People coalesce easily around the workspace."**¹⁵
Will Speck
Financial Times



Design Commission

**"Conservatively, we're improving productivity at least
\$2,000 per month."**¹⁶

David Conrad
Co-founder and Studio Director, Design Commission



**"PBworks provides transparency and accountability for the project that
gives clients peace of mind."**¹⁷

Rudy Kehler
Principal, thesimplifycompany.com

¹³ <http://pbworks.com/content/biz+casestudy>

¹⁴ <http://pbworks.com/content/biz+casestudy>

¹⁵ <http://pbworks.com/content/casestudy-financialtimes>

¹⁶ <http://pbworks.com/content/casestudy-designcommission>

¹⁷ <http://pbworks.com/content/casestudy-thesimplifycompany>

How May the PBWorks Tech Experts Help?

PBWORKS

What do you need help with?

PBworks Help

Search »

If your problem is still not solved

Contact an agent »

See also: Visit our [Support Center](#) for video tutorials on using PBworks.

Your PBworks account

[How do I reset my account password?](#)

[How do I set my notification preferences?](#)

[View more »](#)

[I'm having trouble logging in to my workspace.](#)

[How do I edit my profile?](#)

Editing pages

[How do I insert images into a page?](#)

[How do I insert and work with tables?](#)

File and Document Access is Easy with PBWorks

Project: Canoe Camps / Project Resources – Internal

Enterprise Collaboration Network [New Features](#) [Sara Samuels](#) [log out](#) [help](#) [Q](#)

Project: Canoe Camps

[Home](#) [Pages & Files](#) [Users](#) [Project](#)

[New](#) [Upload files](#)

Used 35 MB of unlimited

Project Resources - Internal

[Delete](#) [Move](#) [Rename folder](#) [Delete folder](#) [Folder Security](#) [Send a link](#)

<input type="checkbox"/> Name	Last changed	Revs
<input type="checkbox"/> Scope Edit - Rename	05/19/2009 12:58 pm by Rudy Keegan	2
<input type="checkbox"/> Concept Edit - Rename	05/27/2009 1:56 pm by Lucy Brown	4
<input type="checkbox"/> Team Page Edit - Rename	05/27/2009 3:12 pm by Rudy Keegan	6
<input type="checkbox"/> Canoe Camps Proposal.ppt Rename	10/30/2009 10:45 am by Lucy Brown	3
<input type="checkbox"/> Brainstorm Edit - Rename	11/04/2009 3:06 pm by Lucy Brown	3

FOLDERS

- [Archive](#) 2
- [CC-Background](#) 1
- [Design - Camper Site](#) 9
- [Design - General](#) 18
- [Design - Logo](#) 9
- [Design - Parent Si...](#) 4
- [Internal - Private...](#) 4
- [Meetings](#) 6
- [Project Resources ...](#) 5

PBWorks features illustrated

Keeping track of changes and edits is effortless.

Today (August 26)

- * 2:35pm [Devin Reams](#) uploaded [pbwiki.txt](#)
- * 2:33pm [Devin Reams](#) uploaded [logo-sample-reynold](#)
- + 2:33pm [Devin Reams](#) edited [FrontPage](#)
- * 2:32pm [Devin Reams](#) edited [FrontPage](#)
- * 2:32pm [Devin Reams](#) edited [FrontPage](#)
- * 2:23pm [Devin Reams](#) uploaded [swirl.png](#)
- + 2:22pm [Devin Reams](#) edited [FrontPage](#)

☐ Hide changes from readers

Only Admins can change this setting, which applies to 'Change: lists. Changes are still visible to contributors who have logged i

Discovery Communication, Inc Financial Statements

DISCOVERY COMMUNICATIONS, INC. CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited; dollars in millions, except per share amounts)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2009	2008 ^(a)	2009	2008 ^(a)
Revenues:				
Distribution	\$ 436	\$ 401	\$ 1,713	\$ 1,640
Advertising	418	382	1,428	1,396
Other	110	121	375	407
Total revenues	<u>964</u>	<u>904</u>	<u>3,516</u>	<u>3,443</u>
Costs of revenues, excluding depreciation and amortization listed below	298	266	1,065	1,024
Selling, general and administrative	318	270	1,247	1,115
Depreciation and amortization	37	40	155	186
Restructuring and impairment charges	19	44	66	61
Gain on dispositions	-	-	(252)	-
	<u>672</u>	<u>620</u>	<u>2,281</u>	<u>2,386</u>
Operating income	292	284	1,235	1,057
Interest expense, net	(67)	(60)	(250)	(256)
Other non-operating income (expense), net	<u>12</u>	<u>(43)</u>	<u>46</u>	<u>(47)</u>
Income from continuing operations before income taxes	237	181	1,031	754
Provision for income taxes	<u>(81)</u>	<u>(67)</u>	<u>(472)</u>	<u>(352)</u>
Income from continuing operations, net of taxes	156	114	559	402
Income from discontinued operations, net of taxes	<u>-</u>	<u>1</u>	<u>-</u>	<u>43</u>
Net income	156	115	559	445
Less net loss (income) attributable to non-controlling interests	<u>(1)</u>	<u>(9)</u>	<u>1</u>	<u>(128)</u>
Net income attributable to Discovery Communications, Inc.	155	106	560	317
Stock dividends to preferred interests	-	-	(8)	-
Net income available to Discovery Communications, Inc. stockholders	<u>\$ 155</u>	<u>\$ 106</u>	<u>\$ 552</u>	<u>\$ 317</u>
Amounts available to Discovery Communications, Inc. stockholders:				
Income from continuing operations, net of taxes	\$ 155	\$ 105	\$ 552	\$ 274
Income from discontinued operations, net of taxes	-	1	-	43
Net income	<u>\$ 155</u>	<u>\$ 106</u>	<u>\$ 552</u>	<u>\$ 317</u>
Income per share from continuing operations available to Discovery Communications, Inc. stockholders:				
Basic	<u>\$ 0.36</u>	<u>\$ 0.25</u>	<u>\$ 1.30</u>	<u>\$ 0.85</u>
Diluted	<u>\$ 0.36</u>	<u>\$ 0.25</u>	<u>\$ 1.30</u>	<u>\$ 0.85</u>
Income per share from discontinued operations available to Discovery Communications, Inc. stockholders:				
Basic	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.13</u>
Diluted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.13</u>
Net income per share available to Discovery Communications, Inc. stockholders:				
Basic	<u>\$ 0.36</u>	<u>\$ 0.25</u>	<u>\$ 1.30</u>	<u>\$ 0.99</u>
Diluted	<u>\$ 0.36</u>	<u>\$ 0.25</u>	<u>\$ 1.30</u>	<u>\$ 0.98</u>
Weighted average number of shares outstanding:				
Basic	<u>425</u>	<u>422</u>	<u>423</u>	<u>321</u>
Diluted	<u>429</u>	<u>422</u>	<u>425</u>	<u>322</u>

(a) The 2008 financial information has been recast so that the basis of presentation is consistent with that of the 2009 financial information. See Other Items on page 6 for additional detail.

DISCOVERY COMMUNICATIONS, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited; dollars in millions)

	As of December 31,	
	2009	2008 ^(a)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 623	\$ 100
Receivables, net of allowances of \$15 and \$16, respectively	810	780
Content rights, net	76	73
Deferred income taxes	71	49
Prepaid expenses and other current assets	100	107
Total current assets	1,680	1,109
Noncurrent content rights, net	1,217	1,163
Property and equipment, net	411	395
Goodwill	6,433	6,891
Intangible assets, net	643	716
Other noncurrent assets	581	210
Total assets	\$ 10,965	\$ 10,484
LIABILITIES, REDEEMABLE NON-CONTROLLING INTERESTS IN SUBSIDIARIES, AND EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 457	\$ 421
Deferred revenues	91	93
Current portion of share-based compensation liabilities	117	8
Current portion of long-term debt	38	458
Other current liabilities	87	90
Total current liabilities	790	1,070
Long-term debt	3,457	3,331
Deferred income taxes	274	246
Other noncurrent liabilities	176	227
Total liabilities	4,697	4,874
Commitments and contingencies		
Redeemable non-controlling interests in subsidiaries	49	49
Equity:		
Preferred stock	2	2
Common stock	3	3
Additional paid-in capital	6,600	6,545
Accumulated deficit	(376)	(936)
Accumulated other comprehensive loss	(21)	(78)
Equity attributable to Discovery Communications, Inc.	6,208	5,536
Equity attributable to non-controlling interests	11	25
Total equity	6,219	5,561
Total liabilities, redeemable non-controlling interests in subsidiaries, and equity	\$ 10,965	\$ 10,484

(a) The 2008 financial information has been recast so that the basis of presentation is consistent with that of the 2009 financial information. See Other Items on page 6 for additional detail.

DISCOVERY COMMUNICATIONS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; dollars in millions)

	Twelve Months Ended December 31,	
	2009	2008^(a)
OPERATING ACTIVITIES		
Net income	\$ 559	\$ 445
Adjustments to reconcile net income to cash provided by operating activities:		
Share-based compensation expense (benefit)	228	(66)
Depreciation and amortization	155	232
Impairment charges	32	30
Gains on dispositions	(252)	(76)
Gains on sales of investments	(15)	-
Deferred income taxes	(7)	190
Other noncash expenses, net	32	130
Changes in operating assets and liabilities, net of discontinued operations:		
Receivables, net	(37)	(45)
Content rights, net	(55)	(145)
Accounts payable and accrued liabilities	40	(46)
Share-based compensation liabilities	(72)	(49)
Other, net	-	(31)
Cash provided by operating activities	<u>608</u>	<u>569</u>
INVESTING ACTIVITIES		
Purchases of property and equipment	(57)	(102)
Net cash acquired from Newhouse Transaction	-	45
Business acquisitions, net of cash acquired	-	(8)
Proceeds from dispositions	300	139
Other investing activities, net	23	24
Cash provided by investing activities	<u>266</u>	<u>98</u>
FINANCING ACTIVITIES		
Ascent Media Corporation spin-off	-	(356)
Net repayments of revolver loans	(315)	(125)
Borrowings from long-term debt, net of discount and issuance costs	970	-
Principal repayments of long-term debt	(1,012)	(257)
Principal repayments of capital lease obligations	(14)	(29)
Cash distributions to non-controlling interest	(13)	-
Proceeds from stock option exercises	28	-
Other financing activities, net	-	(7)
Cash used in financing activities	<u>(356)</u>	<u>(774)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>5</u>	<u>(2)</u>
CHANGE IN CASH AND CASH EQUIVALENTS	<u>523</u>	<u>(109)</u>
Cash and cash equivalents of continuing operations, beginning of period	100	8
Cash and cash equivalents of discontinued operations, beginning of period	-	201
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 623</u>	<u>\$ 100</u>

(a) The 2008 financial information has been recast so that the basis of presentation is consistent with that of the 2009 financial information. See Other Items on page 6 for additional detail.