BUSINESS NEWS

Dish Picks New Finance Chief From Its Ranks

BY NINA TRENTMANN

Dish Network Corp. named a company veteran its next finance chief, a move that comes as the satellite-TV operator looks to transform its business amid declining subscriptions in its core segment.

The Englewood, Colo.-based company on Tuesday said it has appointed Paul W. Orban as executive vice president and chief financial officer, effective June 29. He succeeds former Steven Swain, who left the post last August to become CFO at Brookdale Senior Living Inc., a U.S. retirement- community operator.

Mr. Orban took on the principal-financial-officer role from Mr. Swain last August. He joined Dish in 1996 and has served as senior vice president and chief accounting officer since December 2015.

The company is battling for certain assets—prepaid subscribers and wireless spectrum licenses—**Sprint** Corp. and **T-Mobile US** Inc. might sell to gain regulatory approval for their $26 billion merger, analysts said.

These assets could provide some of the building blocks Dish needs to build its planned 5G network, as the company's traditional business is under pressure from cord-cutters abandoning its packages in search of cheaper forms of entertainment.

Dish declined to comment.

Mr. Orban will be tasked with securing financing for the deal, should Dish come to an agreement with Sprint, T-Mobile and regulators involved with the merger, said Kevin Roe, president at Roe Equity Research LLC. The deal could involve network assets, wireless spectrum and Boost Mobile, a prepaid wireless brand, he said.

"The asset purchase would dramatically change the company and require a whole new level of financing, potentially through a strategic partner," Mr. Roe said.

Mr. Orban will likely need to tap capital markets even if the deal falls through. The company has $1.3 billion in debt maturing this year, with an additional $1.1 billion in 2020 and $2 billion coming due in 2021, according to data from S&P Global Market Intelligence.

Dish also needs fresh capital to finance the build-out of its 5G network, said Chris Mooney, an analyst at S&P Global Ratings. The costs for the rollout could amount to $10 billion or more, he said.

"The new CFO will have to organize financing and shore up the balance sheet," said S&P's Mr. Mooney.

Meanwhile, Dish's core business continues to lose subscribers. The company had 9.9 million satellite-TV subscribers at the end of 2018, down 1.1 million from a year earlier, and lost an additional 266,000 customers in the quarter ended March 31. Its internet-based offering, a service called Sling TV launched in 2015, only added 7,000 subscribers during that period.

That is hurting the company's top and bottom lines. Dish said total revenue fell 5.35% to $13.62 billion in 2018 from $14.39 billion in 2017. Net income fell to $1.57 billion last year from $2.09 billion in 2017.

Compensation details for Mr. Orban weren't immediately available.

BRENDAN SMIALOWSKI/AGENCE FRANCE-PRESSE/GETTY IMAGES

Anne Finucane says the bank will leave as soon as possible.

Prison Firm Got BofA Loan

Continued from page B1

ten long-term relationships involved"

At Bank of America's annual meeting in April, activists peppered executives with questions about its loans to private prisons. Andrew Plepler, the bank's head of environmental, social and governance, said it was reviewing the business.

As the review was taking place, **GEO Group** Inc., which runs prisons and immigration-detention centers, was looking to tweak a $900 million loan. The revolving-credit line was so large that a group of banks, including Bank of America, had come together to make it, according to securities filings. That is a typical practice in commercial lending.

Bank of America's ESG team vetted and approved the deal, according to people familiar with the matter. The new revolver was finalized on June 12 and the bank agreed to cover a $90 million portion, according to a securities filing and people familiar with the matter. The loan was extended to May 2024 from May 2021.

Soon after, reports surfaced of unsafe and unhealthy conditions at immigration facilities holding migrant children.

On June 24, Sleeping Giants, an activist group that uses social media to target companies and industries that it opposes, told supporters to email Clayton Rose, a Bank of America director and president of Bowdoin College.

Two days after the email campaign to Mr. Rose began, Bank of America Vice Chairman Anne Finucane told Bloomberg News that the bank had "decided to exit the relationship" with companies running private prisons and immigration-detention centers. She said the bank would leave the sector as soon as possible after fulfilling its contractual obligations.

GEO Group said the announcement wouldn't affect its recently renewed revolver.

The June deal means Bank of America could be tied to the private-prison business for an additional five years. Other companies in the industry also depend on the bank for financing, according to regulatory filings. Last year, Bank of America covered $140 million of a $1 billion loan to **CoreCivic** Inc. that expires in April 2023. The bank also extended $65 million of a $455 million loan to **Caliburn International** Corp.

CoreCivic CEO Damon Hininger said his company has had a relationship with Bank of America for about 20 years. Meetings with the lender became more frequent over the past two years and the company gave bankers a tour of a center holding immigrant families in Dilley, Texas, he said.

"Up until last week, we were getting a lot of positive feedback from them." he said. "It's clearly about politics."

CoreCivic and GEO Group run facilities for U.S. Immigration and Customs Enforcement but say they don't operate border-patrol holding facilities or centers for unaccompanied minors.