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Netflix Shares Hit \$200, Pushing Market Value Past \$10.4 Billion

By Cliff Edwards - Nov 29, 2010

[Netflix Inc.](#), the online and DVD film rental service, rose to a record \$200 today in Nasdaq Stock Market trading, pushing the value of the company to more than \$10.4 billion.

Reaching that level intraday, shares of the Los Gatos, California-based company joined a list of 16 U.S. companies with a market value above \$1 billion that trade at \$200 or more, including Berkshire Hathaway Inc., Apple Inc. and Google Inc.

Netflix, which first attracted customers as a mail-order DVD rental business, has more than tripled in value [this year](#) while stepping up efforts to get movies and television shows that can be delivered over the Web to computers, game consoles and Web-connected TVs. Last week, the company introduced its first Internet-only subscription in the U.S. at \$7.99 a month.

“Netflix continues to maintain its position as the premier provider of paid subscription Internet streaming,” [George Askew](#), a Stifel Nicolaus & Co. analyst who has a “hold” rating on the stock, said in a research note to investors today.

Netflix rose \$7.02, or 3.7 percent, to \$198.92 at 4 p.m. New York time after touching \$200. At the current market value, the company ranks ahead of Cablevision Systems Corp., at \$9.43 billion, and [Dish Network Corp.](#), at \$8.18 billion.

Sales at Netflix totaled \$1.67 billion last year, compared with \$11.6 billion at Dish and \$7.8 billion at Cablevision. The stock split 2-for-1 in February 2004.

Of 29 analysts who rate Netflix, 16 have “hold” recommendations, 7 say “sell” and 6 recommend purchasing the stock. The consensus price target was \$149.65 a share. They project sales of \$2.16 billion this year, the average of 24 [estimates](#).

Streaming Agreements

The company has struck deals this year with NBC Universal, Twentieth Century Fox and Warner Bros. to delay renting new- release DVDs and TV shows by 28 days in exchange for additional movies and television programs that can be streamed instantly from the Web service.

As of Sept. 30, two-thirds of the company's 16.9 million subscribers had used its Web service, according to a Netflix statement.

Netflix has increased its streaming content an estimated 26-fold to 27,228 titles since the Web service's inception in January 2007, and has increased its library by 47 percent since June 2010, Askew wrote.

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