

(Reuters) - Dish Network Corp will be closing more U.S. Blockbuster stores across than it had originally planned, and will turn the remaining outlets partly into Dish customer-service points, Chief Executive Joe Clayton told Reuters.

In the CEO's strongest comments since the satellite TV provider bought out the crumbling video-rental chain, Clayton said at the Consumer Electronics Show in Las Vegas this week that all unprofitable stores will come under the knife.

Dish, which paid \$320 million for Blockbuster, said last July it would keep 1,500 stores open and retain 15,000 employees, or about 90 percent of the outlets at the time.

"We are committed to keeping the profitable stores open that are generating positive cash flow, but there are ones that aren't going to make it," Clayton said in an interview. "We will close unprofitable stores. We will close additional stores."

Clayton would not give a time frame on the closings or say how many stores were currently unprofitable. Spokesman Marc Lumpkin said the closings will be on a "case by case" basis.

Clayton, who became CEO of Dish last year when billionaire Charlie Ergen stepped down to focus on Dish's wireless strategy as chairman, said the stores that stay open will sell Dish subscriptions and may one day provide customer support for its television customers.

"If a consumer has a problem, just bring your box in and we'll give you a new one so you don't have to stay at home and wait for an installation," he said.

Subscribers to Dish's Latino service may also be able to pay their TV bills in stores in metropolitan markets, he added.

Dish has tried to tap the Blockbuster brand by unveiling a new Internet streaming service and a program to rent DVDs by mail, in a bid to challenge Netflix Inc.

(Reporting By Liana B. Baker; Editing by Gerald E. McCormick)

