

TV Tech's Silent Disruption

OTT-vs.-linear stress is nothing compared with scramble to adapt to a world defined by Google, Microsoft, Amazon and Apple *9/28/2015 8:00 AM Eastern* Last updated at 10/05/2015 8:05 AM

By: George Winslow

Traditional TV companies head into the fall season with a gut-wrenching drama playing out off-screen: sinking stock prices at a time when the economy is healthier than it's been in years.

That uneasy disparity has prompted intense scrutiny of 20th-century business models frayed by changing consumer tastes and mounting competition from over-the-top providers like Netflix. Offerings legacy companies have rolled out in response — everything from skinny bundles to TV everywhere to standalone over-the-top platforms — are objects of obsession for Wall Street and the media.

Little attention, however, has been paid to an arguably more ominous threat: what might be called the silent disruption to underlying TV technology, the humming infrastructures long known as “big iron” for their capital-intensive heft. Faced with the growing realization that these basic technical setups long used by TV companies aren't well-suited to the new world of digital delivery, many players are scrambling to reinvent themselves. Their goal is to refashion operations to adopt many of the technology approaches used by big players like Google, Amazon, Microsoft and Apple. This, many veterans tell *Next TV*, is the only way forward.

If successful, these efforts could upend the way consumers and Wall Street view the medium and allow them to do everything the Internet giants do now — target programs and ads to individual consumer tastes, quickly launch new services and rapidly embrace new consumer technologies.

“The need for new approaches is really about having the agility to change with the marketplace and being able to stay flexible and agile for the future,” said Vince Roberts, executive VP of global operations and CTO of Disney/ABC Television Group, who has vowed to “never again build a traditional TV facility.”

Over the last four years, Roberts and his teams have been working on a groundbreaking effort to put ABC’s master control operations in the cloud, using the kind of software, Internet-protocol video technologies and commercial off-the-shelf hardware typically used by the tech giants for their operations. That effort, just completing its first phase, will open up new business opportunities in the next year and greatly speed the pace of innovation, Roberts said, by allowing the programmer to anticipate consumer trends rather than just reacting to them.

But if rewards are huge, the proponents of this silent revolution also face some major challenges and questions. How much will this transition cost? What will it mean for business models? Can the industry make the transition fast enough to satisfy consumers? And, importantly, is this technology even ready for primetime?

LEARNING FROM NETFLIX

“The only way the TV networks and even the MVPDs can compete in this new world is to move to an underlying technology that enables them to participate in the next-generation technologies that Netflix, Hulu and Google can capitalize on, because they don’t have a lot of legacy infrastructure,” said Charlie Vogt, CEO of Imagine Communications. His company is supplying many of the basic technologies ABC is using for its new cloud-based master control. Last April in Las Vegas, Imagine hosted a conference during the NAB Show, where Disney unveiled its cloud plans.

Vogt and others noted that Google, Apple, Amazon, Netflix and others have been able to rapidly innovate and transform consumer tastes because their offerings are based on very flexible infrastructures using software, IP video

and cheap, commercial off-the-shelf [COTS] hardware that is often based in massive data centers, the the cloud.

This infrastructure allows them to take advantage of the \$1 trillion invested each year in IT technologies. That influx has fueled massive improvements in processing power as well as a host of new consumer technologies, which have been used to build growing over-the-top businesses using IP delivery of video.

The TV, cable and broadcast industries also have a sterling history of innovation. Over the last 50 years, they've nurtured and helped develop technologies for recording and shooting video, wireless video transmission, innovations in live production that make it possible for consumers to watch sports and news from all over the world, the first VOD services and broadband high-speed Internet services, just to name a few examples.

Their infrastructures are very reliable — viewers turn on the TV and get a picture without having to wait for the video to buffer or load. But they were also based on hardware designed for specific purposes by hundreds of different vendors, which created facilities that were complex, costly and inflexible.

This “big iron” approach meant that networks had to spend millions of dollars on equipment if they wanted to launch a new network or service. Worse, the video standard used in TV facilities — SDI video — was incompatible with the IP video used for online or mobile distribution. That disconnect has forced them to transcode video digital delivery and create separate processes for those digital businesses.

“Today, you have an SDI-based broadcast infrastructure that has been around for a long time that feeds an IP-based ... infrastructure to the Internet and the two systems don't naturally talk to each other,” Jeremy Legg, the CTO of Turner Broadcasting System, said.

Legg is part of a growing camp trying to overcome that problem by shifting to infrastructure that would give them the flexibility and interactivity of IP video while retaining the reliability of their existing tech setup.

REVOLUTIONS IN THE CLOUD

Describing this transition and forecasting the end result is difficult given the very different needs of various players and individual companies.

In its purest form, vendors have argued that broadcasters and programmers would keep their studios, cameras, newsrooms and on-air production infrastructure but move most everything else to data centers (i.e., the cloud) that they either own (a private cloud) or are operated by an outside company like Amazon, Google, Microsoft or Verizon.

In this new world, programmers would produce IP video and send it to the cloud where it would be processed for different devices, stored and played out for distribution as live linear feeds, on-demand content or even new networks.

Software interfaces in the broadcaster's studios and headquarters would control software-defined networks that would allow ads and content automatically inserted into different feeds and targeted to individual consumers. This software would also run on top of commercial, off-the-shelf servers and hardware rather than customized broadcast equipment, making it easy to expand or reduce capacity.

That means broadcasters could mobilize a new channel in a few hours that might offer past seasons of a series just before the fall season launch. Or they could create channels of content tied to specific ad campaigns or sporting events.

“This gets rid of all the complexity for broadcasters, who now have to deal with new screen sizes, operating systems and formats every time they add a new device,” said Ralf Jacob, chief revenue officer for Verizon Digital Media Services, which is pitching similar services to programmers and stations. “They don't need to be tech specialists who know how to deal with all the complexities of over-the-top video and the online world. They can focus on what they do best, creating and monetizing content.”

That streamlined model will obviously vary quite dramatically in the way it is applied, given the very different needs of individual companies. Broadcasters with extensive live news and sports programming would require infrastructures that will vary widely from those used by a kids channel playing out pre-recorded fare.

While timetables may vary, a growing sense of urgency has prompted a number of notable investments and deployments in recent months. In addition to Disney/ ABC's efforts to move its master controls into the cloud, Turner took a majority stake in iStream-Planet in August to provide it with technologies for the transition to cloud-based systems and a number of other programmers are moving in the same direction.

"I've told my staff, I'm not interested in deploying any more blinking lights," said John Honeycutt, CTO of Discovery Communications, who is another major advocate of reinventing traditional infrastructure. "We need to move to this software-defined, cloud-based environment. There is a lot of detail about how we get that, but that has to be where we go. ... We're doing multiple proof of concepts and are laying the foundation for the transformation over the next 24 months."

Adds Stan Moote, CTO of International Association of Broadcasting Manufacturers (IABM), "There is no question that there is a greater sense of urgency on the need to transform their infrastructures."

Surveys by IABM show that technologies related to multiplatform delivery has been the No. 1 purchasing priority for some time, followed by file-based workflows and media asset management. "All of those technologies show their interest in taking their facilities into this new world," he notes.

They also provide a useful starting point for reducing some of the complexity of the current infrastructure. "We are looking for ways to combine our broadcast and digital infrastructures whenever possible," said Keith Jackson, senior vice president and CTO of engineering at NBCUniversal. "The goal being a converged ecosystem with reduced complexities. ... We are making good progress, but it is still a work in progress."

Legg added that Turner hopes to bring its broadcast and online operations more closely together in the next two or three years, and that the iStreamPlanet deal will help speed up the transition.

“That investment will help us move a lot of things to the public cloud,” which will give Turner much more flexibility to launch new services, he said. “It facilitates our efforts on the broadcast side to get to a place where ... we will be able to migrate our existing SDI stack to an IP-based model and to begin to move things like our content libraries to the cloud and then ultimately look at cloud-based playout.”

Meanwhile, broadcasters that have made heavy investments in Internet operations and startups are already benefiting from that experience.

Marc DeBevoise, executive vice president/GM of entertainment, sports and news at CBS Interactive, noted, “we’ve been distributing full episodes, and live streams of major events like the Super Bowl and SEC football for a long time.” Doing so has provided experience and tech infrastructure that helped with the launch of the CBS All Access over-the-top subscription service.

Another beneficiary has been CBS Interactive Advanced Media operations, which runs in-house streaming and digital operations. It also handles the streaming businesses, websites and mobile apps for about 130 college athletic programs. The unit invested in Syncbak, which provides key technologies to enable 24-hour streams of affiliate stations.

CYCLING EVEN FASTER

Cable operators have very different needs but they have also been reinventing their infrastructures. “As we move forward, cable operators recognize that the core network and infrastructure looks less and less like cable and more and more like IP,” as it moves from “being hardware centric to software centric,” CableLabs president and CEO Phil McKinney said.

As part of that process the industry's research consortium has reconfigured its operations, growing its staff from 130 to 210 in recent years, and building bridges with tech community by opening up a new office in Silicon Valley and bringing in new talent. "I would say that 50% to 60% of the staff did not come from the cable industry," McKinney said.

This focus on software and new technical infrastructures is already paying off at Comcast, with cloud-based products like X1, added Sree Kotay, chief software architect for Comcast and executive vice president, technology design and development at Comcast Cable.

That product, which allows them to greatly improve the user interface and search capabilities, is also part of a larger push to speed up the pace of innovation. Instead of making big product changes once or twice a year, "we are now delivering things every day and sometimes several times a day," Kotay said. "It is a very dynamic shift in terms of our operating model and the way we engage consumers."

As part of these micro-updates, it has also established closer ties to Silicon Valley companies, where it now has a large staff of developers, and set up small teams that work directly with companies on new applications. One such effort with Electronic Arts was the recent launch of a gaming service on the X1 platform, Kotay noted.

The shift, however, faces some challenges. There are still many concerns about the ability of existing standards to suit broadcast workflows and provide the kind of reliability they require.

The tech transformation will also require major operating changes that will fundamentally alter the way companies invest in technologies and their workforce, putting some jobs at risk and opening up new ones to people with the right skills. Technologists interviewed for this article declined to discuss layoffs, but it is clear that these changes are likely to be particularly hard on unionized labor, master control operators and other technical positions. These are the roles likely to be moved into outside data centers amid the push to put more operations into the cloud.

This resource trend, however, isn't brand new. A number of PBS stations have already undergone wrenching staff reductions as part of a major push toward centralized master control operations. Commercial stations have already reduced tech staffs over the past decade by automating many processes that once required human hands on the controls.

The impact of these changes on tech teams also poses some challenges for vendors. "The hard part is that you are pitching these new approaches to the engineers who feel like their livelihood is at risk and that providing all these services from the cloud will put them out of a job," says one supplier of cloudbased services.

It will also force companies to rethink how they finance and manage their tech investments.

"One of the challenges with all of this is moving from a capital intensive model to an operating expense intensive model," Honeycutt said.

On the plus side, the shift to cloud-based services means broadcasters don't have to make expensive upfront outlays to launch new services. Instead of spending several million dollars on a new facility for a new channel, they can simply buy more storage and services from their cloud provider. Then, if the channel fails, they can shut it down and not be stuck with a lot of useless equipment.

"I'll be able to scale infrastructure up when I need it and scale it down when I don't," Honeycutt said. But it also means that these companies will now be facing higher ongoing operating expenses and payments to big outside cloud-providers like Amazon, Google, Microsoft or Verizon and potentially some unexpected costs.

CLOUD STILL COSTLY

David Kline, CTO of Viacom, reports having made great progress in improving their infrastructures to handle their rapidly growing online and digital

businesses. In those efforts, “cloud-based systems have become a necessary evil,” he said. “You gain in efficiency and innovation, but I think it is a myth to say it is cost-positive for your balance sheet at this point in time.”

One issue, Kline and others said, is hidden costs, or costs that are created by moving to cloud-based technologies. “Every time I pull some content down from the cloud or store it in the cloud you have to pay for that, and those costs can be considerable,” Kline notes. “Cloud services can give you that quick spin-up of new services and faster innovation but you have to make sure it is not costing you more than it is worth.”

As companies put more content in the cloud, they will also need better connectivity and more bandwidth to quickly send a lot more content to those data centers, which can be expensive. Still, the potential payoff balances those risks, most have argued. “Imagine a world where you can start to personalize networks and target advertising,” Turner’s Legg said. “That is a direction we want to go and is one of the inherent promises of this technology shift.”

REVOLUTIONARY PROMISE AND PERIL: FIVE THINGS TO WATCH

1. BEST OF BOTH WORLDS. By adopting infrastructures based on IP video, software and cloudbased data centers, some technologists say they can meld their hugely popular content with the best of the Internet that would upend the way consumers and Wall Street think about TV.

2. NEW REVENUE OPPORTUNITIES. If successful, the transition would allow programmers to personalize the delivery of content and ads, allowing programmers to better compete with over-the-top providers for digital dollars.

3. WINNERS AND LOSERS. Revolutionary change can be wrenching: the move to cloud- and IP-based technologies will produce some layoffs while creating new jobs for those with skills in IP video and software development.

4. WAITING FOR STANDARDS. Some complain that current standards for IP video aren’t suitable for the TV industry and a number of proposals have

emerged to fix those problems. The big question is how much of a delay this will cause.

5. SPEED TO MARKET. Technologists stress the urgency of making a rapid transition, with some hoping to make key advances in the next two or three years. In a rapidly changing consumer technology landscape, will that be fast enough?

<http://www.multichannel.com/tv-tech-s-silent-disruption/394099>

Multichannel News

Over-the-Top Video Is Going Mobile

Will account for 50% of online video starts by year-end **9/28/2015**

8:00 AM Eastern

By: [Jeff Baumgartner](#)

As more video moves online, shows and movies will continue to break free of their TV-based moorings and go mobile.

Fueled by adoption by millennials and other younger consumers, half of all online video starts will come via mobile devices by the end of 2015, online video publisher Ooyala predicts in a new report that tracks global video usage trends.

Nearly half of all video plays came via mobile devices in the second quarter, with nearly eight times as many plays on smartphones as on tablets, according to Ooyala's *Global Video Index Q2 2015*, a report based on anonymized online video metrics from the company's more than 500 customers, including Telstra (Ooyala's owner), ESPN, Univision, Sky Sports, Foxtel, NBCUniversal and RTL of Germany.

Mobile phones (32%) remain a popular screen for watching short-form videos from one to three minutes in length, though PCs, also at 32%, were just as popular.

With respect to longer-form video (10 minutes or more), viewing by device was a bit more even, split between tablets (57%), connected TVs (53%), PCs (40%) and mobile phones (33%).

For content of more than 30 minutes in length, the sit-back method of viewing still reigns. Connected TVs (52%) were tops, followed by tablets (36%), mobile phones (23%) and PCs (22%).

On the ad front, Ooyala found that 49% of all ad impressions for publishers were on mobile devices (34% on mobile phones, and 15% on tablets), up 11% from the previous quarter. Publishers, meanwhile, saw PC impressions drop to 50%, from 62% in the previous quarter.

Broadcasters that streamed longform premium content realized ad completion rates of 90% or greater, Ooyala said.

“Delivery of mobile video isn’t a tactical component,” Ooyala said in the report. “It’s a strategic one that requires the ability to engage consumers with a consistent TV-like experience.”

<http://www.multichannel.com/over-top-video-going-mobile/394095>

Multichannel News

Monetizing Content's Microwave Generation

Packaging High-Margin, Short-Form Video Part of Next Big Shift
9/22/2015 9:30 AM

Author: Brice Clinton, CSG Systems

It really is a technical marvel. In mere seconds, electromagnetic radiation zaps all the moisture out of last night's leftovers, making what was the remnants of a memorable dining experience at least somewhat edible. Beyond my only means of what some would call cooking, the microwave has become a microcosm for how we as citizens of the Internet approach the world – in short bursts of time.

Video in its long form — movie content, serialized television dramas and half-hour network comedies — have become the bedrock of attracting the digital consumer who wants to catch up on their favorite entertainment on any number of devices, and often, when away from home.

Within the video market, the revolutionary opportunity is to find an innovative way to monetize short-form video content. Ask any 18-year-old — they don't watch serialized TV, they watch short-form video on YouTube or Vimeo created by personalities to which they subscribe. The ability to partner and/or bring this content into a digital service provider (DSP) ecosystem, along with packaging this short-form content with higher margin offerings, may be the next big shift in content consumption.

Just like the amenities provided by digital service providers has evolved (HD, DVR, TV Everywhere), so too has what the consumer views as "television." Gone are the days of warming ourselves by the glow of the living

room TV — today's digital content consumer is just as likely to be sitting in that same living room bingeing their favorite series, or scrolling through their Vine feed watching original content from creators they determine.

Should digital service providers see the popularity of short-form content as a threat? Debatable. Should those same DSPs see this collection of long and short-form video content and avid consumption as an opportunity?

Absolutely. The tales of the demise of the cord (cord-cutting) have been greatly exaggerated. Consumers still and, if done properly, will always look to their digital service provider based on the trust engendered within that relationship. What has changed however is what those consumers expect to find when looking. It is not television or Internet service they seek in a vacuum — it is content, regardless of delivery mechanism, or its length.

So how do digital service providers capitalize on this microwave content consumption society without drifting from their core business? Easy — give them exactly what they want, content.

Droves of digital service providers already empower an on-demand view across devices for consumers. Start there. Those pure-play, other-the-top providers like Netflix and Hulu -- they are not the enemy (contrary to popular belief); they can be a strategic path to revenue.

We see examples across geographies and service tiers of DSPs bringing these content providers (and creators in many instances) into their ecosystem, and that is the key — in their ecosystem. Consumers interact with these services regardless; why not keep them within one singular ecosystem?

This strategy provides consumers that content they crave, all the while building stickiness with the digital service provider brand. What about content from non-traditional means like YouTube, Vine, and Vimeo? Where do the pipes that provide this new source of content come from? That is right, the digital service provider.

For DSPs, the ever shrinking attention span and evolving consumption habits of this new generation of consumers are not an obstacle, they are a gift. The

long-term winners of monetizing short-form video will be those who make it easy for consumers to find the content they want, make it viewable on any device, anywhere, and allow for it to be paid for in the manner the customer wants.

In short, many of the necessary tools to monetize this microwave generation reside right there in the tool belt of the DSP. Building a successful short-form strategy starts with key pieces of what already works for long-form – offer compelling content that's easy to browse, buy and consume.

Brice Clinton is a Senior Engineer for CSG International and an adjunct professor at Northwestern University

<http://www.multichannel.com/blog/mcn-guest-blog/monetizing-content-s-microwave-generation/393976>

Multichannel News

Title II Fans Back FCC to Court

Friends of agency weigh in FOR broadband

reclassification 9/28/2015 8:00 AM Eastern Last updated at 10/05/2015 8:05 AM

By: [John Eggerton](#)

TakeAway

The Supreme Court is gathering input to help decide the future of Internet regulation.

WASHINGTON — Friends of the Federal Communications Commission were lining up last week to tell the U.S. Court of Appeals for the D.C. Circuit how right the agency was to reclassify high-speed Internet access as a common-carrier service and how wrong cable operators and others were to oppose the move. (Editor's note. This story initially identified the venue as the Supreme Court. We regret the error).

At stake is how much power the FCC has over Internet-service providers' business plans in the name of protecting Internet openness and access, and what impact its use of that power will have on the private-sector investment needed to power the ever-expanding broadband engine of economic growth, social interaction and virtually everything else.

Here is a look at some of the arguments from intervenors (parties to the ISPs court challenge of the FCC's Title II based open Internet rules) and amici (supporters of the FCC's position) in briefs filed with the U.S. Court of Appeals for the D.C. Circuit.

Motley Crew: Edge content providers Netflix, Vimeo, Etsy and tumblr teamed with transit provider Level 3 Communications; satellite-TV provider Dish Network; public interest groups Free Press and Public Knowledge; and a

host of other public-interest groups, consumer advocates, state regulatory commissioners, transit providers and competitive telecom carriers on an intervenor brief to the court.

The FCC for the first time subjected interconnection agreements to its net-neutrality oversight, and they want to make sure that part of the FCC Open Internet order — one of the specific elements ISPs are challenging — does not get thrown out by the court.

“No one wants to be greeted with the frustrating revolving ‘buffer’ circle on her screen when she tries to access the content provider she chooses, just because that provider has not paid, or cannot pay, for preferred access into and through the ISP’s pipes,” the groups told the court.

The groups said the question is not whether the FCC has the authority to classify broadband under Title II of the Communications Act — they said that is settled law — but whether it was reasonable for the FCC to have used that authority to do so. They suggest that is a slam dunk, because the FCC followed a “detailed road map for action laid out by the Supreme Court (in the *Brand X* case, upholding a past FCC decision to classify Internet access as an information service) and the D.C. Circuit (which remanded the old rules back for better justification of its prohibitions on certain conduct, which the FCC majority has said Title II reclassification provides).

View From the Hill: Led by veteran Title II proponent Sen. Ed Markey (D-Mass.) and Rep. Anna Eshoo (D-Calif.), a group of 29 Hill Democrats and independents — including presidential candidate Sen. Bernie Sanders of Vermont — signed on to an amicus brief to argue that the 1996 Telecommunications Act gave the FCC the authority to do what it did, which they argue was simply to “classify broadband Internet access service according to its best understanding of the technology of the day, and how consumers use that technology.”

They said the fact that a previous FCC had classified broadband as an information service was no reason the current one could not shift gears and call it a telecom service.

But even if the court found that the Telecom Act language they suggested gave the FCC that authority to be ambiguous, they said, the court should still defer to the regulator's expertise.

"Reclassifying broadband under Title II was a major victor for consumers, free expression and for our economy," Markey said, taking aim at the "Big Broadband Barons" who "insisted on interfering with what we do online" and would find themselves on "the wrong side of history."

The 'People's Brief:' Fordham Law School associate professor and network-neutrality activist Zephyr Teachout spearheaded a "people's brief" last week — teaming with Sascha Meinrath, formerly of Free Press — in an amicus brief in support of the FCC's Title II reclassification of broadband.

On a call with reporters, Teachout said that 40,000 Title II backers agreed to sign on to the brief in just a few days after she put the draft online, at netneutralitybrief.com. She was checking at press time, but believed that was a record number of signatures on a Circuit Court brief.

"The Internet has become the beating heart of activism," Teachout and Meinrath said, prompting "a great, glorious labyrinth of voices" to weigh in.

A check of the website found that the brief was backed by the major net-neutrality groups who lobbied the FCC hardest for Title II, including Demand Progress, Fight for the Future, Daily Kos and RootsAction.

They got that group to weigh in using some scare tactics, saying that without net neutrality, the "big cable companies" make it tougher for them to access information "that disagrees with their political leanings."

<http://www.multichannel.com/title-ii-fans-back-fcc-court/394092>

Multichannel News

Fate of Exclusivity Rules Unclear

9/28/2015 8:00 AM Eastern

By: [John Eggerton](#)

WASHINGTON — Broadcasters appear to be getting some traction in their effort to head off Federal Communication Commission chairman Tom Wheeler's proposal to eliminate the agency's syndicated exclusivity and network nonduplication rules.

They are doing so by tying those rules to the compulsory copyright license, which allows pay TV providers to deliver the syndicated and network content on broadcast stations without separately negotiating for it.

FCC sources signal the commissioners are still vetting the arguments, including not getting rid of the rules without Congress also scrapping the compulsory license; that the item may not get voted on anytime soon; and that a "yes" vote is far from a slam dunk. At press time, there were not enough votes, according to a source familiar with the item's status.

Wheeler in early August circulated an order that would get rid of the rules, which prevent pay TV providers from importing duplicative syndicated or network programming into local TV markets via out-of-market stations. Cable operators have been pushing for their elimination so they could potentially offer alternatives during retransmission-consent impasses or blackouts, saying those regulations were another thumb on the scale for broadcasters in those negotiations.

In a blog post, Wheeler said: "In this item, the Commission takes its thumb off the scales and leaves the scope of such exclusivity to be decided by the parties, as we did in the Sports Blackout Order last year. In so doing, the Commission

would take 50-year old rules off our books that have been rendered unnecessary by today's marketplace.”

Since then, broadcasters have been fighting back hard, flying in from across the country — arranged by the National Association of Broadcasters — to make their case, backed by the Motion Picture Association of America, whose members include some co-owned studio arms of big broadcasters.

The FCC's Media Bureau was pushing back last week, which appeared to confirm that the chairman still had some convincing to do.

In what one former top FCC official called an unusual step, FCC Media Bureau chief Bill Lake took to the blogosphere last week to argue that the linkage between the exclusivity rules and the compulsory license was overblown. One FCC source said they thought that step signaled the item was in some trouble, saying there was a definite lack of enthusiasm for it.

<http://www.multichannel.com/fate-exclusivity-rules-unclear/394093>

Multichannel News

New Facebook Tools Meld TV and Social Media

Evolving giant rolls out new ways for networks to use its platform 10/12/2015 8:00 AM Eastern

By: George Winslow

As facebook's video platform is getting increased attention as a way to debut new episodes, the social media giant has also been working with programmers to develop a number of new tools to help them better engage audiences.

The tools are important for both broadcasters and Facebook because of increasingly close ties between TV and social media, noted Bob Morgan, director of media partner engineering at Facebook, who heads a team that has developed a number of tools to help TV companies easily use the social media platform to build closer ties to their audiences.

"Accenture has data showing that 87% of consumers use a second screen device while watching TV," Morgan said. Other data from Millward Brown shows Facebook is by far the most popular social media platform associated with TV viewing, with 85% of those using social media while watching TV on Facebook.

"Facebook usage peaks in primetime in every country and the maximum daily Facebook audience occurs at the same time as the maximum TV viewing audience," Morgan continued. "In our trending topics TV is very regularly at the top. So, we see a very strong correlation between TV and social media that we want to build on."

The official rollout of the new tools occurred on Oct. 6, when Facebook was demoing a number of the features at the MIPCOM programming market in Cannes, France. But a number of these features have been tested with a variety of networks, from HBO's *Project Greenlight* to the Fox/Facebook GOP Debate on Aug. 6.

SOCIALIZE THE VOTE

The new offerings include Native Polling and a Hashtag Voting API. They allow for certified voting at unique hashtags or at hashtag triggers that are connected to outside providers who tabulate and certify the voting on contest and award shows.

Telescope is the first company to adopt the API and deliver the voting solution on Facebook, noted Telescope CEO Jason George.

Another notable new feature was Facebook Photo and Video Submission, which was used during the Aug. 6 GOP debate. That tool allowed people to submit more than 40,000 video questions via a viewer submission app through Facebook powered by Telescope.

Another new tool is the Facebook Video Gallery— also developed with Telescope—that allows programmers to create HTML5 galleries. This was used in HBO's *Project Greenlight* to showcase the short films that had been submitted for the program.

George noted that in addition to news and entertainment applications for the video and photo submission tools, “we are also hearing from sports networks that they would like to air video and fan reactions and there is interest in gaming content as well.”

Finally, Facebook has added “Custom Icons,” which allow fans to use icons for a specific show like the Oscars, the Emmys, *Bachelorette* or Rugby World Cup to share the fact that they are watching the show.

CONVERGING TECH

All of this is part of an ongoing effort to simplify the ways that programmers can use Facebook and builds on a number of previously announced tools, Morgan stressed.

This is important because programmers initially struggled to integrate social media tools into their broadcasts, given the very different infrastructures used for digital media like Facebook and traditional TV technologies.

“To make [social media] as integrated as possible it takes a number of parties to be involved and committed to making it work,” Morgan said. “It is very gratifying to see different parts of the eco system working together to make this more efficient for broadcast to move content and data from digital environments and get it onto broadcast much more easily than it was a few years ago.”

As part of that effort, Facebook has been working with a number of traditional broadcast vendors like Vizrt, which has integrated Facebook into its graphics. The launch of the new APIs should make it even easier to meld together broadcast and social media content, Morgan explained.

<http://www.multichannel.com/new-facebook-tools-meld-tv-and-social-media/394463>

Multichannel News

Mobilizing to Lure Millennials

Will go90, Watchable Connect With Young Audiences? 10/12/2015

8:00 AM Eastern

By: [Jeff Baumgartner](#)

Now that Verizon Communications and Comcast have introduced over-the-top video services targeted to coveted millennial audiences, here comes the hard part: luring tough-to-reach viewers and drawing them back for more.

Both services hit the ground with some similarities — particularly around the types of content they offer — as well as some key differences in how consumers can access those services.

As for similarities, go90 and Watchable are starting out as free, ad-supported services that include some of the same content partners. Among examples, go90's partners include New Form Digital, UphoricTV, ESPN, VH1, Nickelodeon, Spike, TLC, HGTV, BET, Whistle Sports Network, Collective Digital Studio, Defy, Vice, Maker Studios, Machinima, Tastemade, and Fullscreen, among others.

Watchable, meanwhile, kicked off its beta-test with about 30 partners, including AwesomenessTV, BuzzFeed, CelebTV, Collective Digital Studio, Defy Media, Discovery Digital Networks, Fast Company, Flama, GoPro, Newsy, Vice and Vox, among others.

Among the differences, go90, considered a “mobile-first” offering, will also offer some live TV feeds and start off with apps for iOS and Android devices.

Watchable, meanwhile, is currently available to anyone via a Web browser or an iOS app (an Android app is in the works). Comcast is also offering

Watchable on set-tops to pay TV subscribers who are on the MSO's IP-capable X1 platform.

Comcast and Verizon have not released any usage data following the recent debut of their respective OTT offerings.

Anecdotally, Google Play shows that go90 has been installed between 10,000 to 50,000 times. And go90's iOS version has received more than 120 ratings on Apple's App Store, with an average rating of 3.5 stars (out of five).

At last check, Watchable for iOS had 17 App Store ratings, with a 4.5 star average.

But one analyst believes that both services face challenges, holding that the audiences they are trying to reach tend to self-aggregate and most would rather seek content on their own, rather than relying on another party to curate their video menus.

"Generally, I'm not very bullish on the approach," Colin Dixon, co-founder and chief analyst at nScreenMedia, said. "I don't think the millennials they are targeting are looking for a curated experience."

Still, both services key on a major trend: video's move to mobile. About half of all online video starts will come via mobile devices by the end of 2015, online video publisher Ooyala predicted in a recent report tracking global video-usage trends.

Dixon said he believes both go90 and Watchable offer a sizable amount of interesting content, and was particularly complimentary of go90's interface (developed in part using the OnCue assets Verizon acquired from Intel Media). But Dixon isn't sold on the notion that the interface is enough to drive viewers to the service in droves, he said.

Vessel, the YouTube competitor co-founded by former Hulu CEO Jason Kilar, is also targeting young audiences, but it's trying to set itself apart through a subscription option — for \$2.99 per month — that provides users with

temporary early access to a portion of its library. Thus far, go90 and Watchable are free, ad-supported services and have not announced any plans to add a subscription model.

Go90, meanwhile, hopes to differentiate with some exclusive content and access to some live events. Verizon said go90 debuted with about 8,000 titles, and 35 exclusive original series, a figure that's expected to nearly double by the end of the year.

One possible "big draw" could come about if Verizon is able to find a way to extend its exclusive mobile rights to National Football League games to go90. "That might get people using the solution," Dixon said.

One way Watchable is setting itself apart is by pairing its mobile apps, which are accessible to anyone, with the aforementioned integration with X1 set-tops, an avenue that's limited to Comcast pay TV customers.

<http://www.multichannel.com/news/content/mobilizing-lure-millennials/394465>

Multichannel News

OTT's New Devices Make a Splash

But can the latest entrants shift the market? 10/12/2015 8:00 AM Eastern

By: [Jeff Baumgartner](#)

Consumers with visions of streaming video dancing in their heads will have a new batch of over-the-top devices available to them this holiday season.

Those choices will run the gamut with respect to pricing and capabilities, starting on the low end with the new (but more-capable) Google Chromecast adapter; to new players from Roku, Amazon and Apple; to higherend products from TiVo and Nvidia.

Each product category will fulfill different needs. While the latest, greatest Chromecast and new Roku 4 and Amazon Fire TV represent core streaming platforms, TiVo's Bolt mixes over-the-top options with the ability to also support cable pay TV services as well as free over-the-air TV signals. The Nvidia Shield, meanwhile, combines streaming, over-the-air TV and premium gaming.

Heading into the holidays, the players will be looking to hold their ground or narrow the gap with their rivals. According to Parks Associates, Roku topped the OTT streaming- device market in 2014 with 29% of sales in the U.S., followed by the first-generation Chromecast (20%), the prior-Apple TV (17%) and the original Amazon Fire TV box (10%).

Even with the new crop of products, which include several models that support 4K, "I don't expect that [these new models] will dramatically change the playing field," Barbara Kraus, director for research at Parks Associates, said.

While the price of the new Apple TV puts it into a premium-level category, Kraus said, the new product could make some noise this holiday season.

“I think Apple TV will do well simply because it’s been three or four years since the last version came out,” she said. “People who have one and like it will be willing to upgrade.”

The competition will have a tough time unseating Roku, though, she said.

In addition to topping sales last year, Roku remains the most-used platform in U.S. broadband homes. According to Parks Associates Q3 data, Roku led usage at 35%, followed by the Chromecast (20%), Apple TV (16%), and Amazon Fire TV (13.5%).

Looking ahead, Kraus believes streaming sticks will eventually unseat the OTT boxes.

“The real disruptor in this category was the Chromecast when it was introduced in 2013,” she said. “Over the next five years, I think you’re going to see many more sticks sold than box players.”

<http://www.multichannel.com/ott-s-new-devices-make-splash/394466>

Multichannel News

92% of Millennials Use Smartphone as Primary Mobile TV Device

Adobe Survey Highlights Video Trends Between Age Groups 10/06/2015 1:45 PM

Author: [Jeff Baumgartner](#)

In a study that should provide comfort to Comcast and Verizon as they try to draw eyeballs to their new Watchable (pictured) and go90 over-the-top services, Adobe found that 92% of millennials in the U.S. consider the smartphone to be their primary device for watching TV when on the go.

That compares to 84% among GenX'ers, 69% of baby boomers, and 67% of the 70-and-older crowd, per Adobe's survey of cross-section of 4,000 consumers in the U.S., the U.K., Germany and France (the stats cited here are Adobe's for the U.S.).

Additionally, 38% of those surveyed said they are using mobile devices to watch live sports, well above 9% from Adobe's study from last year.

And most consumers aren't shy about registering personal info in order to gain access to ad-supported content. About 63% of U.S. mobile users told Adobe that they provide their email address in exchange for receiving premium content with advertising.

Among other findings, Adobe said 67% of U.S. respondents favored apps for streaming TV shows and full-length movies. But just 31% of millennials said

they were extremely satisfied with that mobile experience, versus 20% of the GenX group, 13% of Baby Boomers, and 9% of consumers 70 years and older.

Adobe also found that millennials and GenX respondents perceive personalized experiences to be just as important as “simplification,” a category that includes elements such as recommendations based on viewing history.

<http://www.multichannel.com/blog/bauminator/92-millennials-use-smartphone-primary-mobile-tv-device/394335>

Multichannel News

October 12, 2015



Alliance for Community Media
Promoting Civic Engagement Through Community Media

In This Issue

[Letter from the President: Visit to MSP](#)

[ACM Mentor Network](#)

Weekly News from the Alliance for Community Media

Dear Karen,

You are receiving this email because you are a valued member of the Alliance for Community Media.

Connect with us!



Letter from the President: Visit to MSP

I was lucky to spend some time with ACM member organizations in the Minneapolis-Saint Paul area last week. A lot of innovation is happening at the media centers there - but the biggest buzz may have been the advent of CenturyLink providing cable competition to Comcast.

The City of Minneapolis was the first of the communities there to sign competitive franchises with CenturyLink this last year, and most of our members are in locations where plans are in the works to roll out competitive video services in the coming months. That will mean HD channels for PEG operations in the region, channel listings and placement of channels in proximity to broadcast channel - all things that should be standard for community television in the future.

Just as exciting were some of the programming and marketing innovations I saw. [North West Community Television](#) in Brooklyn Park has a long history of investing cable franchise money into local daily news production - and they've build an audience for their content because commercial media systematically ignores the cities they serve. They are now leveraging app distribution on mobile devices to

Events



Northeast Region 2015 Fall Conference

November 19-21
Marriott Hartford Downtown
Hartford, CT
[More Information](#)

Midwest Region/Wisconsin Community Media Spring Conference

April 28-29, 2016
Madison, WI

push that content out consistently to viewers in those nine cities, and are increasing viewership and relationships with constituents.

A slightly different strategy is taking form at [QCTV](#) in Champlin. There, the organization has been focusing on partnerships between local government and communities to build relationships and meaning. It's a smaller operation than NWCT, but again, in towns that are on the edge of the broadcast market, the name of the game is making sure the community knows the content you provide and depends upon it.

And I had the fortune to visit my colleagues and friends at [SPNN](#) in Saint Paul, who are building a new facility in the heart of a creative enterprise zone situated on the new light rail corridor. They'll be finishing buildout soon, and will be located right next to other artists, filmmakers and a brewery (ahem). They are concentrating on place-making as a strategy to help strengthen and expand their already strong partnerships in the non-profit and government sector. They'll be open for business at their new location by Spring 2016.

Thanks again to everyone for taking the time to visit (including those I haven't mentioned here because of space!). I'll be back soon, and I'd recommend ACM members check out the Twin Cities in the future!

Sincerely,



Mike Wassenaar

President

2016 ACM Annual Conference

August 18-20, 2016

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Do you know as a member of the ACM you can post on the job board? Send all job openings with descriptions to info@allcommunitymedia.org

ACM Mentor Network



Are you interested in applying to be a Mentor or get a Mentor, or know colleagues who would benefit from

this one-to-one professional development experience? Find more information [here](#).

Alliance for Community Media

4248 Park Glen Road

Minneapolis, MN 55416

(952) 928-4643

info@allcommunitymedia.org

www.allcommunitymedia.org

Readers Write (Oct. 13): Democratic candidate debate, Columbus Day, speaker of the U.S. House, Paul Douglas

If we cut — or never had — cable TV, we're left behind.

OCTOBER 14, 2015 — 5:55PM

ISTOCKPHOTO.COMiStockphoto.com

A couple of weeks ago I was asked what I thought of the GOP presidential debates. I responded that I did not watch them; I don't have cable and I don't get CNN in the comfort of my home. The surprise gasp I thought I would hear did not happen. Instead, I got an understanding nod.

It's 2015, and apparently a lot of people have opted out of cable. There are even terms for us — those who have had cable and then stopped are “cord cutters.” The “cord nevers” are people who have yet to pay a cable bill. According to a March 29, 2015, PBS “NewsHour” report, over the past five years 3.8 million homes have opted to cancel their cable subscriptions. Millennials constitute a significant percentage of this group, and elderly individuals are also part of the cord-cutter demographic. When one is on a fixed income, letting the cable bill go when things get tight is a no-brainer.

The Democratic debates are happening Tuesday evening. I wonder if any of the candidates will address the fact that sitting on a couch in front of the television to see the debate is a luxury that a lot of people don't have. The situation so clearly reflects the growing wealth disparity in our culture and the limited opportunities for middle-class and low-income folks to engage in our nation's political dialogue. I wonder if this situation will influence how candidates respond to questions. But then it might not be on their radar. I'm thinking that none of the candidates has had to think about whether he or she can afford the cable bill.

Julie Risser, Edina

COLUMBUS DAY

When it comes to these cultural changes, let the voters decide

The Oct. 12 Star Tribune had a story on changing Columbus Day to Indigenous Peoples Day (“St. Paul among cities to ditch Columbus, recognize Indians”), in Opinion Exchange, an article on Italian Americans being miffed by this change (“Italian-Americans need inclusion, respect too”) and in the Variety section, an article on the need for Asian inclusion in the conversation of American history (“Asian inclusion”).

Apparently, in order to recognize one group, the exclusion of another will happen. I guess it depends on which group you talk to. As with the name change of Lake Calhoun, it brings out both sides of the conversation with provocative questions and comments. In the end, this is always determined by a handful of city, state or federal officials. These items are never up for public vote, which should be a consideration. On a November ballot, I would rather have a vote on an issue like this, rather than reading over mind-numbing choices, like water works commissioner or judges whom I have never heard of until seeing the ballot.

By allowing citizens to vote on issues such as these gives us all a sense of participation — in our favor or not — in determining changes such as these. We are in an age when citizens are feeling more alienated by government intrusion into our lives, without a voice in the process. Participation would go a long way toward giving people a sense of empowerment on issues that affect them and their cultural history. In a democratic society, let’s bring back the adage that the majority rules.

Ty Yasukawa, Burnsville

SPEAKER OF THE HOUSE

A few suggestions offered for innovative leadership

The Star Tribune Editorial Board endorsing Paul Ryan and John Kline for the speaker position (“Nation needs either Ryan or Kline to serve,” Oct. 10) is as outlandish and absurd as the current chaos unfolding in Washington. What has happened is that a third party has elbowed its way into Congress. They run as Republicans, but they are actually anarchists with a radical right-wing agenda not far ideologically from the Taliban or the ultraorthodox Jewish extremists who cause equal amounts of trouble elsewhere. These verbal bomb-throwers like Mike Huckabee openly speak about violence: “ ... It’s about burning the corrupt Washington political machine to the ground and rebuilding our country.”

As if this were simply another day at the office, we watch as our nominal two-party system stops functioning and we approach debt-ceiling votes and other basic government business decisions that affect our economic health, not to mention actual health care. It is amazing that grown men and women have abandoned any sense of service to the larger community for the sake of their extreme personal agendas.

Instead of a speaker, we need a nanny to wipe their backsides and teach them some manners, including how to get along with others. I know several good candidates, and I daresay members of the Editorial Board could nominate more than one grandmother with the right stuff for this job. An outsider to be sure, but someone who won't take any more nonsense from Ted Cruz and his ilk. The country deserves better than these sad clowns.

George Hutchinson, Minneapolis

•••

I have been especially impressed by the unique collaborations between Democrat Rep. Tim Walz and Republican Rep. Tom Emmer. I have been very impressed by what those two have done for the people of Minnesota. I propose that the House elect Tom and Tim as co-speakers. Is there a better idea?

Arnie Bigbee, Edina

•••

Americans who love crass and zany antics, slapstick comedy and reckless, irresponsible behavior have two basic choices today: They can rent the National Lampoon movie "Animal House" and laugh uncontrollably as John "Bluto" Blutarsky fills his cheeks with mashed potatoes, smashes them with his fists, then shouts, "I'm a zit," as the potatoes fly all over the room.

Or an equally outlandish experience would be to watch Republicans attempt to find anyone who is insane enough to become Speaker of the House, while members threaten to shut down the government, default on the nation's debt or insist that President Obama is a Muslim who was born in Kenya.

The first is a perfect example of stupidity-based comedy. The second, of stupidity-based politics. One is harmless humor; the other is democracy-shattering behavior.

Tom Hammond, Woodbury

CLIMATE CHANGE

Paul Douglas, important voice

Paul Douglas deserves a lot of credit for being one of the leading meteorologists to speak out on climate change ("Paul Douglas: Talking about climate change 'not good for my television career,'" C.J., startribune.com, Oct. 12). We are in a race to convince people to care about climate change before the weather becomes so extreme that we are all forced to care about climate change. Meteorologists could be playing a significant role in educating the American people on the facts

surrounding climate change and the impacts that it will have on our communities. Unfortunately, few meteorologists have shown Douglas' courage and determination to speak out on this critical issue.

Mark Mesle, Chicago

•••

As a native Minnesotan, I'm a lifelong Paul Douglas fan, but his weather commentary on Oct. 10 missed the mark when he referred to climate change in Minnesota as a "net positive" ("Big swing from 80s to a frost in one week?"). The Star Tribune has done important reporting on the consequences of climate change in Minnesota, and I don't think there is anything positive about losing our iconic wildlife, watching our forests struggle and experiencing increases in disease. Paul has a unique opportunity to educate people about what he's seeing in the data — and we need him as a voice in this conversation — but I hope he reconsiders calling climate change, which will likely change the landscape of Minnesota as we know it, a "net positive." Many of us are still fighting hard to sustain the places and features that make Minnesota great, but are threatened by climate change.

Kristin Johnson-Waggoner, Seattle

<http://www.startribune.com/readers-write-oct-13-democratic-candidate-debate-columbus-day-speaker-of-the-u-s-house-paul-douglas/332252152/>

Star Tribune

Web Players Push Back on OTT Redefinition

Internet firms offer resistance to FCC's efforts to regulate online video 10/26/2015 8:00 AM Eastern

By: [John Eggerton](#)

TakeAway

Cable operators don't want the government setting terms and conditions for over-the-top programming deals.

WASHINGTON — The Federal Communications Commission's proposal to reclassify some over-the-top providers as multichannel video programming distributors appears to be moving through the agency at the speed of dial-up Internet.

Chairman Tom Wheeler has proposed a vote in the fall, but nothing has been circulated among the commissioners, according to FCC sources.

Even if an item is circulated this month or next — as one hopeful cable executive in the capital suggested — there does not seem to be a lot of urgency to address the item among the commissioners, particularly given the pushback from some major Web players.

REGULATING ACCESS

There was reluctance to tackle the issue of how — or whether — to regulate access to over-the-top programming under the previous FCC administration,

but Wheeler is on a broadband mission and has signaled that ensuring that over-the-top firms could access programming was on his to-do list.

Cable operators have been pushing back, arguing that the facilities-based definition of multichannel video programming distributor (MVPD) was the correct one. But, then again, those companies argued that classifying broadband Internet access as a Title II commoncarrier service would be disastrous, and Wheeler was not dissuaded.

But Wheeler could be having a hard time rustling up votes, given the pushback from just the sort of over-the-top players he is trying to help out.

Cable operators have argued that the online video marketplace is already vibrantly competitive with access to tons of content without the FCC stepping in and reversing its conclusion that an MVPD must have a physical transmission system, such as cable plant.

The Motion Picture Association of America supported that point of view last week with figures submitted to the U.S. Intellectual Property Enforcement Coordinator in a separate proceeding on cracking down on pirate websites.

According to the MPAA, by the end of last year Americans could access 112 legitimate online services for watching content, accessing a beast of a figure at 66.6 billion television episodes and 7.1 billion movies in 2014 alone.

One point in the case that the FCC shouldn't rush to regulate OTT service is that the rules apply only to services that mirror traditional cable and satellite services, such as Sling TV, and not to the flourishing services like Netflix or Hulu that deliver the "when-you-want-it" model that's becoming the new normal.

But the FCC would be regulating some over-the-top video services, potentially making them subject to must-carry rules and possibly public, educational and government (PEG) channel carriage requirements. That is a precedent that does not sit well with some of those online content providers, like the

members of the Digital Media Association, which include Amazon, Apple, Microsoft and YouTube.

Rather than seeing any need to put OTT under legacy program-access regulations, Amazon executives told the FCC in meetings last month that “competition and innovation in all sectors of the video content and distribution industry, including ‘over the top’ (‘OTT’) services, today is vibrant and growing,” a point cable operators have also been making.

Amazon said that OTT competition is happening without government intervention, and that is the way it should stay.

<http://www.multichannel.com/web-players-push-back-ott-redefinition/394819>

Multichannel News

Capitol Hill Is Not Hot for Exclusivity Move

10/19/2015 8:00 AM Eastern

By: [John Eggerton](#)

Federal Communications Commission chairman Tom Wheeler's plan to eliminate the broadcast exclusivity rules has run into even more pushback from Capitol Hill.

Eliminating the rules could allow cable operators to import duplicative programming into a market during retransmission impasses, weakening broadcasters' hand in those negotiations.

Fans of the move have argued it is a natural follow-on to the FCC's elimination of the sports blackout rule, with both providing government backstops to contractual exclusivity in marketplace contracts.

But while a pair of powerful legislators were pushing for elimination of that sports rule — Sens. John McCain (R-Ariz.) and Richard Blumenthal (D-Conn.) — the Hill power has been massing on the other side of the issue in the case of the syndicated exclusivity and network non-duplication rules, which prevent the importation of distant TV station network and syndicated programming into local markets.

It has been two months since the chairman circulated the item for a vote. And a source close to one of the commissioners said they are still taking meetings and, at press time, had not begun to discuss it.

Once an item has three votes in favor, the other commissioners are on a time clock, and after three weeks, it could be adopted even without other votes. The item did not have even three votes at press time.

Major Hill players have been voting with their pens, firing off letters to Wheeler making it clear they want the FCC to back off and work with Congress on the issue rather than take unilateral action.

In a town where bipartisanship is measured in angstroms, the top Republicans and Democrats — chairs and ranking members — of the Senate Commerce and Judiciary Committees, have weighed in officially to ask the FCC not to act until Congress weighs in on the compulsory copyright license.

That was Congress' decision in 1976 to promote competition to broadcasting by giving cable operators access to broadcast programming through a blanket license, rather than making them negotiate for it separately.

If the government is going to get out of the business of backstopping exclusivity, goes the argument, then it should get out of the business of guaranteeing access to programming at a government-supported price.

<http://www.multichannel.com/capitol-hill-not-hot-exclusivity-move/394644>

Multichannel News

Confidence in Cable Bundle Builds

Robust Q3 Results Cast Doubt on Cord-Cutting's Impact 11/02/2015 8:00 AM Eastern

By: [Mike Farrell](#)

TakeAway

Strong subscriber numbers in Q3 have poured cold water on the notion that cable MSOs aren't holding their own against cord-cutting.

Cable operators made the case for the bundle in the third quarter.

In reporting their best basic-video subscriber performance in nearly a decade, U.S. MSOs cast some serious doubt on the actual impact of cord-cutters — young consumers who've dropped their pay TV subscription for a broadband connection — and of online content.

Comcast started things off, reporting a Q3 loss of 48,000 video customers, nearly half of what it shed in the same period last year and its best Q3 performance in nine years. Up next was Time Warner Cable, which reported a loss of 7,000 basic-video customers in the period (its best Q3 since 2006); and Charter Communications, which tallied a gain of 12,000 basic-video customers for its first positive growth since Q4 2014.

Not all cable operators have reported their third-quarter numbers yet — Cablevision Systems is scheduled to release results Nov. 3, with other smaller operators following suit in the coming weeks. But Comcast, TWC and Charter represent about 70% of all U.S. cable-TV homes.

So far, the numbers are in sharp contrast to the second quarter, when sector-wide declines sent stocks into a tailspin over fears that cord-cutters were taking a bigger bite out of pay TV companies than originally expected. While there are still some question marks left, cable has more than held its own.

Collectively, the three largest cable operators shed 43,000 basic-video customers in the third quarter, about one-third of the 121,000 they lost in the second quarter.

“Clearly, 2Q ’15 was not a negative inflection point for the industry,” Evercore ISI Group media analysts Vijay Jayant and David Joyce wrote in a research note.

MoffettNathanson principal and senior analyst Craig Moffett went further out on a limb: “It’s time to change the narrative about cord-cutting.”

It’s not that analysts believe cord-cutting has gone away, just that it is taking customers from sources other than cable. And Moffett said he believes cable’s video resurgence is due to a combination of its better content offerings and its longstanding broadband dominance — high-speed Internet additions at the three top cable operators were all ahead of the prior year, while AT&T lost 100,000 U-verse Internet customers, and Verizon Communications’s FiOS Internet additions were down.

“Cable’s two-way architecture and Comcast’s best-in-class user interface and VOD libraries are emerging as genuine sources of competitive advantage,” Moffett wrote in a research note.

Charter CEO Tom Rutledge had a simpler answer. “Our competitors continue to aggressively promote products at low price points,” he said on Charter’s Q3 earnings call. “We think, fundamentally, we have better products than they do.”

So far, cable has resisted playing the price-cutting game. And though promotions like the \$90 triple play have brought in customers, operators are careful to lessen the shock once those promotions expire.

On TWC's earnings call, chief operating officer Dinni Jain said the company made a concerted effort not to repeat past mistakes. Promotional customers are now told up front that prices will rise after the 12-month promo period expires, and those increases are now about \$20 per month, compared to the much stiffer hikes of the past.

"I think a combination of that transparency on the front end coupled with really working hard to nail the customer experience through the life of that first 12 months will give us a much better churn profile," Jain said.

<http://www.multichannel.com/news/distribution/confidence-cable-bundle-builds/394976>

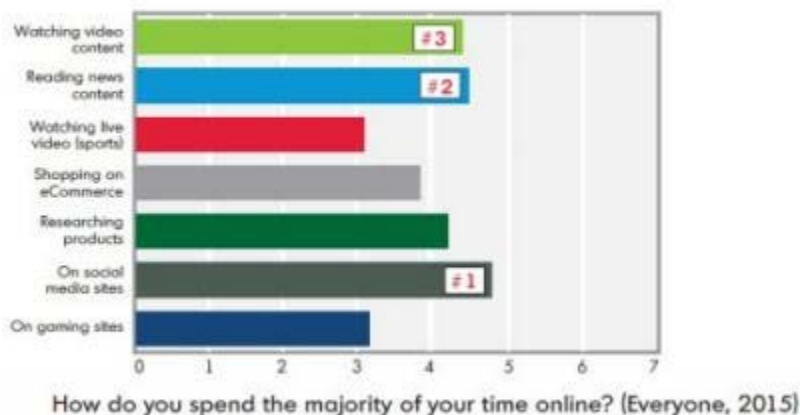
Multichannel News

Millennials Buck the Online Trend

Demo Spends Equal Time With Social Media, Video 11/02/2015 8:00

AM Eastern Last updated at 11/09/2015 8:06 AM

By: [Jeff Baumgartner](#)



Members of the coveted millennial audience spend about as much of their time online perusing social-media platforms as they do watching over-the-top video, according to a new study from content delivery specialist Limelight Networks.

Those activities were neck and neck, followed closely by reading news content, per Limelight's second annual *State of the User Experience* report, which tallied results from more than 1,300 consumers in the United States, the United Kingdom, Canada and Singapore. When a larger group of consumers were added to the mix, social networking dominated time spent online, followed by video viewing.

And it's increasingly clear that eyeballs continue to shift from traditional TV. Limelight said 45% of those surveyed spend more than 15 hours per week online outside of work, up from 23% in the year-ago study. Interestingly, 51% of baby boomers (51-to-69 year-olds) said they spent that much time online, versus 41% among the millennials studied.

Limelight also found that consumers are becoming generally more patient with buffering and loading times. Last year, 41% of respondents were willing to wait five seconds or more for a website to load, but this year's study found 52% of respondents were willing to wait that long.

Consumers are also expecting improved mobile experiences. About 35% of respondents to the 2015 study were willing to wait longer for a webpage to load on a mobile device, down from 44%. Likewise, 26% were willing to deal with longer load times on PCs, up from 15%. "The flip-flop between 2014 and 2015 clearly indicates that performance for the mobile Web has become top-of-mind for consumers," Limelight said.

For more charts from the Limelight report, download the PDF of this story from the Nov. 2, 2015, edition of *Multichannel News*.

<http://www.multichannel.com/news/content/millennials-buck-online-trend/394981>

Multichannel News

Comcast Makes Moves Toward WiFi-First

Exercising Verizon Option Could Be Start of Hybrid Mobility Play 11/02/2015 8:00 AM Eastern

By: [Mike Farrell](#)

TakeAway

Comcast could be setting the table for a future hybrid WiFi-cellular voice and data product.

Cable's WiFi-cellular prospects got a shot in the arm last week with news that the largest U.S. cable operator is making moves that could lead to a hybrid WiFi-cellular phone and data product.

Comcast wouldn't say what, when or even if a wireless product would come to life, but it's putting together the pieces. The first step was to exercise a MVNO (mobile virtual network operator) option with Verizon Communications, and Comcast is planning to begin evaluating a potential offering in about six months.

"We believe that wireless obviously is an important area for consumers," Comcast chairman and CEO Brian Roberts said during the company's third-quarter earnings call. "We are going to trial some things, we are going to test some things after we activate and we'll update people as that progresses. But it's an opportunity to take the network and the successful investments that we've made, and try and see if we can continue relationships and product innovation that the team is working on."

One of those successful investments was SpectrumCo, a consortium that also included Time Warner Cable and Bright House Networks and which sold wireless licenses to Verizon for \$3.6 billion in 2012. The MVNO rights spring from that sale.

CHARTER, TWC ON DECK

Comcast might not be alone in its wireless aspirations, MoffettNathanson principal and senior analyst Craig Moffett said. Charter Communications, which is in the process of purchasing both Time Warner Cable and Bright House, believes the MVNO rights are transferable and has expressed a desire to at least entertain the idea of a quad-play service.

Charter and Comcast could partner on a service, Moffett said in a note to investors, and jointly bid for broadcast spectrum. That would make economic sense but would likely draw an unfavorable reaction from regulators.

A WiFi-first phone and data product — one that uses the cable company's WiFi network and hands off to the traditional cellular network to round out coverage — could be the answer to the elusive quad play of video, voice, data and wireless.

In the past, cable operators have tried their hand at offering a wireless product, through failed partnerships with Sprint and Clearwire. But this time may be different. The popularity of cable WiFi products, the low cost of the spectrum and the growth of mobile video could make a WiFi-first offering a success.

Adding to the urgency are recent moves by cable's telco competitors. AT&T, which completed its \$48.5 billion merger with DirecTV in July, has pushed heavy discounts for wireless and video service. Verizon, which already has about 5 million subscribers to its wireline FiOS TV product, also launched a free, ad-supported mobile-only video service — go90 — to limited audiences.

Cable companies have spent years building their WiFi networks. Cablevision Systems, which in September agreed to be acquired by European telco Altice, was the first, committing about \$300 million to a WiFi buildout.

Other operators were later to the game but have stepped up efforts in past years.

But WiFi remains mainly a broadband retention tool except in the case of Cablevision, which launched Freewheel, a \$9.95 per month WiFi-only phone and data service, in February.

Pivotal Research Group CEO and senior media & communications analyst Jeff Wlodarczak said a wireless play makes sense for cable operators that have already ramped up their WiFi offerings. “Why not offer consumers a low-end add-on wireless service that defaults to the WiFi network initially and then uses an MVNO to fill in the blanks?” he asked.

With about 80% of wireless data usage occurring in the home or office — two areas where cable is uniquely positioned — there is a high potential to offer a low-cost wireless service, as cable did with wireline phone service.

SPECTRUM AUCTION NEXT?

Moffett said he believes Comcast’s MVNO decision is the first in a series of dominoes to fall. The next could be its participation in the upcoming 2016 broadcast-TV spectrum auctions.

Bidding on and winning the lower-frequency broadcast licenses would allow Comcast to offer a service that would use WiFi in more populated areas and low-frequency spectrum in less dense locations.

On the earnings call, Roberts said Comcast hasn’t decided if it will bid on spectrum, saying it doesn’t feel the need for “owner’s economics” in a wireless offering. (Comcast-owned NBCUniversal expects to participate in the auction as a seller, Roberts also said.)

Whatever Comcast decides to do, they will be just the first steps in “what is likely to be a rather long and slow evolution,” Moffett said.

NUMBERS: Hot to Trot

Cable companies have been beefing up their WiFi networks, substantially increasing the number of hotspots available to their customers.

Company	No. of Hotspots
Comcast	11.7 million *
Cablevision	1.1 million *
Time Warner Cable.	400,000 +
Charter	N/A

** Includes indoor, outdoor locations in hotspot numbers*

+ Per Cable WiFi Consortium, which includes Comcast, TWC, Bright House Networks, Cox and Cablevision

<http://www.multichannel.com/news/distribution/comcast-makes-moves-toward-wifi-first/394985>

Multichannel News

Trade Journal Links

Barriers to Broadband (Infographic): "Here's a quick look at the states that restrict municipal broadband -- along with their average connection speed and percentage of citizens that live in a home with high-speed access." | [Government Technology](#)

Report finds that US has the 14th slowest 4G of all the surveyed countries at an average paltry speed of 10 Mbps. | [POTs and PANs](#)

"Study: Half of Adults Under 32 Won't Pay for Cable TV by 2025" | [Broadband Reports](#)

What's 4K video, anyways? "4K video is defined by the Consumer Electronics Association as a video stream that has at least 3,840 X 2,160 pixels. This contrasts to existing high definition (HD) video that has 1,920 X 1,080 pixels and standard definition video (SD) that has 720 X 480 pixels." | [POTs and PANs](#)

Verizon to share your information with AOL: "What makes this potentially controversial is not only the growing role broadband providers play in data collection and ad targeting generally, but the specific technology Verizon is deploying to that end." | [Washington Post](#)

Job Announcement: "US Ignite is seeking to hire two dynamic and motivated new team members: a National Community Leader and a National Technical Leader. These two new rock stars will support the implementation of a National Science Foundation-funded leading-edge project, announced last week at the White House, to develop and deploy the novel smart-city-centric Metro Internet (future Internet) architecture." | [US Ignite](#) (Joe Kochan)

How will cable operators monetize their WiFi networks? (Part 1) | [Light Reading](#)

The National Association of Broadcasters (NAB) calls "the FCC's plan to set reallocate a TV channel for unlicensed white space services 'unwise,' 'unsound' and 'unlawful.'" | [TV News Check](#)

"The NYTimes measures the mix of advertising and editorial on the mobile home pages of the top 50 news websites...and found that more than half of all data came from ads and other content filtered by ad blockers." | [NYTimes](#)

"Comcast want you to watch the Internet on your TV." In a move geared towards a young audience, Comcast launches Watchable, "a skinny bundle that gives users access to shows from traditional TV networks, but also from Web-based content creators such as BuzzFeed, AwesomenessTV and the Onion." | [Washington Post](#)

"Local TV stations are sitting on a \$40B OTT market opportunity" | [FierceTelecom](#)

Barriers to Broadband (Infographic): "Here's a quick look at the states that restrict municipal broadband -- along with their average connection speed and percentage of citizens that live in a home with high-speed access." | [Government Technology](#)

Report finds that US has the 14th slowest 4G of all the surveyed countries at an average paltry speed of 10 Mbps. | [POTs and PANs](#)

"About 14,000 low-income Twin Cities (MN) households are at risk of losing their low-cost Internet service, which they receive over an old Sprint data network that is expected to disappear Nov. 6." | [Pioneer Press](#)

Government Technology asks 10 government, industry and nonprofit representatives to answer the extent to which universal access to broadband will be accomplished in 10 years. | [Government Technology](#)

"Media and TV companies have been scrambling to appeal to younger customers ditching them in favor of online streaming, but a new study shows many millennials will never even start paying for cable." | [Motherboard](#)

"Amazon Said to Weigh Creating a Online Pay-TV Service" | [Bloomberg](#)

<http://www.multichannel.com/blog/bauminator/92-millennials-use-smartphone-primary-mobile-tv-device/394335>

Cable TV in the cloud: A technology (Skitter TV) "does not require small cable providers to own and operate their own headend...[or] even require them to be a regulated cable company." | [POTs and PANs](#)

Rob Kenny Op-Ed on the FCC's Exclusivity and Retransmission Rules: "The reality is that there's a strong possibility that many local TV stations in smaller and medium-sized markets will be diminished or forced off the air if federal regulators change the regulatory paradigm in a way that creates added financial pressures." | [Broadcasting & Cable](#)

Forbes Op-Ed says eliminating the exclusivity rule would be an example of "cherry-picked 'deregulation' which seeks ways to advantage one competitor and/or one format over another, rather than taking a more holistic approach to reforms." | [Forbes](#)

Who are the cord-nevers? "The majority of cord-nevers either really don't have a strong interest in pay TV and that's why they're not willing to pay or they can't afford it." | [NPR](#)

California's new privacy law "prohibits smart TVs from using voice recognition features unless users explicitly opt into the feature while setting their television up" and prevents them from using the technology to target ads. | [Fast Company](#); [San Mercury News](#)

"Apple may replace your cable TV provider, but it's probably not going to be regulated like one." | [Investor's Business Daily](#)

"Mediacom said Monday it had completed a fiber link to Netflix, which it says has led to steadily improving performance for its high-speed customers accessing the popular video site." | [Multichannel News](#)

http://www.cedmagazine.com/news/2015/10/comcast-looking-sell-viewership-data-its-set-top-boxes?et_cid=4891520&et_rid=652832113&type=cta

"These thin underwater cables are the circulatory system of the global internet — while we get our GIFs and videos from fiber optic cables and cellphone towers, high-speed international information is transferred almost entirely under the sea." | [Vox](#) (with link to map)

"Through the use of carrier-grade Wi-Fi networks, major telecom operators have begun offloading data onto their Wi-Fi networks through Wi-Fi calling, which promises to make connections faster and more reliable." | [RCR Wireless](#)

Survey among CIOs reveal that "state and local CIOs are beginning to think more about the Internet of Things as a tool for improving government performance." | [Government Technology](#)

"Skinny Bundles Sock FiOS Video Revenues" | [Light Reading](#)

"Comcast charging Atlanta customers \$35 surcharge for unlimited cable broadband" | [Fortune](#)

Comcast "is reportedly interested in starting a cellphone service using a combination of its WiFi hotspots and Verizon's own cellular network." | [Washington Post](#)

"Video providers, advertisers grapple with ad blocking's popularity" | [FierceTelecom](#)

Discussing the pro/cons of providing cable: "Some of the largest cable companies in the country have begun to de-emphasize cable TV as a product and it makes me wonder if smaller companies should consider the same strategy." | [POTs and PANs](#)

"U.S. Offers More Specifics On Drone Registration Initiative; Some type of visual identification markings likely will be required." | [WSJ](#)

"Google got it wrong: The internet won't be global by 2020. After two decades of stratospheric growth, is the internet at saturation point already?" | [TechRadar](#)

A proposed "Dig Once" bill introduced by Reps. Anna Eshoo (D-Calif.) and Greg Walden (R-Ore.) is gaining traction on Capitol Hill. | [Washington Post](#)

At this point, most cable companies have decided gigabit Internet is the way of the future. Here are four paths cable companies are pursuing to expand their gigabit offerings. | [Light Reading](#)

Afton, a wealthy, rural exurb in Minnesota, is still unserved by broadband providers. Afton is currently hoping to obtain state money through the Border-to-Border Broadband Development Grant Program, in addition to the funds its set-aside itself for broadband. | [Star Tribune](#)

Hillary Clinton's comments on broadband policies rattles cable TV stocks | [IBD](#)

"The New York attorney general's office is investigating whether internet providers are over-charging consumers for broadband speeds they advertise but never deliver." | [The Verge](#)

"Smart sidewalks? A new pavement provides free Wi-Fi: An English town has launched a new initiative to provide free Wi-Fi through its pavements." | [Christian Science Monitor](#)

How was the first online-only NFL game? Depends who you ask...

- "First ever online-only NFL game draws over 15 million viewers. Yahoo's servers survived the traffic, but viewership was down from TV numbers." | [Ars Technica](#)
- "Yahoo's first-ever live stream of an NFL game was a disaster for many" | [Business Insider](#)

"Time Warner Cable will reportedly start testing its internet TV service this week" | [The Verge](#) (Gary White)

Fmr. Congressman Rick Boucher pens Op-Ed discussing why net neutrality is legally and politically vulnerable and outlines a plan for a Congressional solution. | [Bloomberg BNA](#)

"Russian submarines and spy ships are aggressively operating near the vital undersea cables that carry almost all global Internet communications, raising concerns among some American military and intelligence officials that the Russians might be planning to attack those lines in times of tension or conflict." | [N.Y. Times](#)

Has Title II Killed Investment? Apparently not: Comcast and other ISPs' earnings report indicate they are now spending more in capital expenditures. | [Ars Technica](#)

ILSR gets in the Halloween Spirit; Compares reviews from ISP subscribers with municipal broadband subscribers: "Your Choice: Cable Monopoly Tricks or Muni Fiber Treats?" | [Community Broadband Networks](#)

Comcast touts Xfinity Communities, its service program for apartment buildings, healthcare facilities, and certain single-family home communities. Its first project is in Connecticut. | [Multichannel News](#)

FCC Announces Open Meeting Agenda for November | [Press Release](#)

San Francisco Aims to Build Biggest Internet of Things in the U.S.: The city plans to mount sensors on public infrastructure as a tool for attracting business and gathering data for city employees. | [Government Technology](#)

"FCC Chairman Tom Wheeler's push to eliminate the exclusivity rules is on indefinite hold, according to an agency source. The NAB has been working to derail the effort, concerned in part that elimination of the rules would undermine broadcasters' ability to negotiate for retrans fees." | [TVNewsCheck](#)

Colorado votes in favor of removing state law barriers to community-led broadband. "Referenda in 43 communities - 26 cities and towns; 17 counties - all passed overwhelmingly to reclaim local telecommunications authority." | [Community Broadband Networks](#)

Craig Settles hosts discussion on Colorado's votes from yesterday: "If there ever was a sign that the floodgates on community broadband have fully opened, it's this Election Day as 46 Colorado communities vote on taking back their right to build public networks." | [Blog Talk Radio](#)

Americans are paying more for less when it comes to broadband. Incumbents advertise "up to" broadband speeds when actual speeds are far lower. | [L.A. Times](#)

The voters have spoken in Greenfield, Massachusetts: "In a 3,287-696 vote on Tuesday, voters passed a non-binding ballot referendum that sent a message to Mayor William Martin, who was re-elected to a third term, to create a nonprofit that will provide a hybrid fiber-wireless broadband network throughout the entire town by the end of 2016." | [The Recorder](#)

Ars Technica Feature: "The future is the Internet of Things...[It is]about to explode, perhaps literally, if privacy and security issues aren't fixed." | [Ars Technica](#)

"T-Mobile wants to turn your house into a cell tower. Here's why you should think twice." | [Washington Post](#)

"Netflix isn't just TV on the Internet. It wants to be the entire Internet's TV." | [Washington Post](#)

"A report from Moody's Investors Service predicts that the industry will have 57 million broadband customers at the end of 2016...Jason Cuomo, a Moody's analyst, said that the launch of hot over-the-top (OTT) services and better set-top streaming boxes, particularly offerings from Apple, will drive more broadband uptake." | [RapidTVNews](#)

"OTT's Benefits to Hispanic Consumers" | [Multichannel News](#)

"It's easy to get excited about the sea changes taking place in the TV industry, and given proclamations made by the media, one would think that the whole world will be watching only short form video clips, via Snapchat, on their mobile devices. Wolf, to his credit, takes a step back, and the outlook for traditional media players isn't as dire as it may seem." | [The Drum](#) (Gary White)

"Slowly but surely, government IT enters the 21st century--New websites and apps help citizens get what they need from the government." | [Ars Technica](#) (Gary White)

"In Our Wi-Fi World, the Internet Still Depends on Undersea Cables: Thin cables about as big around as a garden hose traverse the Earth's oceans carrying all our intercontinental Internet data. No one's in charge and no one's defending them." | [Government Technology](#)