

Cablefax Daily™

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What the Industry Reads First

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WiFi Project: Cablevision Ready for Next-Generation Mobile Phone

Cable's no stranger to the mobile phone market. First, there was **Comcast, Time Warner Cable, Cox** and **Bright House's** joint venture with **Sprint** for the **Pivot** cell phone service. Then Cox went it alone with its own mobile offering. Both were shuttered after a short time in the market. Now, **Cablevision** enters the arena with a WiFi-only phone service, slated to launch next month in the NY market. An industry leader in offering WiFi, the MSO has contemplated the idea for years, going so far as to send a survey to subs in March 2010 to gauge interest in an unlimited calling, texting and data plan for \$29.95/month. At that point, the MSO was contemplating a WiFi phone that would work with a cellular network when WiFi wasn't available. But that's not how its newly announced **Freewheel** service will work. It's strictly WiFi only. What separates it from a free app like **Skype**? It has a dedicated phone number (Skype users can get their own number, but at a cost) and integrates a high-quality phone (the **Motorola Moto G** smartphone), plus Cablevision touts professionally monitored and maintained "carrier-grade" WiFi network. As for who this is good for, think of it as a first phone for children (despite WiFi's growing presence, many would find it scary to be broke down on the side of the road with a WiFi-only phone) or for perhaps a budget conscious college student on a WiFi-rich campus (Optimum HSD customers get unlimited talk, text and data for \$9.95/month; non-subs \$29.95; though as the press pointed out Mon, **Republic Wireless** offers a cheaper \$5/month option—though the phone is \$150 vs \$99). **MoffettNathanson's** *Craig Moffett* believes this is all about proof-of-concept. "The service itself is unlikely to be financially material for either Cablevision or the wireless industry. The concept, however, is a very big deal," he wrote. And ultimately, he sees Cablevision using Freewheel to prepare for that WiFi-first service it was surveying customers about 5 years ago. Customers could slash their cellular bills, by being primarily WiFi-based, but would have cellular back-up. "A WiFi-first service, particularly if (when) offered by Comcast, which has a vastly larger footprint and marketing capacity, has the potential to attract a meaningful number of customers if priced aggressively and could be enormously deflationary for the traditional cellular providers," Moffett wrote. Given the number of customers opting to cut the wireline phone cord, a WiFi-first product could help cable win back money residential

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Contact Rich Hauptner at rhauptner@accessintel.com.

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VoIP no longer offers. The market appears to be heating up, with the *WSJ* reporting that **Google's** prepping a wireless service that would eliminate reliance on a single carrier, instead hunting for the best service through cellular connections by Sprint, **T-Mobile** and WiFi hotspots.

VoIP Battery Back-up: In Nov, the **FCC** issued an NPRM and Declaratory Ruling seeking comments on back-up power requirements for customer premises equipment for VoIP services. It's an interesting topic that some have likened to putting the genie back in the bottle. The US could go from the provider having no obligation to provide back-up power to being responsible for the first 8 hours of backup, with the onus then shifting to the customer, said **AT&T's** federal regulatory vp *Hank Hultquist* at a **Practicing Law Institute (PLI)** panel Mon. Hultquist said there also are questions over whether the provider could made to be responsible for making sure batteries are the most up-to-date, etc. Like AT&T, **Cox** has not yet filed comments on the issue. But *Jose Jimenez*, Cox's exec dir of external regulatory affairs, warns that this will be challenging because the industry is "in some respects a decade ahead of this." Not only do you have a host of customers who have adopted the technology, but you have providers with established policies for doing business and vendors that will have a say on how things will transition. "It's like trying to change the tires on the bus while it's going," he said. There's also the whole issue of wireline phone service... Jimenez said there's a certain "conceit" in the order by its suggestion that customers need to be taken care of this way as many opt for mobile-only phone service. "We've been educating our customers for quite a while that if you have a device in the house that we provide you for telephone service that you need to provide a back-up. From our perspective, I would just question the wisdom of shifting this to providers when... it's a declining market."

Muni Broadband: State legislators joined execs from the **National Conference of State Legislatures** Mon in a conference call to urge battling against efforts to preempt state laws. *President Obama* recently called for removing state regulatory barriers to government-run broadband networks. **FCC** chmn *Tom Wheeler* has also signaled his willingness to encourage municipal broadband. He's expected to grant petitions from Chattanooga, TN, and Wilson, NC, which are seeking federal preemption of state laws prohibiting the development of municipal broadband. The groups suggested if regulators were to move ahead with preemption, there could be legal battles.

NFL Gets on YouTube: **YouTube** scored a touchdown Mon with **NFL** launching its official channel on the streaming site. The partnership followed a series of deals that the league has inked with major digital platforms to expand the reach of its content. The official channel offers content including game previews, in-game highlights, post-game recaps as well as clips featuring news, analysis, fantasy football advice, and other select content from NFL Net and NFL.com. The deal also features access to game highlights and content through Google search, which would display official NFL video along with related news and information. The channel will provide clips of top plays, games and performers from the 2014 season days before the Super Bowl on Sun.

SAG Awards '15: OTT continues to get recognition, with **Netflix's** "Orange is the New Black" beating out **CBS'** "Big Bang Theory" and **ABC's** "Modern Family" for the Screen Actors Guild Awards' comedy series honor (**Amazon's** "Transparent" beat several cable shows for the Golden Globe comedy win earlier this month). The ensemble for **PBS'** "Downton Abbey" defeated **HBO, Showtime** and Netflix fare for the drama award, while Netflix's "House of Cards" star *Kevin Spacey* won outstanding actor in a drama series. *Viola Davis* (ABC's "How to Get Away with Murder") won best actress in a drama, and *Uzo Aduba* (Orange is the New Black) had the best actress comedy win. Cable's wins: *William H Macy* (Showtime's "Shameless"), *Mark Ruffalo* HBO's "The Normal Heart") and *Frances McDormand* (HBO's "Olive Kitteridge).

Universal Sports Goes Cycling: **Universal Sports Network** inked a multiyear contract extension with the Union Cycliste Internationale [UCI] to air the UCI's major cycling events in the US through 2018. The multiplatform deal includes TV and digital rights featuring the UCI Road World Championships, UCI World Championship, World Cup events in Track Cycling, BMX, Mountain Bike and Cyclo-cross.

Ratings: History's "Sons of Liberty" drew 3.3mln viewers and 1.4mln 25-54s for Part 1 Sun night, according to Fast Cable Nielsen Ratings. Part 2 of the scripted miniseries was slated for Mon at 9pm, with it wrapping up tonight (Tues). -- Season 2 of **Lifetime's** "Bring It!" notched 1.8mln viewers Fri night, up 80% compared to the

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program's premiere. It marked the net's best Fri primetime telecast in 11 years among 18-49s and women 18-49. The show follows a hip-hop majorette team and coach *Dianna Williams*.

Programming: **CMT** debuts "Party Down South 2" on Thurs at 9pm with a new crew of Southern guys and gals. -- **FYI** premieres its new original series "My City's Just Not That Into Me" on March 4. The series explores the issue of rising housing prices that have pushed many home seekers out of their current city. -- In case the Super Bowl is too much to handle, **Nat-Geo WILD** premieres "Fish Bowl II" on Sun from 6 to 10pm, featuring a goldfish and a clownfish who visit with farm animals.

People: **Fox Networks Group** tapped *Bruce Lefkowitz* to be evp, ad sales, reporting to *Toby Byrne*, pres of ad sales. Lefkowitz was previously evp, ad sales for **Fox Cable Entertainment** and is now the 2nd-highest ranking ad sales exec at FNG. Prior to joining Fox, he was svp of national ad sales for **Discovery Nets**. -- **Charter** upped *Rich DiGeronimo* to evp, product and strategy. He will continue to report to COO *John Bickham*. DiGeronimo has served as svp, product and strategy since 2011. -- **Cox** upped *Janice Roberts* to svp of field services. She joined Cox in 2011 as vp of field services.

Cablefax Daily Stockwatch

Company	01/26 Close	1-Day Ch	Company	01/26 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	85.45	0.22	CONVERGYS:	19.88	0.13
DISH:	73.15	(0.5)	CSG SYSTEMS:	25.34	0.02
ENTRAVISION:	6.70	(0.19)	ECHOSTAR:	52.85	0.48
GRAY TELEVISION:	10.28	(0.21)	GOOGLE:	535.21	(4.74)
MEDIA GENERAL:	15.00	(0.25)	HARMONIC:	7.09	0.09
NEXSTAR:	52.34	0.12	INTEL:	35.80	(0.64)
SINCLAIR:	26.30	(0.35)	INTERACTIVE CORP:	64.21	0.80
MSOS					
CABLEVISION:	19.72	0.03	JDSU:	13.88	0.23
CHARTER:	158.18	(0.75)	LEVEL 3:	50.04	0.10
COMCAST:	56.69	0.38	MICROSOFT:	47.01	(0.17)
COMCAST SPCL:	56.38	0.30	NETFLIX:	446.56	9.11
GCI:	15.58	(0.11)	NIELSEN:	44.70	(0.16)
GRAHAM HOLDING:	925.00	29.75	RENTRAK:	75.88	0.59
LIBERTY BROADBAND:	47.25	0.16	SEACHANGE:	7.18	(0.26)
LIBERTY GLOBAL:	47.38	0.58	SONY:	23.37	0.77
SHAW COMM:	23.52	(0.1)	SPRINT NEXTEL:	4.37	0.11
TIME WARNER CABLE:	145.07	0.91	TIVO:	10.81	(0.01)
PROGRAMMING					
21ST CENTURY FOX:	34.54	0.25	UNIVERSAL ELEC:	65.78	0.87
AMC NETWORKS:	68.39	1.82	VONAGE:	4.48	UNCH
CBS:	57.06	1.18	YAHOO:	49.44	0.49
CROWN:	3.32	0.02	TELCOS		
DISCOVERY:	30.06	0.22	AT&T:	33.18	(0.19)
DISNEY:	94.97	0.25	CENTURYLINK:	39.00	(0.24)
GRUPO TELEVISIA:	34.17	0.48	TDS:	24.45	0.29
HSN:	75.82	1.10	VERIZON:	46.96	(0.19)
LIONSGATE:	29.31	0.46	MARKET INDICES		
MSG:	75.05	0.50	DOW:	17678.70	6.10
SCRIPPS INT:	73.49	0.80	NASDAQ:	4771.76	13.88
STARZ:	29.46	0.55	S&P 500:	2057.09	5.27
TIME WARNER:	80.97	1.00			
VIACOM:	67.74	(0.44)			
WWE:	10.48	(0.04)			
TECHNOLOGY					
ADVANTAGE:	2.35	(0.03)			
AMDOCS:	48.32	0.21			
AMPHENOL:	54.79	(0.12)			
AOL:	48.49	UNCH			
APPLE:	113.10	0.12			
ARRIS GROUP:	27.48	0.12			
AVID TECH:	14.22	0.31			
BLNDER TONGUE:	1.98	(0.03)			
BROADCOM:	42.06	0.10			
CISCO:	27.97	(0.24)			
COMMSCOPE:	26.16	UNCH			
CONCURRENT:	7.00	0.04			

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CFX TECH by Joyce Wang

NCTC Winter Conference Preview

While NCTC's Winter Education Conference (Jan 26-27, San Antonio) features popular cable topics like OTT video integration, 2nd screen and gigabit broadband, it also features a panel on workforce improvement. The idea is that the transition to IP-based networks and new services requires better training and engagement of operators' workforce. And improving workforce skills is key to offering better customer service, something small and rural operators can leverage to differentiate their services, *Corey McCarthy*, CFO/svp of technology services, told us. The conference will also see the 1st ever 4K demonstration by **Harmonic**. Though 4K is still in the early stages, McCarthy said that it's good to start the conversation now and explore what's possible. Conference highlights include a panel of execs from NCTC member companies launching advanced video platforms including OTT content. It's still a challenge among small and rural cable ops to decide which platform to adopt for advanced video delivery and how to consolidate all the video content into one platform, McCarthy said. That's especially true with the emergence of new content recommendation and discovery, as well as navigation features such as voice and guest control and as small and rural cable ops seek to augment quality of customer experience, he added. And as expected, ops continue to look to adopt and expand their cloud DVR offerings. Perhaps on top of NCTC ops' to-do-list is enabling OTT video and the ability to offer content on 2nd screens, said McCarthy. Integration with SVOD players through **TiVo** is an option for NCTC members. **Atlantic Broadband**, **Grande** and **RCN** followed their EU MVPD counterparts last year, adding Netflix as an app on TV lineups available through their TiVo-enabled set-top boxes. One potential trend ops are watching closely is skinny TV bundles, or smaller TV programming packages. Ops are also eyeing **DISH's** upcoming Sling TV service, which costs \$20 a month and features a dozen live TV channels including **ESPN**. Meanwhile, with major regulatory initiatives tackling cybersecurity, an issue that

remains poorly understood, the conference will feature a discussion with *Peter Singer*, author of "Cybersecurity and Cyber War: What Everyone Needs to Know." He will address trends challenging the industry in both online and real-world security. Finally, **ACA's Matt Polka** will update member companies on legislative and regulatory developments including net neutrality, pending MSO mergers, the **FCC** implementation of the STELA Reauthorization Act of 2014 and CommAct update.

Vubiquity Scores with Diddy: **Vubiquity**, the premium content service provider, scored a deal with *Sean "Diddy" Combs' Revolt TV* to provide multiplatform VOD services. The company will offer more than 40 hours each of SD and HD VOD content monthly to the net affils. Content ranges from music videos, interviews and original programming, documentaries and news specials.

Envivio Brings Cloud to NCTC: Video software provider **Envivio** will demonstrate its NuageSM cloud-based virtualized software-as-a-service (SAAS) video service. The platform is designed to manage content for cable ops end-to-end, from ingest to any consumer device. It's expected to support live linear and on-demand video, and operates as a service on private, operator-owned networks, on the public cloud, or in hybrid environments. Nuage provides virtualized encoding, packaging, digital rights management, ad mediation, content delivery network, app creation and billing.

Imagine to Buy RGN Networks: Ad management and video infrastructure provider **Imagine Communications** agreed to acquire **RGB Networks**, a multiscreen video service provider. As part of the deal, Imagine said it will acquire the majority of RGB employees. RGB's technology is expected to enhance Imagine's end-to-end video playout and distribution portfolio and extend the capabilities of TVE and video processing and compression platform.

Got tech news? Reach out to Cablefax Tech editor Joyce Wang at jwang@accessintel.com

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