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What the Industry Reads First

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INTX Blows Into the Windy City

It's not the Cable Show any more. NCTA announced last fall that it was transforming its annual trade show into INTX: the Internet and Television Expo. As the industry prepares to gather for the inaugural INTX in Chicago May 5-7, we caught up with the event's co-chairs to discuss the rebranding and what to expect while you're in town. This is Suddenlink chmn/CEO Jerry Kent's third time hosting the NCTA show in Chicago, while it's TV One/Radio One pres/CEO Alfred Liggins' first time spearheading the event. Both expressed excitement at the idea of sharing the floor with companies outside the traditional cable arena. And while everyone is sure to be murmuring about the breakup of the Comcast-Time Warner Cable merger, there are several other hot topics on tap for this year's Expo.



How will this year's show distinguish itself as INTX vs the Cable Show?

Liggins: I want to applaud the folks at NCTA and the members of NCTA for really being open minded and innovative—for really acknowledging how the world has changed with the new rebrand of INTX: the Internet & Television Expo. To encompass all of the entities that collaborate on the Internet and television, I think is visionary. You have distributors, content companies and technology companies coming together to figure out how to create the most value for the consumer, who is the end-boss. The best way to figure out what's coming around the corner is to talk and collaborate and socialize. INTX is going to be that opportunity.

Kent: Our industry is changing rapidly, and the show needs to evolve and adapt to a very new environment. We're seeing true convergence among services, market sectors and companies and we're all making huge investments to enhance the Internet ecosystem. And this is starting to accelerate

the unbundling of our traditional video offering in front of our eyes, as evidenced by the announcement of Verizon's skinny bundle. Our business world is populated with frenemies, companies and services that are both collaborators and competitors, and those companies need to be included in INTX. I think now is the perfect time to make the change.

Do we really have to call it INTX?

Liggins: Someone once said, "call me anything you want as long as you don't call me late for dinner." I think the popular wisdom is that the most important thing is that people show up. We've made a big effort to make sure everyone is included. If you don't show up, you're going to miss a big opportunity. Some people will gravitate instantly to the name, particularly new entrants. Some of the old guard who have been in the business a very long time might have a tough time departing from the old positioning. I think that's just in perception only, but in fact, this show is changing. The DNA of it is.

Does having the Expo in Chicago bring anything special to the event?

Kent: It sure does because Chicago is one of the most convenient and attractive venues in the US. It's so convenient that it's an easy flight for everyone. We're going to utilize that by changing the show so that we end the program by 1pm Thurs. So everyone will be able to go home and be in their own beds that night. Chicago is a thriving hub of American commerce. It's a great sports town, it's got fabulous restaurants and a very active social scene.

Besides consolidation, what are the big stories for the show?

Liggins: It seems like there is a new big story every month, which is representative of the pace of change for the industry. We prefer to let the media determine what they think the big story is. There's always the next new company, app, TV program or public policy issue that's redefining the marketplace, and that's why you need to be at INTX, to figure out what that is and learn more about it. The news cycle is so

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fast. There will probably be some big announcement at INTX that we'll have to contemplate and consider.

Kent: OTT is obviously a big story. Internet and video. Seeing unbundling before our eyes. Government regulation and Title II are also going to be front and center, no doubt about it. Tied to that is the huge investment cable distributors are making to bring faster and faster speeds in a competitive environment. At Suddenlink, we're spending a quarter of a billion dollars to bring 1 gigabit speeds to virtually all our customers. Those are some of the stories I think will be interesting.

What do distributors get out of the show these days?

Kent: While the show isn't geared toward M&A activity like it was maybe a decade ago, I think the new strategic direction of INTX is exciting for operators and for deal activity. We're always looking for strategic partnerships, particularly in a rapidly changing environment like we have now. The show now is going to allow us to exchange ideas and see alternative ways of thinking

about business models and how they're evolving. We're going to hear from a confluence of companies at INTX, and it moves us past just talking to each other. In the past, we just talked to each other and awarded each other. I think now our senior teams are going to be able to challenge traditional thinking, break out of our parochial world and grow our business in new ways.

On the other side of the coin, it seems programmers have a different take on the show, with some opting not to take out big booths in recent years.

Liggins: For us at TV One, I'm extraordinarily excited. As an 11-year-old cable network, we haven't even broached the other distribution opportunities that are not your traditional cable companies and linear license agreements. Those people are going to be present at INTX. We also haven't even broached whether we're going to have an OTT offering and what those economics will look like. By the way, we've been asked what those are and what are plans are by our exist-

ing cable partners. I think that how we distribute our content is changing so fast that the [show offers] knowledge of what the opportunities are and what the pitfalls are... Let's not forget that all those people who ultimately still make those decisions for legacy cable and satellite distribution agreements are going to be at INTX. The decision makers will be there. Now I'm going to see those folks and the new crop of decision makers that can help you forge paths for broader distribution.

OK, let's close with what's really important. Where should we make our dining reservations?

Kent: Chicago's dining scene is legendary. I love Chicago pizza. If you really want a fun experience and it's someone's birthday, you have to go to Gibsons Steakhouse. Little Italy is terrific. But instead of listening to me, the great thing is NCTA has booked some experts that will be in the Anything and Everything Booth in the Digital Lounge. They'll help everyone with dinner recommendations and will even help you get dinner reservations.

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CABLE CENTER HALL OF FAME

The 2015 Inductees

Each year, the Cable Center recognizes those men and women who have made a real impact on the industry. This year, it is inducting six individuals whose marks can be felt in sports, programming, distribution and even regulation. We asked each about their experiences as well as what's ahead. Join us in honoring them at the Cable Hall of Fame Celebration May 5 at the Navy Pier in Chicago.

Chris Berman ESPN Sportscaster



Sports announcing has changed drastically over the years. There are so many more tools at broadcasters' disposal. Has this been a challenge or a blessing in your opinion?

Both. More a blessing because it makes your job more exciting, there's more accessibility and there are more ways to reach fans. It's hard to believe now, but in the early '80s for example, probably less than half the baseball games in the middle of the week were on TV. On SportsCenter, we were just reading a score and a little write-up of it. Now we have highlights of everything, so that's more exciting. I actually feel, however, that I've been blessed because I grew up the old way. Therefore, we had to work a little harder to find the information on these games and what happened. It wasn't all there on video for us, and we didn't have researchers. We were doing a lot of the work ourselves, and I think to this day that's made me a better professional. Even though new tools have made our production and our presentation better, I listened to games on the radio a lot as a kid and I read the paper, so I feel like I got my hands dirtier in getting all my information. It's benefited me and my growth as a professional. It's worked for me.

What's the most dramatic change you've encountered in your career?

Immediacy. Not only for me—for everybody. We would joke if the planes were landing at Bradley (our airport in Hartford), then we'd get you yesterday's news in video. We'd have a press conference or a report from someone a day later. Super Bowl media day for example: I still remember going from Tampa to the airport three different times and sending tapes of interviews. Three different flights to Hartford. Now you can be live from Antarctica. You can be live at any time. A little different.

Can you think of one day that stands out as your best—or worst—day ever in sports broadcasting?

Let's talk about the best day. I'd have to go to the game where Cal Ripken broke Lou Gehrig's record. If you were a fan of baseball, a fan of America, you were tuning in that night and Buck Martinez, myself and our crew were just honored to be there to be honest with you. And about a week before, I said to one of our higher-ups, 'I view what's coming up as a semi-announcer-less game.' Now it wasn't planned for us to be quiet for 23 minutes, which we were. That was the ultimate of letting everybody feel like they were in Camden Yards. So probably the height of my career is the 23 minutes I said nothing, which is ironic. I wasn't alone and it wasn't about me. But really we were almost crying... I have a hard time topping that.

How does it feel to be named to the Hall of Fame?

It means I'm old. It means I was fortunate enough to be here from the start—at a company that had vision and work ethic and a sense of joie de vivre, if I may. I'm one of many who have a hand in the cornerstone of something that is making its mark on people's consciousness and has for a long time. It means all the work and the fun we all put in was worth it because it meant something to other folks. I know what it meant to me. I studied history at Brown. While I haven't lived the whole history of the U.S., I haven't lived the whole history of the Roman Empire, I feel like I've almost lived a large majority of the history of cable TV. We have been a big part of it, and I accept the honor on behalf of everyone who has and is working for ESPN because it's been a group effort. As the quarterback I get more credit than I deserve. I get more blame sometimes, but this is one of the cases where I get more credit than I deserve. I accept it on behalf of every man and woman that has ever worked here.

Bill Roedy Global Health Ambassador/Former Chairman & CEO of MTV Networks International



You helped the MTV brand make its way around the world. What is it about music and pop culture that seems to resonate across borders—and what's the secret to extending brands to different cultures?

I tried to make our strategy simple, and bold:

1. Distribution in every household. My mantra was 'aggressive, creative, relentless' distribution.
2. Go local. Respect and reflect local cultures. In both the content and staff.
3. Connect with the audience on something meaningful. "Doing good is good for business."

Music has a unique and obvious advantage in programming across borders. I used to say "A-wop-bop-a-loo-lop-a-lop-bam-boo" means essentially the same thing in any language. That being said, we felt it very important at the time to program locally, even with music, as tastes change from country to country. A key element to the strategy was to reflect and respect local cultures. While this increased costs, it was, and still is, critical to make the connection with your audiences. That made it sustainable. The key challenge is to then balance this with global scale in order to maximize your financial margin. Early on, we had more global scale with Nickelodeon animation, which traveled well.

Where do you see the big opportunities for programmers today, both in the U.S. and abroad?

Geographically, Europe is still the most developed multi-channel infra-

structure, i.e., cable and DTH. But Asia is where the growth will come from. Now with OTT there are many more opportunities with distribution, especially in countries with high speed broadband, for example Korea and China.

As chairman of the Staying Alive Foundation, which helps young people fight HIV/AIDS at the grassroots level, you must care deeply about this issue. Cable obviously has a long history fighting HIV/AIDS with Cable Positive. In light of the fact that Cable Positive shut down in 2009, what should cable be doing now to help in the fight?

I was sad to see Cable Positive end. It was a terrific initiative. I chaired the Global Media AIDS initiatives (GMAI). This was a UN operative that partnered with all types of media companies to help fight the epidemic. As part of the effort, we came up with a range of commitments in which media companies could join the effort. One of the most important tactics was to commit to a specific number of on air minutes each day, preferably in prime time, to deliver key messages. Cable can now use some of these same initiatives for each of their channels.

What does it mean to you to be inducted into the Hall of Fame?

It's a meaningful return to my roots. After the last 25 years living outside the US, my fondest memories are of the early entrepreneurial days of cable. Cable leaders were my heroes. To share a stage with them is a tremendous honor. As I used to say to my music artist friends—"I'm not worthy!"

Steve Simmons
Chairman, Patriot Media and Communication



You've worked on both sides of the business, from traditional, incumbent operators to Patriot's roster of providers, such as RCN and Grande, that compete against those incumbents. What's the biggest difference?

In the '80s and '90s when I was with Simmons Communications, an "incumbent" with cable systems in 20 states, it was certainly easier from the standpoint of competition. We all had great challenges then—from upgrading plant to heavy regulation to getting more video product to sell. But today, almost every cable operator is competing very heavily with some combination of a telco, DirecTV, DISH, another cable operator, various broadband providers, and, of course, over the top programming. So, it is harder as a smaller operator to compete with large incumbents as well as the telco's and satellite providers. The biggest difference from before is that there is just more competition from folks with larger advertising budgets and lower programming costs than you have. You have to work a lot harder and be a lot smarter. But you can grow the business very well if the company has a great management team and we are blessed with a truly great team.

What do you think is most critical for cable to achieve right now?

Our industry is in an extraordinary period of change—as dramatic as when we began offering Internet access, VOIP, DVRs and HD. The decades old relationship with programmers is changing. Many of our traditional partners are now offering their programming online. And new programmers, such as Netflix, have appeared. This activity along with the demands of some programmers for truly extraordinary rate increases is beginning to turn our video customers away from the video cable bundle. As cable operators we must invest in our broadband network to keep up with roaring bandwidth demand, make sure customers can get their video programming—from whatever source—on any mobile device, and deliver the best customer service possible.

A lot of people might not realize you've written five children's books. How did you discover this calling?

My mother would create and tell me children's stories when I was very young. I can still remember the one about a Mrs. Blueberry who dresses all in blue and takes the children she babysits for on wonderful journeys. I have 5 children, and when they were young, I used to read picture books to them every night. One afternoon I was on a hill behind my house with my 3 daughters. The story of Alice and Greta came to me—kind of by spontaneous combustion—and I play acted it with my daughters. That became my first book, after 23 rewrites! From there, it was really experiences with my children that inspired each tale—whether fishing off a dock in Martha's Vineyard which led to "Jasper the Fish" or watching a pigeon in London which led to "Percy to the Rescue."

What does this honor mean to you?

It is an extraordinary thing to be honored like this by your colleagues. I have greatly enjoyed my friendship with so many people in the cable business over the years. It has been especially satisfying to share challenges and accomplishments with the many entrepreneurs in the industry. Starting with little, these people risked everything to create their companies that have brought so much to the citizens of our country, and really changed the way we all live for the better. I still enjoy being in the business, and get tremendous satisfaction from it and the amazingly talented management team I work with. When I look at the list of people who have received this award, it is very, very humbling to be included.

JC Sparkman
Chief Operating Officer, Retired, TCI



You started out in cable equipment in the 1950s. Set-tops are much higher tech today. What are your reflections on how much the equipment has changed and evolved over the years?

It is unbelievable the difference in equipment today versus in the '50s. I think everyone in the industry should spend the time to tour the museum at The Cable Center to fully realize just how far we have come in technology.

You founded Broadband Services in 1999 as broadband was getting its sea legs. What are your thoughts

on broadband today and where you think it's going?

Broadband is and will be more important to our business than any of our services. As we all know, video is becoming a commodity and available in many other formats. They do however depend on broadband to deliver these services. The continued advances in broadband are necessary to insure that the present and future services are delivered with the highest quality and speed. Unfortunately, the FCC has decided it knows what the needs for broadband are. My belief is this will slow progress.

TCI began the consolidation craze, and it's still in force with the proposed DirecTV-AT&T merger and the proposed but just abandoned Comcast-Time Warner Cable deal. What's your take on all of this and how do you think it affects the TV and broadband ecosystem?

I believed then and I believe now that consolidation is necessary to achieve scale and moneys to continue the advances in technology and services that are needed, and more importantly demanded by our customers. Can you imagine trying to deliver the needs and wants of our customers today on a 12 channel system?

What does it mean to you to be inducted into the Cable Hall of Fame?

It is a great honor to me to be inducted in the Hall of Fame. I have spent my entire career in cable and it has been so gratifying. This is kind of the icing on the cake and I love this industry. I love the people in it and thank them for recognizing and honoring me.

Tony Werner EVP and CTO, Comcast Cable



You have more than 25 years of engineering and technical management experience, having held executive positions at Liberty Global, AT&T Broadband and several other cable and telecom providers. What do you like about technology and engineering?

I've loved technology from an early age. I started repairing TVs while in college to earn money. That led to working in cable, first at a small cable company, which led to an opportunity to work for WGN. From there I went to RCA, then Rogers, TCI, Liberty and now I'm at Comcast, where I've been since 2006.

Prior to Comcast, you were CTO of Liberty Global, overseeing systems serving customers in 17 countries. How did you stay ahead of trends and on top of technical needs in such a variety of markets?

While some were different, most technology trends were similar to those in the US. I was also surrounded by incredibly talented people in each of those countries, which made my job easy.

What's it like to be CTO of the biggest cable company in the country?

I love working here—Comcast is a wonderful company, and the entire industry is fantastic. It's extremely collegial, which creates lots of opportunities to contribute and work with the rest of the industry.

What does it mean to you to be inducted into the Cable Hall of Fame?

It means a lot to me. I am both honored and humbled to be inducted.

Eleanor Winter Senior Vice President, NCTA



You oversee the number one telecommunications association PAC. Twenty-five years ago, CablePAC looked a lot different and had a lot less money. How did it get to where it is today?

In the late '80s, when it came to federal fundraising, our competitors were eating our lunch. NCTA's leadership team of Jim Mooney and Decker Anstrom decided the industry needed to take CablePAC to the next level. When they hired me, they gave me that charge. Jim, Decker and the NCTA Board recognized that CablePAC could be, and should be, an extremely important tool for telling our industry's story on Capitol Hill. I hear some people say "I don't like giving to PACs, and I don't respect the fundraising culture in Washington." I don't think anyone enjoys this aspect, but let's face it, until the rules are changed, we have to be in the game. Our industry can't afford to sit on the sidelines and hope that legislators hear our story. We have to use everything available to us, to communicate our concerns and interests to members of Congress.

As the daughter of former Mississippi Gov. William Winter, you're no stranger to politics. Did you ever consider running for office yourself?

I grew up in politics. My father ran seven statewide campaigns and held several different offices. Campaigning was a family affair and we crisscrossed the state, campaigning for months on end. I learned at a very early age what it was like to win *and* lose in a very public forum. I also decided quickly that one family member in politics was enough!

You're on the board of the Winter Institute for Racial Reconciliation. Have the challenges in Ferguson and elsewhere reinvigorated the Institute's efforts to create positive social change? How so?

Ferguson is just one example of a situation that brought racial reconciliation to the front pages of our newspapers. But the reality is that these issues are every day challenges in almost every community in this country, and beyond our borders. The Winter Institute has done some remarkable things, and very few of them will be reported. They work quietly and effectively and often behind the scenes. They help bring communities together and show them how to better communicate with each other and how to heal. They work in all kinds of communities, here in the United States, as well as Northern Ireland and South Africa. They go into schools and host youth camps in the summer, to teach kids at a young age how important it is to embrace our differences and celebrate them. I am so proud of their work.

How does it feel to be inducted into the Hall of Fame?

The first thought that came to mind... was that I must be getting old! But seriously, it is a complete honor. To be recognized by the industry that means so much to me, is humbling.

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