

Cablefax Daily™

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What the Industry Reads First

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DOCSIS 3.1: Certification Achieved with More to Come

Just as other aspects of DOCSIS 3.1 development effort have progressed faster than previous DOCSIS technologies, so is the certification progress. **CableLabs** announced Wed that 5 cable modem vendors have achieved the 1st DOCSIS 3.1 certifications, representing the greatest number of products certified in the first certification wave for any DOCSIS specification. The vendors are Taiwanese companies **Askey** and **Castlenet**, along with **Netgear**, **Technicolor** and **Ubee Interactive**. The testing process verifies devices comply with DOCSIS 3.1 specifications, providing a level of assurance that once deployed in the field, they will interoperate with one another and behave as expected. The certification process represents “the most rapid development and implementation cycle for a broadband technology development program ever delivered by CableLabs,” pres/CEO *Phil McKinney* said in a statement. He noted development of the initial DOCSIS 3.1 specifications to product certification has occurred in half the time of previous DOCSIS specifications. Devices matured from the development of initial silicon to certified products extremely rapidly, according to *Matt Schmitt*, vp of lab services at CableLabs. He explained in a blog post that in addition to the extensive Interops and the addition of Dry Run testing events, one of the resulting changes was the adoption of a “rolling wave,” whereby manufacturers were able to rapidly update their devices as issues were discovered until they were able to successfully pass certification. That cut out a lot of overhead and repetition, with the result that 1st generation devices were able to reach the point of being compliant with the DOCSIS 3.1 specifications with unusual speed, the exec said. A key feature in DOCSIS 3.1 is backward compatibility, which allows DOCSIS 3.1 to operate on DOCSIS 3.0 systems, and for DOCSIS 3.1 systems to support DOCSIS 3.0, Schmitt told us. “This allows cable operators a great degree of flexibility in how they roll out new DOCSIS 3.1 devices and services without having to replace existing equipment,” he said. Some CableLabs’ members are already in field trials with DOCSIS 3.1 modems and others are planning to start field trials soon. The expectation is that these field trials will quickly transition to general deployment in the coming year, said Schmitt. There was also close collaboration with manufacturers to help get DOCSIS 3.1 devices to cable ops as quickly as possible. Major ops like **Comcast** plan to start offering new gigabit speed services enabled with DOCSIS 3.1 this year, said Comcast Cable head *Neil Smit*, chmn of the CableLabs board.

AJAM Calls it Quits: Tough day for the folks at **Al Jazeera America**, as the network announced plans to shutter its TV and



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Deadline: January 15 | Questions? Contact Alex Virden at avirden@accessintel.com

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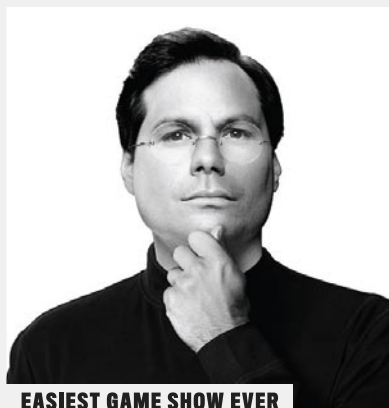
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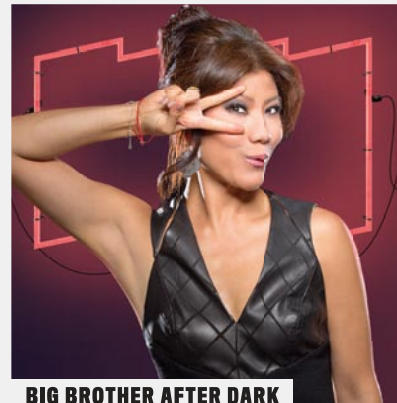
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1. Nielsen, NHI, Npower, C3, P2+ (000), Measurement Period 3Q13-4Q15 vs. Prior Year, Dayparts: M-F 9a-2a + Sa/Su 11a-2a, M-Su 7p-12a.

2. Nielsen, NHI, Explorer, L+SD, W25-54 (000), 4Q15 vs. 4Q14, Total Day = M-F 9a-2a+Sa/Su 11a-2a, Primetime = M-Su 7p-12a, Strict Daypart.

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digital operations at the end of April. "I know the closure of AJAM will be a massive disappointment for everyone here who has worked tirelessly for our long-term future," CEO *Al Anstey* wrote in a memo to employees. "The decision that has been made is in no way because AJAM has done anything but a great job. Our commitment to great journalism is unrivaled. We have increasingly set ourselves apart from all the rest. And you are the most talented team any organization could wish for." Ratings never really took off—a problem that also plagued predecessor **Current**. While AJAM's primetime average for 2015 was up 27% YOY, the net only averaged 28K viewers, according to **Nielsen** numbers. At the same time, parent **Al Jazeera Media Network** announced plans to expand its existing intl digital services to broaden its multiplatform presence in the U.S. Among the company's current digital offerings is **AJ+**, which has achieved 2bln online video views since its inception in Sept '14. In his memo, Anstey pledged that AJAM would continue to provide "great journalism" and showcase "the best of our work in the weeks to come." Al Jazeera Media purchased what was then **Current TV** in January 2013, with some reports pegging the deal at as much as \$500mln. It used the channel to show **Al Jazeera English** until AJAM was ready to launch in Aug of that year. **ABC News** vet *Kate O'Brian* was brought on board to serve as president. The net's short lifespan has been filled with controversy. On the same day that Al Jazeera announced it was buying *Al Gore's Current*, **Time Warner Cable** said it would drop the channel. While some blamed the move on the net's Qatar govt ownership, TWC had been looking at dropping it long before that, with the ownership change triggering a clause that let it get out of its contract. In Dec, the MSO added the channel back to its lineup. More recently, baseball players *Ryan Howard* and *Ryan Zimmerman* sued the network for a report on athletes and steroids. The net has also had internal turmoil that included several resignations and a discrimination lawsuit that led to *Ehab Al Shihabi's* ouster in May. There's been no mention at this point of selling the channel, which has distribution deals putting it in nearly 61mln homes. There are a few smaller news networks out there, including *Glenn Beck's TheBlaze* and **Herring Networks' One America News Net** (in fact, *Charles Herring* told *Multi Wed* that he'd be interested in pursuing the net). HR was meeting with employees Wed to discuss the next 3 months. "For me personally, it is a privilege and honor to work with you all," Anstey wrote, lauding "one of the best teams anyone could ever hope to work with. I'm truly sad that that future we were making great strides towards cannot be realized."

New FYI Head: **A+E Networks** turned to millennial-focused multiplatform media company **Nylon** to find its new evp, gm for **FYI**. *Paul Greenberg* takes the reins Tues after having led Nylon, whose assets include a magazine, digital, e-commerce and events. "Paul has his finger on the pulse of the dynamic lifestyle world," A+E Nets pres/CEO *Nancy Dubuc* said in a statement. "Coupled with his rich background in media and technology, I know he will lead the team to take FYI to the next level in both the linear and digital realms." Before Nylon, he was pres, **SFX**. He also served as CEO of **IAC's CollegeHumor**. Greenberg fills the role vacated by *Jana Bennett* in Sept when she was promoted to pres/gm of **History**.

Turner Ad Lab: **Turner** announced "Turner Ad Lab" aimed at providing better consumer experiences on all platforms. The venture, which will operate in close alignment with Turner Research, will be led by an advisory board made up of reps from trade orgs, research companies, ad tech start-ups and the advertising community.

Debate Mode: More operators announced they will unbundle **Fox Business Net** so all of their subscribers can see Thurs' GOP debate. **DirectTV, WOW!** and a "significant" number of **NCTC** members will join **Cox, Mediacom** and **Sudenlink** in making the channel more widely available for the debates, which begin at 6pm and 9pm ET.

Lopez Lands: Ex-**Fox Intl Channels** chief *Hernan Lopez's* next venture is in the audio-on-demand space. He announced the launch Wed of **Wondery**, which will focus on original, scripted and real-life programming. Fox will invest. Wondery says nearly 50mln Americans listen to podcasts monthly—a number that has grown by more than 40% in just 2 years.

Gigabit Watch: **Mediacom** deployed **Casa System's** C100G CCAP to provide gigabit broadband speeds in Columbia and Jefferson City, MO. "We are excited to bring our long experience providing commercial-grade gigabit services to our residential customers beginning with these communities in Mid-Missouri," said *JR Walden*, svp, technology at Mediacom.

New OTT Net: **TalkCenterAmerica**, the video programming platform backed by technology from digital media startup **The Video Call Center**, will launch a millennial-focused OTT network on Jan 20 with 4 live weekly series. The series are based on curated video-callers in real time with show hosts. Initial programming covers 4 genres: urban music, millennial moms, speed dating and gossip/cultural commentary.

People: **Bleacher Report** founder *Dave Finocchio* is returning to the brand as CEO. He stepped back from day-to-day

BUSINESS & FINANCE

responsibilities in late 2014. He'll report to **Turner Sports** evp, gm *Matt Hong* and remain in San Fran. Part of Finocchio's duties include working with Turner execs on the company's evolving audience-first and direct-to-consumer strategies. In addition, *Rory Brown* was elevated to Bleacher Report's pres, overseeing all operations for the division. -- *Beau Ferrari* was named evp, corp strategy and development for **Univision**. -- **A+E Nets** PR hand *Barry Rosenberg* was named vp, communications for **Bravo** and **Oxygen Media**, reporting to *Jennifer Geisser*. -- **NBCU** named *Jason Zajac* evp of strategy and business insights. He will report to NBCU CFO *Anand Kini*. Zajac joined the programmer from the **Boston Consulting Group**, where he was partner and managing dir in the tech, media and telecom practice.

WICT Board: *Martha Soehren*, Chief Talent Development Officer & svp, **Comcast University & Comcast Cable**, enters her 2nd year of a 2-year term as chair of **WICT's** board. **Time Warner Cable** evp, chief govt relations officer *Gail MacKinnon* was named vice chair. New directors-at-large include **Charter's** *Catherine Bohigian*, **Disney/ESPN's** *Justin Connolly*, **Discovery Comm's** *Catherine Frymark*, **TWC's** *Michelle Kim*, **Turner's** *Angela Santone* and **Midcontinent's** *Debbie Stang*. WICT also announced that Comcast Cable's *Marcy DeAngelis* and *Katy Weber* would serve 1-year terms as directors-at-large.

Cablefax Daily Stockwatch

Company	01/13 Close	1-Day Ch	Company	01/13 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DISH:	52.07	(1.87)	CSG SYSTEMS:	33.53	(0.39)
ENTRAVISION:	7.09	(0.16)	ECHOSTAR:	34.77	(0.66)
GRAY TELEVISION:	13.41	(0.52)	GOOGLE:	700.56	(25.51)
MEDIA GENERAL:	15.47	(0.35)	HARMONIC:	3.33	(0.1)
NEXSTAR:	48.46	(2.01)	INTEL:	31.91	(0.77)
SINCLAIR:	29.29	(0.86)	INTERACTIVE CORP:	54.68	(2.56)
TEGNA:	22.87	(0.77)	LEVEL 3:	47.37	(1.38)
MSOS					
CABLE ONE:	419.62	(5.38)	MICROSOFT:	51.64	(1.14)
CABLEVISION:	30.81	(0.65)	NETFLIX:	106.56	(10.02)
CHARTER:	167.99	(7.33)	NIELSEN:	44.62	(0.67)
COMCAST:	53.55	(1.32)	RENTRAK:	44.04	0.61
GCI:	18.85	(0.31)	SEACHANGE:	6.60	0.05
LIBERTY BROADBAND:	48.11	(1.64)	SONY:	22.49	(0.36)
LIBERTY GLOBAL:	33.74	(1.4)	SPRINT NEXTEL:	3.10	(0.27)
SHAW COMM:	17.22	0.76	TIVO:	7.86	(0.01)
SHENTEL:	20.53	0.19	UNIVERSAL ELEC:	46.73	(1.69)
TIME WARNER CABLE:	179.57	(4.01)	VONAGE:	4.89	(0.11)
PROGRAMMING					
21ST CENTURY FOX:	25.88	(0.55)	YAHOO:	29.44	(1.25)
AMC NETWORKS:	74.21	(2.31)	TELCOS		
CBS:	44.94	(2.08)	AT&T:	33.74	(0.16)
CROWN:	4.57	(0.27)	CENTURYLINK:	23.02	(0.38)
DISCOVERY:	25.54	(0.79)	FRONTIER:	4.17	(0.21)
DISNEY:	98.48	(2.98)	TDS:	22.77	(1.2)
GRUPO TELEVISA:	26.92	(0.13)	VERIZON:	44.15	(0.78)
HSN:	47.54	(1.37)	MARKET INDICES		
LIONSGATE:	28.66	(0.77)	DOW:	16151.41	(364.81)
MSG NETWORKS:	19.56	(0.44)	NASDAQ:	4526.06	(159.85)
SCRIPPS INT:	54.60	0.12	S&P 500:	1890.28	(48.4)
STARZ:	31.11	(0.74)			
TIME WARNER:	70.65	(0.44)			
VIACOM:	43.06	(0.85)			
WWE:	16.10	(0.68)			
TECHNOLOGY					
ADVANTAGE:	1.73	0.01			
AMDOCS:	52.80	(0.56)			
AMPHENOL:	46.55	(0.88)			
APPLE:	97.39	(2.57)			
ARRIS GROUP:	26.73	(0.39)			
AVID TECH:	7.30	0.10			
BLNDER TONGUE:	0.38	UNCH			
BROADCOM:	53.22	(1.5)			
CISCO:	24.60	(0.75)			
COMMSCOPE:	23.06	(0.45)			
CONCURRENT:	5.25	(0.1)			
CONVERGYS:	22.83	(0.76)			

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Think about that for a minute...

Marketing

Commentary by Steve Effros

Last week I wrote about service. I think it's probably one of the most significant challenges the cable industry now faces. Regardless of the fact that we've built an extraordinarily complex infrastructure and successfully blanketed a vast majority of the country, that's no excuse for not getting the basics right. One of those basics is billing. I get more complaints from my exasperated friends about billing than just about anything else. There have to be some better ways to do this, and in the next few months I intend to talk to industry experts and air their ideas here to see if someone, somewhere, can inject some new thinking into this problem. You're more than welcome to send your ideas as well. My email address is below.

But billing is not our only big challenge. I suspect that marketing of our product is going to get increasingly difficult as well. That starts with an appreciation of what "our product" is. To be sure, we have the best delivery system out there. Not the only one, but certainly the most ubiquitous and on the broadband side it's becoming, once again, the fastest with the migration to DOCSIS 3.1. Delivery, however, isn't the only thing we market. The programming we deliver is also considered part of the cable package. This is going to become even more important as competition among deliverers results in "exclusive" packages being created to induce customers on board. We can see this trend already with Netflix and Amazon offering OVD packages (that's "online video," a much better description than "OTT" which never made any sense in the first place) with exclusive product you can only get with their delivery system. It's clear that others, including the cable industry, will follow suit in order to differentiate their products.

To be sure the consumer is going to be unhappy with all this. Not the massive choice in libraries of programming,



but in the fact that the "new" programming, the stuff that is subject to the most current marketing, will only be available on select platforms. Of course this has always been the case with magazines, newspapers and television channels. Aside from the probable continued efforts of the government to commoditize cable programming, which is likely to fail as more competition comes into the marketplace (this is the whole issue of "program access" which has increasingly serious First Amendment problems as we go along) video programming is going to be marketed as a "part of" a given delivery platform, and folks who want to watch specific programs that are widely marketed are going to be forced to buy multiple platforms. They're not going to be happy!

But let's face it. There are now video libraries full of program series that have gotten great reviews, or great word of mouth that you and I have never heard of! We can take long, deep dives into those libraries and not come up for air for some time. Meanwhile, new programming is being churned out, it would seem, by everyone, and the marketing challenge is going to be to try to be heard, recognized and sought after through the din.

How is that going to happen? Will the programmers team up with given delivery platforms or try to distribute on multiple platforms? I suspect the answer is both. So then what? This is another one of those subjects that we are going to have to take a long hard look at to appreciate how difficult, and likely expensive it will be, going forward.

Steve

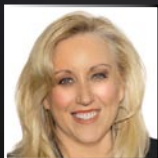
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(Steve Effros was President of CATA for 23 years and is now an advisor and consultant to the cable industry. His views do not necessarily reflect the views of Cablefax.)

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