

## HD + More Digital = Growth

**NCTC, HITS AND MOTO COLLABORATE ON ENHANCED HITS QT+**

*By Dan Mulvenon*

Regardless of a cable system's size, HD programming is frequently seen as necessary for growth. According to a joint survey conducted by HITS and NCTC, nearly all respondents expect to offer HD programming within the next 18 months.

By expanding video services to include a broad range of HD and standard definition channels, including DVR capabilities, cable operators are better positioned to generate more revenue and offer a competitive lineup of digital video services to their communi-

ties. HD can generate an average of \$8.00 per household per month according to market analysis conducted by Dr. Mike Jude, Program Manager for Consumer Communications Services at Stratecast, a division of Frost & Sullivan.

To support cable system

operators in launching HD service, HITS and Motorola, which jointly operate the Quick Take Plus (QT+) platform, have collaborated with the National Cable Television Cooperative (NCTC) on a new QT+ launch package. The launch kit outlines the

*continued on page 3*

## New Twist on Interconnects

**CABLE-TO-CABLE RATHER THAN CABLE-TO-TELCO**

*By Monta Hennon*

Mid-sized cable operators are finding truth in the old adage, "I'll scratch your back if you scratch mine."

In recent years, a number of these companies have been hard at work pushing fiber closer to their customers and building backbones that allow them to connect their own sometimes disparate systems.

By reaching just a little bit farther, they have discovered they can extend across franchise lines and interconnect with other cable operators for the exchange of video or even data traffic. In so doing, they

are bringing higher quality video signals to the end user and competing for lucrative enterprise contracts that require long-haul capability or connections beyond their own territory.

"As we continue to expand and place more fiber toward the edge of our network, there are more opportunities within a couple hundred feet or a mile (to) where the adjacent operator is," said Al Kuolas, Atlantic Broadband's CTO. "It makes these kinds of interconnects easier and more cost justifiable."

His company has been



exchanging video feeds for four to five years, for a variety of reasons, including offering a more reliable video signal for a particular channel and providing local broadcast programming from a nearby city.

"We probably wouldn't have spent a quarter of a million to pick up (the channel), but if

we are very close to (an adjacent operator) because we are putting up fiber anyway to feed nodes further out in our network, and we are (now) not a quarter or tenth of a mile apart, it is a small investment," Kuolas said.

*continued on page 6*

## PREPARATION

Larger operators such as Cox Communications of Arkansas and Kansas were better prepared, having as a key resource its corporate parent in Atlanta to draw from.

"We had the forecasts and geared up with crews, vehicles maintained, and staffing with 500 additional people," said Joe Williams, director of construction and engineering for Cox Communications of Arkansas and Kansas. "We talked to local contractors before the storm and pulled in generators from the Midwest division. The Cox home office was extremely helpful as well. The spirit of our employees was unbelievable, with many having no power in their homes. The enormity of the storm was shocking."

Yet no one could adequately prepare for a storm this size, even with plenty of disaster experience.

We respond to lots of storms, but ice storms are the trickiest," said Larry Stiffelman, senior sales manager for cable equipment provider CommScope. "We hold back 20 percent of equipment for emergencies, but this storm took much more than 20 percent."

CommScope, he said, was shipping cable nonstop for a month to the affected areas, and, ironically, water to Kentucky. "Strands and cable were the major needs, and wire. But installing was a problem. And there was no power. We delayed some existing orders to get cable to ice storm operators, and they rolled up their sleeves to rebuild plant in

a very short time, right behind the utility trucks. I couldn't believe how torn apart the Ozarks were. It was brutal."

Brutal, and still being felt by smaller operators, many of whom were light on insurance or had none at all.

"We're working through the insurance coverage and one system at a time from the inside out to ensure the distribution system and drops are in place," said Ty Garrett, president of SEMO Communications, a family-owned business serving 18 communities in southeast Missouri. "We're in recovery, and we got all our existing customers back in 30 days. But it will take six more months before we're back to normal. I've never seen a storm that could do this kind of damage. It was a century-storm."

## RECOVERY

The recovery process, albeit tedious, remains a work in progress. But there are clear signs of the systems returning to some semblance of normalcy. Said Gleason: "We're 95 percent restored. We had 250 of our people who worked for weeks straight, and our customers were very understanding. We hit the ground running."

For the small, independent cable operators hit hardest by the storm, now the operative word is recovery. Said Garrett: "People can do just about anything when they have to."

— Craig Kuhl

# Avenue Marks Year of Voice

## "BEYOND EXPECTATIONS"

by Linda Hardesty

Residential—if not business—telephony became old hat several years ago for many MSOs, but some smaller operators are still celebrating initial success in this market.

Avenue Broadband, a cable operator with about 38,000 subscribers, serving communities in southern Indiana and Illinois, launched an IP-based digital voice service in June 2008. After one year, Avenue had passed the 3,000-sub mark for its telephony offering, said Mary lafrate, VP and GM at Avenue.

"We are actually beyond projections," lafrate said.

As with other small operators, Avenue faced both internal constraints and competitive threats. "They're in between AT&T and Verizon in that territory," said Cliff Rees, CEO of XCast Labs, Avenue's digital voice partner.

A self-described software as a service (SaaS) provider, XCast offers a fully hosted VoIP service. "We run all the phone calls through all our equipment based in Los Angeles with backup in Chicago," said Rees. "Traffic goes to their customers on their cable network."

While hosted, the service still depends upon Avenue's CMTS equipment and data network. It also called for some upgrades to the operator's plant. "We're in the process of upgrading the system with new taps, new amplifiers and power supplies," said Jess Spence, Avenue's VP of engineering.

Avenue faces other challenges common to smaller operators that optically link with many but not all of their rural properties. "There are some systems that are very remote, and it's not feasible to run fiber to them to interconnect," Spence said.

The operator is targeting 85 percent of its systems to offer digital voice.

"The hardest part was getting all the features to work with the EMTAs (embedded multimedia terminal adapters)," said lafrate. Avenue uses the ARRIS 602 EMTA, which provides voice and Internet connection.

lafrate said a lot of smaller operators are intimidated by telephony, but that the VoIP product offered through XCast was "really very simple."