

Comcast Memo: Rep From “Painful” Retention Call Was Doing “What We Trained Him To Do”



([chrisinphilly5448](#))

A week after the posting of [the neediest customer-retention call in Comcast history](#), the fallout continues, with the company’s Chief Operating Officer telling Comcast employees in a memo leaked to Consumerist that the incident was “painful to listen to,” but that the rep “did a lot of what we trained him...to do.”

The below letter from Comcast COO Dave Watson was posted today to the Team Comcast employees’ site for all to read, and apparently to pass on to Consumerist.

In the message, Watson admits that “we are embarrassed by the tone of the call and the lack of sensitivity to the customer’s desire to discontinue service,” while also taking the opportunity to position the incident as a teachable moment.

“[W]hile I regret that this incident occurred, the experience that this customer had is not representative of the good work that our employees are doing,” he writes. “That said, it was painful to listen to this call, and I am not surprised that we have been criticized for it.”

Watson concedes that working the Retention line, where customers are trying to say farewell, isn’t an easy job.

“Respecting our customers is fundamental, and we fell short in this instance,” he writes. “I know these Retention calls are tough, and I have tremendous admiration for our Retention professionals, who make it easy for customers to choose to stay with Comcast.”

Refreshingly, the COO seems to be putting some of the blame on the company instead of the employee.

“The agent on this call did a lot of what we trained him and paid him — and thousands of other Retention agents — to do,” continues Watson. “He tried to save a customer, and that’s important, but the act of saving a customer must always be handled with the utmost respect.”

As a result, the company is at least paying lip-service to the idea of better training for employees (whether they make good on these promises is still to be seen).

“This situation has caused us to reexamine how we do some things to make sure that each and every one of us — from leadership to the front line — understands the balance between selling and listening,” he admits. “When the company has moments like these, we use them as an opportunity to get better, and that’s what we’re going to do. We will review our training programs, we will refresh our manager on coaching for quality, and we will take a look at our incentives to ensure we are rewarding employees for the right behaviors. We can, and will, do better.”

Below is the full text of the memo posted by Watson.

***A Message From Dave Watson,
July 21, 2014***

You probably know that there has been a fair amount of media attention about a recording of a phone call between one of our Customer Account Executives (CAEs) and a Comcast customer. The call went viral on social media and generated news headlines. We have apologized to the customer privately and publicly on Comcast Voices, making it clear that we are embarrassed by the tone of the call and the lack of sensitivity to the customer’s desire to discontinue service.

I’d like to give you my thoughts on the situation.

First, let me say that while I regret that this incident occurred, the experience that this customer had is not representative of the good work that our employees are doing. We have tens of thousands of incredibly talented and passionate people interacting with our customers every day, who are respectful, courteous and resourceful.

That said, it was painful to listen to this call, and I am not surprised that we have been criticized for it. Respecting our customers is fundamental, and we fell short in this instance. I know these Retention calls are tough, and I have tremendous admiration for our Retention professionals, who make it easy for customers to choose to stay with Comcast. We have a Retention queue because we believe in our products, and because we offer a great value when customers have the right facts to choose the package that works best for them. If a customer is not fully aware of what the product offers, we ask the Retention agent to educate the customer and work with them to find the right solution.

The agent on this call did a lot of what we trained him and paid him — and thousands of other Retention agents — to do. He tried to save a customer, and that’s important, but the act of saving a customer must always be handled with the utmost respect. This situation has caused us to reexamine how we do some things to make sure that each and every one of us — from leadership

to the front line — understands the balance between selling and listening. And that a great sales organization always listens to the customer, first and foremost.

When the company has moments like these, we use them as an opportunity to get better, and that's what we're going to do. We will review our training programs, we will refresh our manager on coaching for quality, and we will take a look at our incentives to ensure we are rewarding employees for the right behaviors. We can, and will, do better.

Thank you for your support, and many thanks to the thousands of exceptional employees all around the country who work so hard to deliver a great customer experience every day. I am confident that together we will continue to improve the experience, one customer at a time.

Dave Watson

Chief Operating Officer, Comcast Cable

Rush Hour on Comcast-TWC

7/14/2014 8:00 AM Eastern

By: **John Eggerton**

WASHINGTON — The clock has officially started on the Federal Communications Commission's review of the Comcast/Time Warner Cable merger July 10. That means the agency has set itself an informal 180-day deadline, which would put a decision in early January. It also means the FCC has set the comment deadlines for the deal, the last of which is Oct. 8.

Satellite-TV provider Dish Network did not wait for the clock to start before weighing in against the deal last week. Company founder and chairman Charlie Ergen talked to the offices of all five commissioners and said the deal should be blocked, the first time his company has officially come out against the deal.

That did not come as a big surprise to Comcast. "Dish not wanting stronger competitors isn't surprising and it isn't new," the company said in a statement. "Any issues regarding NBC Universal programming and other video services, whether they be traditional or over the top, are already amply covered by pre-existing FCC rules and deal conditions."

Discovery did not take a position on the deal, but it has employed a couple of veteran lobbyists from Glover Park Group to make the rounds, according to a disclosure form obtained by *Multichannel News*. They are Susan Brophy, the former chief of staff to retired Sen. Byron Dorgan (D-N.D.), and Gregg Rothschild, a key staffer to former Sen. John Kerry (D-Mass.).

- See more at: <http://www.multichannel.com/rush-hour-comcast-twc/375873#sthash.m4mOkubt.dpuf>

Multichannel News – July 14, 2014

PEG Channels, Broadcasters Join Forces

7/14/2014 8:00 AM Eastern

By: **John Eggerton**

WASHINGTON — American Community Television, which has been battling cable operators over public, education and government (PEG) channel placement, has joined broadcast-TV stations in battling cable over retransmission-consent reforms.

It's part of an escalating skirmish that could come to a head with satellite-television reauthorization legislation that could include or exclude reforms to retransmission-consent rules.

Broadcasters are fighting cable-industry efforts to include a prohibition on basic-tier status for retransmitted stations in that must-pass legislation.

ACT last week said it had joined the coalition, made up of network-affiliate associations, the National Association of Broadcasters and others pushing back against calls for retransmission reforms. "Local broadcast-TV stations and PEG channels often work together to deliver vital public service, educational and religious programming to viewers in their communities that cannot be replicated by pay TV or broadband service providers," ACT executive director Bunnie Reidel said.

ACT is pushing a bill that would preserve PEG access on cable basic tiers and expand use of PEG funding for ongoing operations. TVfreedom has said it supports that legislation.

The American Television Alliance, representing cable and satellite operators pushing for retrans changes, dismissed the new get-together.

"Broadcasters are dishing out more red herrings than a fish monger," ATA spokesman Brian Frederick said. "PEG ... stations would not be impacted by eliminating the basic-tier mandate, nor would any station that elects mustcarry. Only for-profit broadcasters who are making billions of dollars on retransmission consent would be affected. The key question is whether consumers should be forced by the government to pay for network affiliates.

- See more at: <http://www.multichannel.com/peg-channels-broadcasters-join-forces/375904#sthash.eM3kxJgC.dpuf>

Multichannel News – July 14 ,2014

Subject: CenturyLink To Provide I Gig Service in Twin Cities

CenturyLink will be announcing very shortly, if they haven't already, their plans as noted in the attachment. Note, at this time it is our understanding they are NOT providing cable service via the upgrade network, only internet and phone. Obviously this could change at some point, but this is good news for the consumer.

Of course for most of us, this just adds another layer to our renewal negotiations with Comcast. As I get more info, or if you do, please share amongst the tribe. Thanks.

Mike Reardon
Cable Communications Officer
City of Saint Paul
651-266-8875



**FACT SHEET
CenturyLink Gig Cities
Twin Cities**

- CenturyLink's investment in technology infrastructure over the next few years will bring the industry's fastest speeds to residential and small-business customers in the Twin Cities. Only local large business customers have historically had access to 1 Gigabit and higher speeds from CenturyLink in the Twin Cities.
- What is 1 Gigabit Internet from CenturyLink ?
 - 1 Gigabit = 1,000 megabits per second.
 - 1 Gigabit is 100 times faster than the national average residential speed (10 Mbps or less)
 - 1 Gigabit service is the fastest service available to homes in the United States.
 - 1 Gigabit service with CenturyLink is symmetrical upstream and downstream
 - 1 Gigabit allows users to seamlessly connect without buffering or bandwidth issues.
 - 1 Gigabit allows for a future proof connected home with smart appliances and a growing number of multiple devices using one robust connection.
 - 1 Gigabit for small business provides quick access IT cloud infrastructure.

- The Twin Cities was selected as a CenturyLink 1 Gig city based on the local culture around innovation, support from leaders in the community and the quality of the existing CenturyLink fiber architecture.
- The Twin Cities metropolitan area is one of 16 markets selected by CenturyLink for this expansion and upgrade to the fiber network. The cost of the investment is within capex guidance, but is not being disclosed.
- In the Twin Cities, service will be available to hundreds of thousands of customers over the next few years. The exact number of households and small businesses the service will be available to nationwide is substantial, yet proprietary.
- Residential customers will be able to subscribe to 1 gigabit service for as low as \$79.95 a month when bundled with other qualifying CenturyLink services.
- CenturyLink is upgrading speeds for qualified low-income customers as part of this investment. Special pricing is available through the CenturyLink Internet Basics program. Qualified customers can get 40 Mbps over fiber for \$9.95 a month for the first 12 months. The cost will then increase to \$14.95 a month.
- Residential customers can check availability by visiting www.centurylink.com/gig
- Small business customers can check for availability on www.centurylink.com/twincities

CenturyLink expands its gigabit service to 16 cities, delivering symmetrical broadband speeds up to 1 gigabit per second.

Speeds up to 1 gigabit per second are available now to residential and business customers in select locations in 16 cities through CenturyLink's ultra-fast fiber network.



Diversity Groups Push Back On Title II Reclassification

7/28/2014 8:00 AM Eastern

By: **John Eggerton**

TakeAway

In statements applauded by cable operators, a number of diversity groups have registered their concerns with the FCC that Title II reclassification of the Internet could hurt diversity, slow broadband adoption, raise prices and choke innovation.

WASHINGTON — Several diversity groups are getting behind Federal Communications Commission chairman Tom Wheeler’s vision of an open Internet, arguing that FCC authority, rather than Title II reclassification, is the best way to go.

Cable operators applauded the concerns voiced by Rainbow PUSH and the Minority Media & Telecommunications Council, which said last week that Title II — essentially regulating the Internet like a utility — was the wrong route. Those groups and dozens more went so far as to say that Title II could hurt diversity.

In their comments, the groups said the FCC should use its authority under Section 706 of the Telecommunications Act — which allows it to promote advanced communications services to all Americans — to protect an open Internet, “coupled with a [rebuttable] presumption against paid prioritization and with strong and well-enforced consumer protections.” The FCC must also create an “accessible, affordable, expedited” process to handle complaints, they said.

The NAACP, which filed separate comments in tandem with the Communications Workers of America, also supports using Section 706 authority to justify new rules, but did not take aim at Title II in its comments.

The groups brand Title II an out-of-date structure that would increase consumer prices, slow broadband adoption, potentially choke innovation and diminish investment and lead to years of regulatory ambiguity and litigation.

Wheeler's proposal to use Section 706 authority to justify new network-neutrality rules has faced a storm of blowback from net-neutrality backers who have said the chairman is creating Internet fast and slow lanes, and only Title II reclassification will suffice.

Wheeler has said Title II is a legitimate option. But last week he appeared to be taking further steps to demonstrate the FCC has the authority to enforce the network management transparency crucial to a Section 706-based, case-by-case review of commercially-reasonable discrimination.

In a strongly-worded advisory to ISPs, Wheeler said that as of last week, broadband providers cannot claim they didn't know the FCC was watching . "The FCC's transparency rule requires that consumers get the information they need to make informed choices about the broadband services they purchase," Wheeler wrote. "We expect providers to be fully transparent about the details of their services, and we will hold them accountable if they fall down on this obligation to consumers."

An FCC spokesperson told *Multichannel News* the warning was rooted in hundreds of consumer complaints the agency received over the past year about various ISP-related issues, including broadband speeds and usage caps.

But the very stern public warning about how seriously the FCC takes, and will monitor, network management and services was also a way to soften the turf for the FCC's commercially-reasonable standard for allowing, or disallowing, discrimination on a case-by-case basis.

That standard hinges on consumers and the FCC being able to judge what networks are actually doing so they can decide whether that is commercially reasonable.

The public is clearly interested in proposed new network-neutrality rules, logging more than 1 million comments so far. The FCC moved its deadline from July 15 to July 18 to make room for more than 200,000 more comments, according to FCC figures. The move came after the agency conceded it was having trouble handling the volume of comments to both the docket and a separate email address created to collect even more input.

Reply comments will still be coming in until Sept. 10 and — technically — can keep coming in until seven days before the new rules are scheduled for a vote, which the chairman has targeted by year's end.

- See more at: <http://www.multichannel.com/diversity-groups-push-back-title-ii-reclassification/382751#sthash.bioH2MJO.dpuf>

Multichannel News – July 28, 2014

Mergers Set Stage for Franken Moment

TV Comedian-Turned-Senator Sees Media Consolidation As Serious Business

7/28/2014 8:00 AM Eastern

By: **John Eggerton**

Since his first week on the job in July 2009, when he jumped into the confirmation hearing for Supreme Court Justice Sonia Sotomayor, Sen. Al Franken (D-Minn.) has hit the ground running. He is a prominent inquisitor on the Senate Judiciary Committee, and he has taken the lead on big privacy issues as chairman of the privacy subcommittee.

A Harvard graduate, five-time Emmy Award winner and best-selling author, the 63-year-old former comedian has been a familiar TV face, and voice, to the Baby Boomer generation for decades as one of *Saturday Night Live's* original writers and performers. As Stuart Smalley in the 1990s, Franken sought daily affirmation that could have served as a campaign slogan: "I'm good enough, I'm smart enough and doggonit, people like me."

He is currently seeking a second Senate term this November, which would take him through 2020. According to Public Policy Polling, Franken leads all his potential Republican opponents by double digits. That would be a big change from 2008, when he won in a recount by a razor-thin margin over incumbent Norm Coleman — Franken was not sworn in until July of 2009.

With the retirement of "prairie populist" Byron Dorgan (D-N.D.) in 2010, Franken arguably inherited the mantle of the Senate's biggest media-consolidation critic — Independent Bernie Sanders of Vermont is in the running as well — with a reputation for doing his homework and saying what he thinks.

Franken has said his opposition to the merger of Comcast, parent of NBCUniversal, with Time Warner Cable is nothing personal, even though he was an NBC employee when a writer and performer on *SNL*. Instead, his view

is that the deal is too big to succeed, if success means a consumer-friendly programming platform receptive to independent content.

In a rare, wide-ranging interview, Franken talked to *Multichannel News* Washington bureau chief John Eggerton about those deals, network neutrality, privacy and why the former funnyman became a serious legislator.

MCN: How has your experience of being part of the media business, particularly working for NBC, informed and shaped how you view big media companies?

Al Franken: I want to emphasize that I really loved my time at *Saturday Night Live*. Even though I opposed Comcast buying NBC, I kind of recognized that, in a way, it was better for NBC to be owned by a media company rather than a company that sells toasters [General Electric]. But what I have been taught is that, sometimes, what these media companies say in hearings is not what happens.

I think you wrote about it when I talked about fin-syn in the Comcast-NBCU deal. The lesson from that was that [when the fin-syn rules, which prevented networks from owning a financial interest in the domestic syndication of shows on their air, were removed] they swore up and down that they wouldn't favor their own content. (Chuckles.) And I'm laughing, because you know what happened. They said: "Why would we do that? We just want the best shows that get the best ratings. We just want the best content." And then as soon as fin-syn went away, they started favoring their own content. We have seen what happened to independent production on television: It plummeted. My experience was that the networks basically said, "Now that we can, we will own as much of our content as we can."

And when an independent producer would do a pilot, say, there would be kind of an implicit understanding that if the independent owner gave some ownership to NBC it was more likely to get on the network and into a good timeslot. So, they leveraged their position, and this has given me an insight into how this leverage not only can be used, but is used.

MCN: Is that why you have had issues with companies adhering to conditions put on deals?

AF: Even [with] how they are able to be enforced, because of the FCC's resources versus the resources of these companies. You know, a Tennis Channel that is competing with Comcast/NBC, if they feel like Comcast is favoring its own channel, enforcing these conditions sometimes has to be through private right of action, and boy it is really hard to do that against a behemoth. And even when the FCC wants to take action, that large company can drag it out and task the resources of the FCC.

MCN: You have been a big critic of the proposed Comcast-Time Warner Cable merger. What is your biggest concern?

AF: That it will hurt consumers, that it will be anti-competitive, so we will have less innovation and worse service to consumers in Minnesota and elsewhere, and less choice. It's just too big. It is the No. 1 cable provider buying the No. 2 cable-TV provider. It's the No. 1 Internet-broadband provider buying the No. 3 provider, and Comcast has about 12% or 13% of all television content and they can leverage all of that in a way that poses a lot of difficulties that I have with competition and it makes them a kind of gatekeeper in content. It gives them too big a position in the market and they will leverage that position with their Wall Street investors on their phone calls.

MCN: Are there any conditions the government could put on the deal that would make it acceptable? Say, extending the network-neutrality conditions beyond 2018?

AF: I am not talking about conditions at this point, because I think the FCC and [Justice Department] should block the deal.

MCN: Do you have a similar "bigness" issue with AT&T-DirecTV?

AF: I am continuing to evaluate that deal. It is a different thing, but I have the same kind of problems. One of them is size and what that does to competition. They say they will make broadband access available to millions of new

customers and that the deal will create jobs, but this will just give AT&T a lot of power across the telecommunications industry, and that can be bad for consumers.

MCN: But you don't oppose it?

AF: I have not come to a conclusion on that. I'm still analyzing the deal. I wrote a letter to the FCC and the DOJ explaining my concerns, and I pressed AT&T about some of the questions I had in the hearings on municipal broadband and on net neutrality. I am very concerned about network neutrality, as you know.

MCN: Comcast and others argue that they need this size and scale to compete with each other and to have the wherewithal to invest in all this higher-speed, more available broadband the government is pushing them to deploy. Don't they have a point?

AF: When AT&T is saying it needs its size to compete with Comcast if it buys Time Warner Cable, I think that speaks to the importance of not allowing Comcast to buy Time Warner Cable, because you see that more concentration of media begets more concentration of media.

I believe that media consolidation is a huge problem for American consumers and a real threat to our democracy. We need more competition, not less, because as these big corporations get bigger, consumers get stuck with higher prices, fewer choices and worse service. And these companies aren't selling widgets; they control the means by which we communicate with each other and share ideas, so media consolidation threatens the diversity of views on which our democracy relies.

MCN: Moving to network neutrality, you are pushing the Federal Communications Commission to use its Title II authority to restore the rules ...

AF: Yes, just label [broadband service as] a telecommunications industry. The court has said they could do that, and I think they should probably take the

court's advice. I think that would go a long way toward protecting net neutrality and I think it would go a long way toward making this sphere more competitive.

MCN: You described FCC chairman Tom Wheeler's proposed new Open Internet order as possibly the beginning of the end of the Internet as we know it. Why did you say that?

AF: The chairman had brought up the idea of fast lanes, essentially. And I find that completely, diametrically opposed to net neutrality. I mean, the whole point of net neutrality is that all content is treated neutrally, or the same and travels at the same speed, and that has been the architecture of the Internet from the beginning. I want people to understand that. We've had members of Congress saying, "Well, we've had all this innovation of the Internet without net neutrality," and they don't understand that. I don't want any of your readers to misunderstand that because we have had net neutrality from the beginning and the Internet has grown and exploded not just while we have had net neutrality, but because of it. The innovation that has come along has allowed startups and new companies to compete with very large companies and beat them because their content gets to travel at the same speed.

MCN: You were talking earlier about municipal broadband. You signed on to a letter about pre-empting municipal broadband regulations. Why should the FCC step in?

AF: I think the incumbents in Internet broadband have worked to stop municipal broadband, which can serve their residents and citizens very well. [Incumbents] have funded campaigns in state legislatures to stop municipalities from doing their own broadband, and I think that's wrong.

That is why I asked [AT&T CEO Randall Stephenson] whether they had done that [at a June 24 hearing on the AT&T-DirectTV merger], and I guess he didn't know.

MCN: Ultimately, though, it is the legislatures that vote on those laws. So, are they ostensibly representing their constituents?

AF: There has just been a big lobbying effort in state legislatures that has kind of been one-sided, and I think that they may not be voting in the interests in these municipalities and the citizens of these municipalities. So, it is sometimes when these very big, deep-pocketed corporations exercise those resources you get results that don't necessarily serve the people.

MCN: Protecting privacy online is one of your signature issues. What is the latest on that front?

AF: I have been looking at location privacy. Smartphones have exploded over the last several years and these phones have apps, and sometimes the phones themselves, that can record where you are. And I feel that this location information is sensitive. It is where you live and work and take your children to school and go to church and where and when you go to the doctor. So, I think people should have the right to control that information; to give their approval if you want to take that information and share it.

Obviously, a lot of great things come out of there being this location data. If you want to go to the nearest Pizza Hut or bowling alley or whatever, you need to do that, and you are going to say, "Yes, take my location." But there also have been abuses, and one of the worst abuses was from one of the first pieces of testimony that I got when I first did hearings, which was from the Minnesota Coalition for Battered Women. It was about a woman in Northern Minnesota in an abusive relationship who went to a county building where there was a domestic-violence center. The counselors there took her to a county courthouse to file a restraining order against the guy. Within a few minutes, he texted her and asked why she was in the courthouse.

This cyber-stalking has been going on for a long time, but the last statistics DOJ had on this were, I believe, from 2006, and it was 25,000 cases. Think of what the explosion has been since then in the use of smartphones. We have had hearings with law-enforcement and domestic-violence groups and this is very, very prevalent. Part of what I am trying to do with my location bill is making the marketing and selling of these [stalking apps] illegal.

MCN: What made you decide to get into politics and do you see it as a natural progression from your taking aim at the right wing, both on Air America and through your books, to actually being able to do something about it through the process?

AF: Well, yeah. I had been very conscious of public policy throughout my entire life. Ever since I was 11 or 12 years old, during the civil rights movement, I got kind of involved and interested in public policy. My dad was a Republican, but during the civil-rights debate he became a Democrat because of the 1964 Civil Rights Bill. Sen. [Barry] Goldwater [then the Republican candidate for president] had voted against it, and my dad said, "That's it."

That was very informative to me. This is something I have always been interested in. When I started doing comedy in high school with Tom Davis, I started doing political satire. When we got to *Saturday Night Live*, we were doing a lot of the political satire with Jim Downey, who is conservative, but a very, very thoughtful conservative. We felt the job of the show was to be insightful in our satire, but not to be liberal or conservative.

I think we did a really good job of that, and I am very proud of the work I did with a lot of my other writers there. But when I left the show in 1995 finally, I saw what the Gingrich revolution was, and I wrote the book about Rush Limbaugh [*Rush Limbaugh Is a Big Fat Idiot and Other Observations*]. That was my sort of saying, "OK, now I'm not writing for a bunch of other people, I'm writing for me." I think your take is exactly right that it was a natural progression [to politics].

The tragedy of Paul and Sheila and Martha and others all dying in that plane crash was also part of the road there. [Paul Wellstone, former Democratic senator from Minnesota, was killed in a plane crash in 2002 along with his wife, Sheila, and daughter, Martha.]

MCN: Do you consciously downplay your funny side so you will be taken more seriously, or are you just a Harvard government major who got sidetracked by comedy?

AF: People have written a lot about this and I think it is overplayed. I think my staff will say I'm funny around the office and my colleagues will say I'm funny. But I'm also very serious, and I think you can be funny and serious at the same time.

- See more at: <http://www.multichannel.com/mergers-set-stage-franken-moment/382760#sthash.ICvdJNH4.dpuf>

Multichannel News – July 28, 2014

Arris Makes Over-the-Top Pitch

New Apps 'Market' Will Mix Online, Linear TV 7/28/2014 8:00 AM Eastern



By: **Jeff Baumgartner**

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TakeAway

As a competitive hedge against TiVo, Arris plans to launch an “Arris Market” offering apps MSOs can mix with their over-the-top and traditional video services.

In a move aimed at loosening TiVo’s tightening grip on the nation’s independent cable operators, Arris said it is zeroing in on the launch of an applications marketplace that will enable its pay TV partners to mix over-the-top fare with traditional live video services.

The cable-tailored “Arris Market” is powered in part by Wurl, a startup that will host the third-party apps, provide a “strong indexing engine” and furnish metadata that will allow users to search for content across many of those apps on an aggregate basis rather than requiring them to sift for content by opening up the individual apps, Ron Miller, vice president of product management for Arris’s Consumer Solutions Group, explained.

Arris will offer the new app store via its Whole Home Solution, a product set that is anchored by a six-tuner HD-DVR/gateway outfitted with a DOCSIS 3.0 modem and integrated WiFi. That product came out of Arris’s \$20 million acquisition of Digeo, Paul Allen’s video set-top and software business, in 2009.

Miller said one of Arris’s “major customers” will start to test the new cloud-based apps platform with employees in the next couple of weeks, with two more operator partners set to follow ahead of a broad commercial launch. Arris isn’t disclosing them, but candidates include operators that have already rolled out or announced deals to deploy the company’s platform, including

Shaw Communications, WideOpenWest, Buckeye CableSystem, EastLink, Comporium, Consolidated Communications and Service Electric Cable TV.

“A lot of [partners] are looking at this option,” Miller said. Arris is also being coy about which apps will grace its market when it launches, but expects that it will support dozens of them in its baseline offering.

Miller confirmed that Netflix “will be visible in Arris Market as a separate application,” but added that operators will need to secure agreements with the video streamer before it can be added to the mix on leased boxes. Netflix’s rules also won’t allow Wurl to index its content, Miller said, but added that there are no technical hurdles that would prevent any of Arris’s partners from offering Netflix via its Whole Home Solution.

Arris’s revised offering will tangle with TiVo, which has already enabled Netflix on boxes leased by several of its U.S. cable partners, and has recently unleashed an apps store offered in partnership with Opera. Comcast has shown some interest in licensing its X1 platform to other cable operators, including independent MSOs, but has not announced any agreements involving trials or deployments. Cox Communications and Comcast confirmed in January that they have held some X1-related licensing talks.

Arris and Wurl said they will demonstrate the new apps platform this week at The Independent Show in Kansas City.

- See more at: <http://www.multichannel.com/news/cable-operators/arris-makes-over-top-pitch/382771#sthash.6Xw3lABp.dpuf>

Multichannel News – July 28, 2014

QCCC Links:

Subject: [Members] TwinCities.com: Like local sports, city hall on cable? Showdown could change things

http://www.twincities.com/localnews/ci_26049289/public-access-programing-negotiations-minnesota-could-be-nearing

Subject: [Members] WashPost: These are the FCC merger hawks who'll decide your cable future

<http://www.washingtonpost.com/blogs/the-switch/wp/2014/07/07/these-are-the-fcc-merger-hawks-wholl-decide-your-cable-future/>

Subject: [Members] BBR: Aereo's Plan B: Argue It's a Bonafide Cable Company

<http://www.dsreports.com/shownews/Aereos-Plan-B-Argue-Its-a-Bonafide-Cable-Company-129646>

Subject: [Members] WashPost: No, Aereo isn't really claiming to be a true cable company

<http://www.washingtonpost.com/blogs/the-switch/wp/2014/07/11/no-aereo-isnt-really-claiming-to-be-a-true-cable-company/>

http://www.theverge.com/2014/7/28/5936959/comcast-confessions-when-every-call-is-a-sales-all?utm_source=digg&utm_medium=email

Subject: [Members] FierceCable: TWC's Marcus: Busy FCC may be delayed in finishing Comcast purchase approval

<http://www.fiercecable.com/story/twcs-marcus-busy-fcc-may-be-delayed-finishing-comcast-purchase-approval/2014-07-28>

Subject: [Policy] MCN: Small Cable Eye Ways to Unload Old TV Service

<http://www.multichannel.com/news/distribution/small-cable-eye-ways-unload-old-tv-service/382804>

Subject: CenturyLink to Provide 1 Gig Service in Twin Cities

<http://multichannel.com/news/technology/centurylink-pushes-1-gig-expansion/382971>

Subject: [Members] [ACT.org](#): Charter Slams PEG Channels and Gouges Municipalities

Reply-To: <members@lists.natoa.org>

<http://acomunitytv.org/2014/07/charter-slams-peg-channels-and-gouges-municipalities/>

FCC Could Have Broadband's Number: 706

8/11/2014 8:00 AM Eastern

By: **John Eggerton**

WASHINGTON — It looks like Federal Communications Commission chairman Tom Wheeler wants to give Section 706 of the Communications Act quite a workout.

In addition to proposing to reinstate Open Internet rules under that general authority, the latest Section 706 report, per a Notice of Inquiry the FCC released last week, will potentially get to usage-based pricing, broadband speed and other hot-button issues via their impact on advanced telecommunications service, depending on whether, or more likely how, the FCC redefines that.

Advocacy groups were already hailing the FCC's signal it might use its "broad" Section 706 powers to get to at some of those issues.

Pointing to its Universal Service Fund reform proposal, the Notice of Inquiry suggested the FCC "may want to" similarly propose adding speed, latency and usage allowances to the definition of advanced telecommunications' reasonable and timely deployment.

It is only a notice of inquiry, and Republicans were said to have gotten a number of their edits on the item, but it at least leaves the door open to more regulation in the name of Sec. 706.

An FCC source called that a fair assessment, but pointed to the Republican edits of the item as evidence that all the questions it raises may not translate to action.

Section 706 is the provision in the Telecommunications Act of 1996 that directs the FCC to determine whether advanced telecommunications capability is being deployed to all Americans in a reasonable and timely

fashion and, if not, to take “immediate action” to accelerate said deployment by removing barriers to investment and promoting competition.

The statute defines advanced telecom as “high-speed, switched broadband telecommunications capability that enables users to originate and receive high-quality voice, data, graphics and video telecommunications using any technology.

In the NOI, the FCC suggested its definition of “highspeed” needs to be increased from the current 4 Megabits per second upstream/1 Mbps downstream to at least 10/1.5 and that it may have to go as high as 25/6 Mbps to accommodate or anticipate all those cloud-storing, video watching, online educating Americans (see chart). But it is looking beyond speed to myriad other potential factors to shape the definition of the advanced telecom it can regulate.

Commissioner Ajit Pai was certainly concerned about that possibility, choosing not to vote yes but instead only to concur, a step below support. “I concur to the extent this notice perpetuates the recent trend of reading section 706 of the Telecommunications Act of 1996 as a roving mandate to do something — anything — about broadband,” Pai said last week.

The National Cable & Telecommunications Association had no immediate comment about the NOI.

- See more at: <http://www.multichannel.com/fcc-could-have-broadband-s-number-706/383076#sthash.BtAfssxq.dpuf>

Multichannel News – August 11, 2014

Charter Continues Pursuit Of CableCard-Free Platform

PLANS MORE TESTS FOR DOWNLOADABLE SECURITY 8/11/2014
8:00 AM Eastern

By: **Jeff Baumgartner**

TakeAway

In an FCC filing, Charter says it has successfully lab-tested silicon for a set-top using downloadable video security.

Charter Communications has told the Federal Communications Commission it is making progress on a downloadable video security platform for set-tops and other video devices that will blaze a trail toward the post-CableCard era.

But it's also evident that widespread commercial deployments of its new platform won't happen anytime soon.

In a document filed with the FCC late last month, Charter told the commission that it has successfully lab-tested silicon in a prototype set-top "to refine the operation of downloadable security across two existing industry-standard conditional-access systems." An upcoming lab test will be connected to live Charter plant, the MSO said.

Charter is keeping the FCC up to speed on its progress as the cable operator continues to develop a downloadable security system that, it said, will be open and result in less expensive, less power-hungry devices. CableCards, which allow conditional access to a signal, were born out of the 1996 Telecom Act and have never been popular with cable operators.

To assist Charter with that development, the FCC granted the Stamford, Conn.-based MSO a temporary waiver that clears it to deploy dual-security set-tops that integrate Charter's legacy conditional-access system alongside the new, downloadable version. The new security system is expected to grace a new "World Box" that is also under development.

Charter needed the FCC waiver to sidestep the agency's July 2007 ban on set-tops with integrated security. Cablevision Systems in 2009 received a similar waiver to aid its now-deployed downloadable security platform.

Charter, per the conditions of the waiver, said it has continued "good-faith" efforts with a CE manufacturer about development of a retail box that can use the downloadable system. Charter has not revealed that the CE company in question, though Samsung and Humax are believed to be among the candidates, but noted that "[f]urther progress awaits the finalization of the downloadable conditional-access ecosystem and its specifications."

Charter is not the only one trotting down the post- CableCard path. Comcast and TiVo forged a commercial agreement last month that will result in a new, non-CableCard approach to video security that will enable retail-bought TiVo devices to obtain access to the MSO's full suite of live and on-demand video products. Comcast has also pledged to continue providing and supporting CableCards in retail devices and to make its non-CableCard platform available to other cable operators "on commercially reasonable terms."

Comcast hasn't announced a technical solution to this, but industry sources familiar with cable's videosecurity market envision three possible paths: a new proprietary, downloadable system for an all-IP video product; a hybrid approach that would pair an IP-based security system with one used today in Digital Transport Adapters for QAM-based video; or a new, interoperable downloadable system that would work with legacy systems. The last option is said to be an "outlier" because it would likely require the full support of Cisco Systems and Arris.

Buckeye CableSystem, meanwhile, is trying to break free of the CableCard via a waiver request that seeks allowance to deploy a hybrid box with integrated and downloadable security that, it said, would serve as the "linchpin" to an all-IP transition. The FCC has yet to act on Buckeye's request, made on March 3.

Charter: A Daily Download

Key dates in the MSO's pursuit of a non-CableCard approach:

Nov. 1, 2012: Charter asks FCC for temporary waiver to deploy boxes with integrated security to accelerate its all-digital deployment and pave the way for a new downloadable security platform.

April 8, 2013: The FCC grants Charter a condition-filled, two-year waiver.

Oct. 30, 2013: Charter tells the FCC it has started good faith negotiations with a CE manufacturer that intends to develop a video device for retail that uses Charter's downloadable platform.

July 31: Charter tells FCC that lab tests and retail talks continue, noting it has deployed 1.37 million integrated security set-tops under the waiver.

- See more at: <http://www.multichannel.com/charter-continues-pursuit-cablecard-free-platform/383087#sthash.9Wkpiu4e.dpuf>

Multichannel News – August 11, 2014

Reform Groups Eye Cable Political Ads

FCC PUTS PETITION TO EXPAND POLITICAL-FILE

REPORTING OUT FOR COMMENT 8/11/2014 8:00 AM Eastern

By: **John Eggerton**

TakeAway

Advocacy groups are pressing the FCC to compel cable operators to put their political-ad files into its searchable database, as broadcast stations are required to do.

WASHINGTON — The Federal Communications Commission is getting pressure from campaignfinance reform groups to start requiring cable and satellite operators to put their political files in the agency's searchable database.

The attention is tacit recognition of cable's growing share of the political ad pie (see chart), driven in part by the influx of outside group money those reformers are trying to better identify by seeking enhanced disclosure.

That pressure almost certainly comes too late to affect the current midterm election, but that hasn't stopped such groups as the Campaign Legal Center, Common Cause and the Sunlight Foundation from trying to goose the FCC into action.

Cable operators and satellite providers are required to keep copies of their political ad contracts, including prices, in a local public file for everyone to see, just as broadcasters are. But two years ago, when the FCC decided it was in the public interest to make those TVstation files accessible, it chose not to apply the rules to cable and satellite, suggesting broadcasters were first, but not necessarily last.

FCC chairman Tom Wheeler declined to comment on whether extending the requirement to cable or satellite is on his radar screen, but the commission did put a petition on doing so out for comment last week, also asking if radio should be included.

The short answer of why cable and satellite could not be included in the TV political file database rule when it was adopted is that the FCC never put them on notice that they could be included.

“The technical reason is that it wasn’t noticed, so they could not adopt a rule when they adopted the TV rule,” a broadcast attorney speaking not for attribution said.

The FCC confirmed that was the reason. But that does not explain why it chose not to include cable operators in the first place or why the agency has not taken any action since, the attorney said.

Certainly, broadcasters made it clear they thought it was not fair that their MVPD competition did not have to put sensitive price information in a national database available for examination and search.

The attorney offers a couple of reasons: “The amount of cable-origination political ads is so much less than on TV that the so-called public interest groups don’t care,” he said. Or at least didn’t care until a couple of weeks ago.

Actually, Rep. Anna Eshoo (D-Calif.) called for cable and satellite to be added to the disclosure rules in 2012, but nothing came of it. Her office had not returned calls at press time about whether she would renew that call.

Another option is that neither then-FCC chairman Julius Genachowski nor the current chairman, Wheeler, was interested in imposing the regulations on cable operators. Genachowski certainly wasn’t hammering cable operators during his tenure, beyond forcing them to the table on net neutrality.

Wheeler was warned by Senate Republicans to steer clear of political files when it came to enhanced disclosure. However, has not proven timid about regulating, or threatening to regulate.

- See more at: <http://www.multichannel.com/reform-groups-eye-cable-political-ads/383081#sthash.yDBJarYS.dpuf>

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