

# Countdown to DTV

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## Abstract

*The new broadcast digital television service (DTV) will launch this year. The presentation focuses on where things stand, what will likely happen, and how that will impact cable digital service.*

## Tick, Tick ...

So much to do, so little time. That is true for broadcasters as they start this year to replace, end-to-end, their 50 year old analog television service with DTV, the new, digital service based on the ATSC standard. At long last, following 10 years of government-fostered standards setting, 1998 is D-Year.

The focus of this presentation is to update and address many of the burning questions regarding broadcast DTV as it relates to cable. Insights should fly off the screen as we summarize what amounts to the reinvention of broadcasting, and how cable plans to handle those new signals.

It all starts this year. Twenty-six TV stations in major markets across the country have pledged to launch DTV service this fall. Starting in 1999, FCC-mandated deadlines dictate a forced march to DTV, with commercial broadcasters having to be on air no later than May 1, 2002, and non-commercial (public) stations on air by May 1, 2003. The FCC has declared that analog broadcast service will cease in 2006, after which the recovered spectrum will

be auctioned. Few believe the transition can occur that quickly.

## Questions, We've Got Questions ...

What will the service be? Most predict a mixture of HDTV and SDTV, depending on day parts. Given a lower data rate than is possible on cable, what is the capacity of the broadcast channel? Will it be interlace, or progressive? How about 480P?

Will the new digital TV receivers be ready? Will the networks be ready? How about the local stations? Will they just pass through the network feed, or will there be digital local content? Where will they get the programming? Will the service be free, or pay/subscription?

## Cable Impacts

How are digital broadcast signals going to get through cable systems, and into the new digital TV's, as well as the legacy analog TV's? How compatible are the ATSC digital broadcast signals with cable digital systems now being deployed? What about VSB to QAM, PSIP, and on screen displays? Is there ever going to be a digital interface, to allow compressed digital HD signals to be passed from the set top into the new DTV's?

Will cable HDTV programming be available? When, and by whom?

## Competitive

How is satellite dealing with HDTV? DirecTV announced an HDTV service to launch late this year. What is that service and what about the other satellite providers?

If HDTV succeeds, cable is strategically advantaged. Why? Why is satellite disadvantaged?

## Regulatory

Must carry is a major FCC issue this year, and can dramatically affect both cable and broadcasting. What is likely to happen?

## Consumer

DTV's were introduced at the Consumer Electronics Show in January. Will they be ready and shipping in time to support service introduction this year? What is the outlook for prices? Will consumers buy? Though the volume of TV's sold may be small, those consumers are likely to be inordinately influential. Can cable afford to be on the sidelines?

## Is This For You?

If you have questions about DTV on cable, this talk should help. If you already know the answers, come share some of them with the rest of us.