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The 'other' digital TV conversion might cost you

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Think you don't have anything to worry about in the switch from analog to digital television? Think again.

Consumers have been told that the upcoming transition TV changeover would mainly impact viewers with old TVs using ancient rabbit ears for reception. And those stone-aged watchers need only purchase a new set-top converter box, subsidized by coupons from the U.S. government, to continue watching. And everyone would go on their merry sitcom-watching ways.

Turns out, that's not the whole story.

There actually are two analog-to-digital transitions going on simultaneously. One, you've heard a lot about — the broadcast changeover. But the other — the analog cable to digital cable transition — may leave up to 100 million TVs in the dark, unable to display any cable TV channels at all without adding extra equipment.

The cable version of the analog-to-digital jump will impact anyone who takes a coaxial cable line from the wall and plugs it directly into a TV set. There are an estimated 100 million TV sets currently connected that way -- and there will be no government coupons to help pay for new set-top boxes or converters that will be needed to make them work again.

The cable industry has produced countless advertisements about the coming conversion reassuring consumers that they had nothing to worry about. But in fact, come February, millions of TVs will no longer be capable of displaying cable TV channels without new equipment -- even basic channels, like ESPN, Comedy Central, and The Food Network.

Kevin Findlen of Modesto, Calif., says he got the bad news recently from his cable provider, Comcast. He had seen the reassuring advertisements from the cable industry. But a few weeks ago, he decided to call Comcast and double check. The answer he got surprised him, and it may surprise millions of TV watchers between now and next February.

Most of Findlen's TVs will no longer be capable of displaying cable TV channels by next year, he says he was told.

"TVs that are connected directly to the cable connection will cease receiving programming on the conversion date except for the local channels," Findlen recalls being told by a Comcast operator. While his main TV in the

living room with an attached set-top box would be fine, every other TV in his house would lose all cable channel service.

Findlen is now worried. And millions of cable consumers should be worried, too. At some point, all of them will lose service unless they get a new equipment.

Comcast spokeswoman Jennifer Khoury said she couldn't discuss individual consumer accounts or phone calls, but said that Comcast consumers will receive plenty of notice before their analog cable service is shut off and will be given a host of alternatives for keeping their TVs up and running.

What's going on

D-day for the analog broadcast signal – a date some observers have labeled "Y2K for TV" – is coming on Feb. 17, 2009. That cutoff will be abrupt. But the death of cable analog television is arriving a bit more stealthily, and more piecemeal.

While one has almost nothing to do with the other, their coincidental timing and similar nomenclature are sure to make an already confusing situation worse. The prospect of millions of TVs suddenly losing their ability to display cable TV channels at about the same time that antenna-connected TVs stop working entirely is a recipe for chaos.

Joel Kelsey, an analyst at Consumers Union, sees it as something even more nefarious than that. He said some cable industry advertisements around the issue have been "extremely misleading."

"There's a whole lot of confusion in the marketplace and this is adding to it," he said. Many cable consumers, like Findlen, can't sit back and do nothing, as the ads suggest – they'll need cable boxes or converters soon, Kelsey said.

In an attempt to head off some of the confusion, the Federal Communications Commission issued a [Consumer Advisory](#) in May.

"Cable companies are not required to switch their privately-owned systems from analog service to digital service," the notice says, before warning consumers that cable companies may make the switch anyway, and may charge consumers extra for the necessary equipment.

Reclaiming bandwidth

Most cable providers now offer two different types of service on the same wire -- analog and digital. Currently more than half of cable subscribers already have a set-top box and digital service, easily identified by the presence of interactive menus such as an advanced channel guide which offers movies on demand.

Those consumers, when using a digital set-top box, have nothing to worry about. But analog users face looming changes that could be costly. There are 26.5 million cable consumers who subscribe to analog service, according to the National Cable and Telecommunications Association. Many other consumers use the digital signal in their living room but take advantage of the analog signal on their second, third and fourth sets by plugging their coaxial cable directly into their bedroom and den TVs. The FCC said last year there were more than 100 million televisions using the cable analog signal one way or the other.

The cable industry, though, plans to shut down those analog signals in an effort to reclaim space that can be used for new services, such as additional high-definition channels. Analog cable is a bit of a bandwidth hog -- as many as six digital channels can fit in the space being occupied by one analog channel. With the arrival of new competition from the telephone industry, such as Verizon's FIOS service, cable firms need the extra bandwidth to keep up. But it's unclear how the industry can turn off analog service without leaving millions of customers in the dark.

The cable transition will not be as brutal as the end of the analog broadcast, which will hit with one fell swoop in February. Instead, cable operators will decide on their own when to make the switch. So far, some services -- such as Time Warner -- have indicated that its analog signal won't be shut down any time soon. Robyn Watson,

spokeswoman for the company, said its 3 million analog "basic cable" consumers won't see any changes in service.

But legally, cable companies are under no requirements to keep serving up analog stations. The Federal Communications Commission has set a very low bar for protecting analog customers. Cable providers need only continue to transmit analog versions of broadcast channels (generally, the familiar channels 2-13) for the next three years. When cable firms advertise that its customers won't have to do anything to keep their televisions working after February 2009, they are promising only to keep those few, local broadcast channels available to all.

Comcast, the largest cable provider, is taking up the FCC on its offer and has announced the most aggressive digital conversion plans of all the major cable companies. Comcast says it will begin dropping analog signals in 20 percent of its markets by the end of this year, although it has not yet disclosed the impacted markets.

Other cable operators are handling things a bit differently. Cablevision recently dropped 9 channels off its analog cable line-up. That suggests the company plans to slowly cut back on analog offerings, rather than drop them all at once. Cablevision hasn't made additional channel line-up plans, according to spokesman Jim Maiella.

Cox spokesman David Grabert said his company has no plans to change its analog line-up.

"At the present time we feel offering analog service is a very customer-friendly approach," he said. While other video service providers such as satellite-based services require boxes for each TV set, cable analog signals give customers more choice, he said. "For us that's a strong competitive advantage."

'Free for as many customers as we can'

Derek Harrar, vice president of video services for Comcast, said his company will do a lot to minimize the pain of transition for consumers. That includes one free set-top box to every subscriber and the option to rent a low-priced converter for other sets at a cost that is considerably less than the regular charge for a full-fledged set-top box, generally between \$5-\$10 per month.

"Our objective is to make it free for as many customers as we can," Harrar said. "The last thing we want to do is to have our customers be really frustrated with us."

But Findlen already is frustrated, and he fears he might be forced to rent three new digital boxes for a monthly fee of \$6 each starting next year. To him, that's a hidden price increase just to maintain his current level of service. And he's upset that Comcast and the cable industry persists in advertising that nothing will change for him.

In particular, he takes offense to the message currently on Comcast's Web site, devoted to the digital conversion.

"If all your TVs are currently connected to Comcast, you don't have to worry about a thing. When February 17, 2009 rolls around, you can just sit back, relax and keep watching your favorite shows," it says.

But instead, he says, Comcast operators have told him otherwise.

"(I was told) you must connect each TV in your home to one of their converter boxes to continue receiving the same programming you get today," he said.

Brian Deitz, spokesman for the cable industry association, defends industry advertisements, saying they very clearly limit their promises to providing standard broadcast stations in cable analog formats in the future. He also says it's not accurate to link the end of broadcast analog signals to the end of cable analog signals.

"Cable's migration has been going on since the beginning of 2000," he said. The fact that some cable analog signals are being dropped at about the same time that broadcast analog signals are being dropped is coincidental, he added.

But Amina Fazlullah, a staff attorney at the Public Interest Research Group, is concerned that the cable industry will use confusion of the broadcast conversion as an opportunity to upsell new services, change channel lineups, and just generally make more money from subscribers.

"The advertisements say nothing is going to change, everything is going to be the same. Well, what's clear is things are not going to be exactly the same," she said. "The channels you chose from will change. The method you use to get cable could change, you might need a new box. A lot of different aspects could change."

URL: <http://redtape.msnbc.com/2008/07/the-other-digit.html>