

Subscriber Management Systems Prove Essential Along the Path to All Digital

By Laura Rosado,
Executive V.P., GLDS, Inc.

For many operators, the transition to all digital is a journey – not a single destination. This is certainly the case for one operator, who has a plan and is moving forward with speed and determination.

Size Matters

USA Companies, based in Kearney Nebraska, serves over 20,000 subscribers in multiple states, using numerous headends. The geographic and technological diversity of these systems will probably make the digital transition more challenging than it would be for a larger urban system.

Chris Hilliard, President of USA Companies, has found that there are plenty of potential pitfalls, but ample opportunities for success.

Avoiding Weak Links

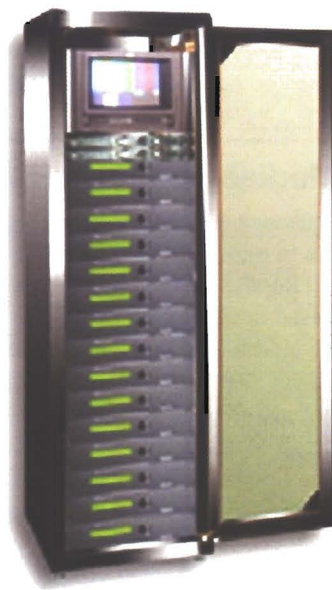
The Subscriber Management System is a critical link on the service delivery chain. As operators move beyond traditional pay television services, they need the ability to respond and move quickly and effectively while keeping an eye on the bottom line. Operators' success in this area is dependent entirely upon the capabilities of their subscriber management system, and the responsiveness of vendor that supplies it.

According to Hilliard, the subscriber management and provisioning system is an essential part of USA's foundation. "We chose WinCable because it was a much better product than the older software we were using."

"We needed 'tier one' features without the high prices, and we wanted the responsiveness and attention we couldn't get from the big guys," Hilliard explained. "When we got ready to launch new digital technology, our systems were ready to go. The subscriber management part of the launch took less than a week."

Beyond Triple Play

USA uses WinCable from GLDS to support its current triple play operations. The subscriber management system must support billing and provisioning for analog as well as digital video and PPV, high speed data, and voice over IP. "As we looked for new digital solutions, the subscriber management system had to be ready to go – with everything intact," Hilliard added. "More importantly, we're confident that we can react rapidly should market requirements change."



USA Companies selected Transparent Video Systems for launch of its new digital offerings. The TVS headend rack is pictured here.

"Moving to digital takes time. Operators shouldn't plan to switch out tens of thousands of boxes overnight," Kevin Graese, GLDS addressable engineer remarked. "To accommodate this transition, the Subscriber Management system needs to be able to support an unlimited number of addressable vendors for as long as their transition takes."

For many operators, the billing system may continue to support more traditional digital video from vendors like Motorola and SA, plus conditional access, and IPTV as well.

Transitional Costs

"Headend costs are one thing – but the cost of the digital box is the biggest factor," according to Hilliard. "All Digital basic and HD were a must, but you have to realize that you can't put multiple \$400 set-top boxes in every subscriber household."

The good news is that operators don't have to spend that kind of money. Expanding the solutions repertoire to include conditional access opens the door to what operators say they need most -- a digital set-top box for less than a hundred dollars. USA Companies is actually paying about \$80 per box (including smart card) at the entry level, but has the option to use DVRs and higher-end subscriber equipment as needed throughout the system.

Choosing Partners

"GLDS was the first billing system vendor to deploy a Conax interface in North America, so digital conditional access is nothing new to us," according to GLDS' Graese. "We have interfaces to literally dozens of leading video providers, and we already had exactly what USA needed."

USA Companies selected TVS (Transparent Video Systems) for launch of its new digital offerings. Discussions began in February, and the complete system was installed and operational in less than 60 days. "The guys at TVS have been very responsive," Hilliard noted. "Any problems were fixed quickly, and our billing system worked with TVS right out of the gate."

"The TVS solution allows us to port in our own satellite feeds and give sub-

scribers the content they want,” Hilliard explained. “Now we have the output and transport technologies we need to consolidate headends and provide new digital programming to more subscribers. We’re getting 70 channels of digital video from what used to be 7-10 analog channels.”

Improved Payback

The initial costs of going all-digital may be enough to cause heart failure at first glance. “Our primary business objectives were to expand content offerings and consolidate headends,” Hilliard explained. “But cost is still a critical factor in determining exactly what we’re able to do.”

“With this solution, we’re looking at equipment payback in less than a year – versus a three-year payback on more traditional set-top solutions. And we’re saving even more when you figure in monthly box fees,” he added.

Adding Sex Appeal

USA Companies is already implementing some of the advanced features and products offered by GLDS. The

CableAnytime portal provides web-enabled access for customers, allowing them to view and pay their bills online, review VoIP call detail records, order PPV, and add premium channels to their accounts in real-time.

The WinCable billing system provides user-configurable soft disconnect of services, but USA Companies plans to take things a step further. Delinquent high speed data customers will be routed to a “walled garden”, then redirected to CableAnytime and given the option to make immediate payment.

Soft disconnected services (voice, video, data) can be automatically re-enabled by WinCable as soon as payment is received. “We think it’s far better to give customers an instant payment mechanism than to risk losing them,” Hilliard explained.

“The GLDS ARU and CableAnytime both provide alternative PPV ordering methods for non-impulse boxes,” offered Graese. “Subscribers can order PPV via phone or web if they don’t have an RF or Telco return. Subscribers can also make payments through the ARU, or be connected to a CSR if desired.”

Future Challenges

Most of the 300+ cable systems served by GLDS are preparing for their own digital transitions, whether mandatory or not. For many, competition is a driving force.

It’s a journey, according to operators like USA Companies. “Our next big challenge will be a two-way product at affordable rates. The good news is that we can get our money’s worth out of an \$80 set-top box before newer technology comes along,” Hilliard said. “That hasn’t always been the case with more expensive equipment.” □

About the Author

Laura Rosado is Executive Vice President at GLDS, Inc., cable’s leading PC/Linux billing and provisioning provider. Founded by experienced cable professionals in 1980, GLDS serves millions of subscribers, and is preferred by hundreds of operators in 49 states and 38 countries worldwide. GLDS provides “tier one” products and U.S. based professional services at costs averaging 50% less than comparable solutions. For more information, call (800) 882-7950 or email sales@glds.com.