

July 31, 2009

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
Washington, DC 20554
Attn: The Chief, Media Bureau

FILED/ACCEPTED

JUL 31 2009

Federal Communications Commission
Office of the Secretary

**Re: Massillon Cable TV
CSR-7229-Z
CS Docket 97-80**

Final Report of Massillon Cable TV

Dear Ms. Dortch:

Submitted herewith is a Final Report of Massillon Cable TV, Inc., which documents the completion of its transition to an all-digital cable television system.

In a *Memorandum Opinion and Order in Innovative Cable TV, St. Thomas-St. John & St. Croix, et. al.*, DA 08-438, released March 19, 2008, the Chief, Media Bureau granted Massillon a waiver of the ban on integrated set-top boxes set forth in 76.1204(a)(1) of the Commission's rules. Massillon had previously filed Interim reports on November 1, 2008 and February 17, 2009, advising of its significant progress but requesting an extension of time through July 31 to complete the process due to supply chain delays and equipment defects. This Final Report documents that the transition is now complete. In addition, it provides valuable insight and information concerning the transition process and contains practical suggestions for dealing with related issues that are apt to arise in future phases of cable service developments.

Should any question arise concerning this Final Report, please communicate directly with this office.

Sincerely,

Mark Palchick
Mark Palchick

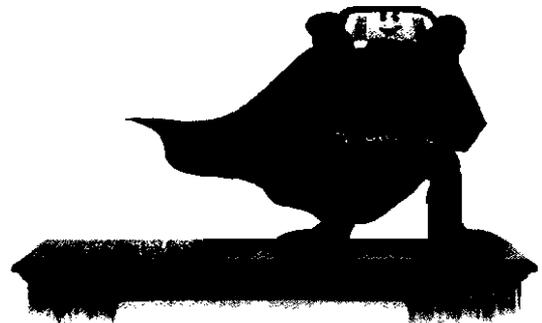
cc: William Lake, Chief, Media Bureau (via email)
Robert H. Ratcliffe, Deputy Chief, Media Bureau (via email)
Alan Stillwell, Deputy Chief, Office of Engineering and Technology (via email)
Robert Gessner



Final Report to FCC

Massillon Cable TV, Inc.
DTV Rollout In Compliance with
Set Top Box Waiver (CSR-7229-Z)

July 30, 2009



Final Report to FCC

Massillon Cable TV, Inc.

DTV Rollout In Compliance with Set Top Box Waiver (CSR-7229-Z)

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The purpose of this report is to provide the FCC with information about the progress Massillon Cable TV, Inc. ("Massillon") has made towards satisfying the condition of the March 19, 2008 (CSR -7229-Z) waiver of the ban on integrated set-top boxes set forth in Section 76.1204(a)(1) of the Commission's rules ("Waiver Request Conditions"), which required Massillon to eliminate all analog cable TV channels.

EXECUTIVE SUMMARY

Massillon has completed the Waiver Request Conditions.

- On March 19, 2008, the Chief of the Media Bureau granted Massillon's waiver request on the condition that Massillon eliminate all analog cable TV channels by February 17, 2009.
- On November 1, 2008, Massillon filed its First Interim Report. Massillon reported significant progress but warned of potential delays in the supply chain that could delay delivery of equipment necessary to achieve the goal.
- On February 17, 2009, Massillon filed its Second Interim Report. Massillon reported that a complete recall of set-top converter power supplies was necessary due to manufacturing errors. Massillon reported that it would not be possible to meet the original February 17, 2009 deadline for the elimination of all analog cable TV signals due to the combination of the supply chain delay and power supply recall.
- On February 17, 2009, Massillon also filed a Request For Extension Of Time To Transition To All-Digital Cable System requesting that July 31, 2009 be established as the date for completion of the transition. No action has been taken on Massillon's Request for and Extension of time.
- Massillon continued to prosecute, and has now completed, the transition to all-digital/no-analog cable TV systems. The delay did not hinder the use of any spectrum by any other users, did not delay or interfere with the Broadcast Digital TV Transition and allowed an orderly transition for cable consumers.
- On July 14, 2009, Richard W. Gessner (Chairman and founder of Massillon) turned off the power to the analog modulator that was retransmitting the signal of WEWS-TV from Cleveland, Ohio. At that moment, Massillon ended more than 44 years of continuous analog television transmissions to residents of Stark County, Ohio. At that time, Massillon became the first all-digital/no-analog cable TV system in Ohio and the first in the nation to use DVB-based Digital-To-Analog (DTA) converters to provide all-digital service.

PROJECT COMPLETION

The Power Supply problem and subsequent recall was a very significant (and unexpected) event in our plans. The effort to notify customers, ship replacement parts, answer customer phone calls and visit homes took many weeks and added more than \$500,000 to the \$7.5 million project. Once the recall was complete Massillon was able to resume notification and distribution of DTA converters. Our timeline estimates in the Second Interim Report were accurate. We re-started the marketing effort in mid-March, sent the elimination notice in mid-April and started the elimination of analog signals in mid-May.

Throughout March, we continued a multi-media campaign to inform all customers that every analog TV set must be equipped with a converter. In April, we announced a very specific schedule of analog channel eliminations (copy attached). The eliminations began on May 12 and the schedule was followed without deviation. The final analog signal was eliminated on July 14, 2009. Customer notification continued throughout this period as character-generated crawling messages and 30 minute infomercials on the affected signals.

LESSONS LEARNED

A number of interesting statistics emerged from Massillon's DTV Rollout:

- Households with DTA converters – We originally expected that virtually 100% of households would require at least 1 low-cost set-top converter. This was based on the assumption that almost every home has at least one older, analog TV set. This proved untrue. While all homes are now all-digital, at this time, fewer than 90% (88.7%) of households have at least one low-cost digital converter. Therefore, the homes without any DTA converters are either equipped with advanced set-top converters or use digital TV sets with built-in QAM tuners.
- Marketing Messages – More than 500,000 different messages were sent to customers during the marketing phase. This is an average of more than 10 different contacts to each of our customers. Unfortunately, it also speaks volumes about the difficulty of convincing consumers to take action. These messages included:

Number of Messages	Type of Message
173,757	Pieces of US Mail
58,126	Email messages
40,728	Automated outbound phone calls
41,361	Web-based messages
146,009	Live operator inbound and outbound calls from contract DTV Rollout Center
45,088	Analog Elimination Notices
505,069+	Total Contacts

We did not track the calls to and from the Massillon Call Center during the DTV Rollout period. A conservative estimate is more than 150,000. These are not included in the Marketing Message total.

- Order Preference – Customers had a choice of ordering options to obtain their converters. They could order online without talking to anyone, call a special toll-free phone number or call our in-house Call Center. The percent of orders handled in-house includes set-top converters collected by customers during visits to our offices and installations completed during other installation and service call requests. These methods (pickup while visiting our office and as part of another household visit) were very effective. In general, we were surprised by the fairly low number of consumers who ordered online without talking to a phone operator (only 12%) despite the opportunity to win a free month of service. The results of these options are:

Percent of Orders	Order Type
58%	In-house Call Center
30%	Toll-Free Number
12%	Online Self Order

- Direct Converter Shipments – Massillon shipped low-cost, set-top converters directly to customers’ homes. This is a first for us and for many in the industry. Toward this end, UPS delivered 57,841 converters in 24,730 packages. This is almost 60% of all set-top converters. A local adult workshop picked, packed and labeled these shipments. While we were concerned that some consumers would have difficulty installing set-top boxes, we also knew that a modest success rate would greatly reduce cost and speed the overall effort. In this case, failure to successfully install a converter did not result in loss of any service and was corrected by a free service call. We completed 4,700 household visits to correct self-install problems, slightly more than 10% of all customers.
- Total Low-Cost Set-Top Converters – We now have 98,100 low-cost, set-top converters active in our systems. This is very close to our original estimate. In the Second Interim Report, we mentioned that our original estimate of 100,000 was low. This was based upon the number of converters requested per customer up to that time. What we could not estimate was the number of households that were equipped with new, digital TV sets that did not require converters. This is the only conclusion we can draw to explain the lower than expected distribution.

OBSERVATIONS

We made several significant observations during this project.

- Procrastination – Despite an average of more than 10 contacts per customer (all of it directly targeted to a specific individual home), we still had what we considered to be a large number of people who claimed that

they never heard of the effort. We also had what we considered a large number of people who waited until the very last minute to install converters that were shipped to them, often months prior. This is similar to the behavior observed during the Broadcast Digital TV Transition. It can not be assumed that something as important in modern lives as television will cause consumers to pay attention and take action quickly. While it is a lesson we have learned, it remains to be seen whether future efforts will find a more effective method to notify customers and convince them to act so there is no panic when the change actually takes place.

- Unfamiliarity with Consumer Electronics – We were very surprised by the number of people who own advanced digital TV sets but have virtually no knowledge about how to use them. It is plain that virtually every cable TV home with an advanced digital TV set is either using the analog tuner or has a set-top box connected to it. Almost no one knows how to use the built-in QAM tuner to scan for available digital channels. We fielded thousands of calls and made hundreds of household visits simply to show consumers how to read the Owner's Manual and press the buttons on their remote control. This situation grew so severe that we created a database of Owner's Manuals as a reference library for our Call Center. It is clear that consumer electronics dealers do little, if anything, to train consumers about how to use these advanced television sets. We also created a QAM Owner Registry to contact these customers by email as we discover the solutions to various digital TV issues.
- Not all QAM tuners are created equal. While there is a standard for QAM tuners, there is little else that is standard about digital TV sets. All digital TV sets work correctly when their analog tuner is used to receive cable TV signals. However, they often function very differently when their QAM tuner is used. This includes differences between models manufactured by the same company. Different levels of software cause them to be very different. This extends beyond how the data is presented on the screen. We have countless examples of one model of TV working properly while another does not in the same household. This is due to differences in the software and/or firmware within the TV set. While we work diligently to find ways to make all sets work within our system, these differences are very frustrating to the consumer and lead to much added expense on our part.
- PSIP¹ is important (but largely unknown) to cable operators. One of the reasons why consumers don't use their QAM tuner is the lack of PSIP data within the digital cable signals. The elemental stream data is so different from their accustomed analog channel numbers that consumers

¹ Program and System Information Protocol is the protocol used in the ATSC digital television system for carrying metadata about each channel in the broadcast transport stream of a TV station and for publishing information about television programs so that viewers can select what to watch by title and description. This same data can be inserted into digital cable transport streams to assist digital TV viewers by causing cable networks to appear on the same "channel" on both set-top converters and digital TV sets.

simply revert to analog pictures. The addition of PSIP data to digital cable signals can overcome this problem. We are working with manufacturers and industry experts to incorporate more PSIP data into our digital signals to improve customer satisfaction in this regard.

- Customer education is vital. As cable operators move toward an all-digital/no-analog environment, it is very important that they communicate with local consumer electronics dealers and consumers about how to use their digital TV sets. Consumers have an assumption that they can simply connect a wire and it will work. That was true with analog, but not with digital. Unfortunately, consumers are reluctant to read the operating instructions that accompany their digital TV. Electronics dealers typically are unwilling to work with cable operators to gain a better understanding of the technology. All of Massillon's outreach efforts to local dealers to provide training, free cable service and regular updates about changes to our system have been met with universal silence.

OTHER BENEFITS

We accomplished more than the distribution of 100,000 set-top converters, elimination of 77 analog channels and recovery of 500 MHz of spectrum. Other significant achievements include:

- High Definition TV – One of the uses for the recovered analog spectrum is the launch of new HDTV networks. Since May, we have launched more than 50 new linear HD networks. This brings our current total to 77. We have five more HD networks ready to launch before the end of July. Contractual issues have delayed the availability of a dozen additional HD networks.
- Standard Definition TV – The recovered analog spectrum also has allowed us to add new standard definition networks to the system. We added a dozen new multi-cast streams from local broadcast stations during the Broadcast Digital TV Transition. We also have additional spectrum to launch new SD cable networks. Our Lifeline Service now includes 40 video channels. Basic Cable service now includes 55 more video channels and 40 digital music channels.
- DOCSIS 3.0 – We have successfully installed and tested our first DOCSIS 3.0 cable modems. We achieved download speeds of almost 150mbps. The DOCSIS 3.0 system operates on spectrum recovered during the analog channel elimination.
- PSIP Data – As mentioned above, we have taken a pioneering role in the introduction of PSIP data into our digital signals. Digital TV owners in our systems can receive almost 100 video channels (10 of them in High Definition) and more than 40 digital music channels without a set-top box. The channels are all labeled with the network name and appear in the same order they appear on all set-top converters. We are working to enhance this with additional program guide data. PSIP data gives consumers another choice and offers the potential savings that come with choice. Their choices include:

- Free (and low-cost) set-top converters for their analog TV sets that deliver 100 video channels, 40 music channels and on-screen program guide information.
- The same 100 video, 40 music and on-screen guide information plus 10 HD channels on their digital TV sets without a set-top converter.
- Up to 250 video channels (almost 80 in HD) plus music, Video-On-Demand and pay-per-view options using advanced set-top converters.

We are working to add another option to this list: a low-cost, one-way, small-profile “set-back” converter to deliver linear HD networks. All of these options are designed to give customers a choice of whether they use a set top box, and, if so, the type of customer premise device they use. Unfortunately there is a growing practice among cable networks which seriously impairs customer choice. Many cable program networks want to require cable operators to encrypt all of their signals, including standard definition digital signals. Doing so would require an advanced set-top converter on every single digital TV set. Thus, customers would be forced to choose either limited cable TV service (Lifeline Only service) or a monthly fee for an advanced set-top converter. Advanced set-top service simply does not make sense for many customers or in many locations (kitchen, guest room, etc.). It also creates significant costs for hotel/motel and educational installations. Forced encryption will make it impossible for our digital TV owners to use their new TV sets fully.

SUMMARY

Massillon Cable has met the Waiver Request Conditions. However, there is still a great deal to do. We continue to launch new HD and SD networks, chart the launch of DOCSIS 3.0 High(er) Speed Data service and improve the level of information provided via PSIP data to our digital TV customers. These advances would not have been possible without the March 2008 waiver.

ANALOG CHANNEL ELIMINATION SCHEDULE - MCTV

Five to eight analog channels will be deleted each week starting on Tuesday, May 12. Please refer to the information below to know when each channel will be deleted.

REMEMBER: All program networks will continue to be available on TV sets connected to digital converter and TV sets with built-in QAM tuners.

<p style="text-align: center;">Week 1 – Tuesday, May 12, 2009</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">13 - WOAC</td> <td style="width: 50%;">49 – Boomerang</td> </tr> <tr> <td>16 – WVPX</td> <td>61 – Oxygen</td> </tr> <tr> <td>18 – HSN</td> <td>75 – Golf</td> </tr> <tr> <td>22 – Local</td> <td>77 – C-SPAN2</td> </tr> </table>	13 - WOAC	49 – Boomerang	16 – WVPX	61 – Oxygen	18 – HSN	75 – Golf	22 – Local	77 – C-SPAN2	<p style="text-align: center;">Week 2 – Tuesday, May 19, 2009</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">2 – WNEO</td> <td style="width: 50%;">50 – ABC Family</td> </tr> <tr> <td>21 – Local</td> <td>58 – Game Show</td> </tr> <tr> <td>33 – Big Ten Net</td> <td>67 – Headline News</td> </tr> <tr> <td>42 – Discovery Health</td> <td>74 – CMT</td> </tr> </table>	2 – WNEO	50 – ABC Family	21 – Local	58 – Game Show	33 – Big Ten Net	67 – Headline News	42 – Discovery Health	74 – CMT
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<p style="text-align: center;">Week 3 – Tuesday, May 26, 2009</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">7 – WBNX</td> <td style="width: 50%;">55 – Travel</td> </tr> <tr> <td>14 – WQHS</td> <td>59 – Soap Net</td> </tr> <tr> <td>29 – ESPN Classic</td> <td>70 – MSNBC</td> </tr> <tr> <td>53 – A&E</td> <td>71 – VH-1</td> </tr> </table>	7 – WBNX	55 – Travel	14 – WQHS	59 – Soap Net	29 – ESPN Classic	70 – MSNBC	53 – A&E	71 – VH-1	<p style="text-align: center;">Week 4 – Tuesday, June 2, 2009</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">6 – WJAB</td> <td style="width: 50%;">32 – SportsTime Ohio</td> </tr> <tr> <td>10 – Local</td> <td>36 – Spike</td> </tr> <tr> <td>11 – WHS</td> <td>48 – Cartoon</td> </tr> <tr> <td>20 – Local</td> <td>62 – Turner Classic</td> </tr> </table>	6 – WJAB	32 – SportsTime Ohio	10 – Local	36 – Spike	11 – WHS	48 – Cartoon	20 – Local	62 – Turner Classic
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<p style="text-align: center;">Week 5 – Tuesday, June 9, 2009</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">15 – QVC</td> <td style="width: 50%;">38 – BET</td> </tr> <tr> <td>17 – WDLI</td> <td>51 – TV Land</td> </tr> <tr> <td>19 – Program Guide</td> <td>64 – Bravo</td> </tr> <tr> <td>34 – Speed</td> <td></td> </tr> </table>	15 – QVC	38 – BET	17 – WDLI	51 – TV Land	19 – Program Guide	64 – Bravo	34 – Speed		<p style="text-align: center;">Week 6 – Tuesday, June 16, 2009</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">8 – WJW</td> <td style="width: 50%;">45 – Animal Planet</td> </tr> <tr> <td>12 – WGN</td> <td>60 – E!</td> </tr> <tr> <td>30 – ESPNU</td> <td>73 – GAC</td> </tr> <tr> <td>41 – TLC</td> <td>76 – C-SPAN</td> </tr> </table>	8 – WJW	45 – Animal Planet	12 – WGN	60 – E!	30 – ESPNU	73 – GAC	41 – TLC	76 – C-SPAN
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<p style="text-align: center;">Week 7 – Tuesday, June 23, 2009</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">9 – WWIZ</td> <td style="width: 50%;">54 – truTV</td> </tr> <tr> <td>25 – Lifetime</td> <td>63 – AMC</td> </tr> <tr> <td>28 – ESPN2</td> <td>69 – CNBC</td> </tr> <tr> <td>40 – History</td> <td>72 – MTV</td> </tr> </table>	9 – WWIZ	54 – truTV	25 – Lifetime	63 – AMC	28 – ESPN2	69 – CNBC	40 – History	72 – MTV	<p style="text-align: center;">Week 8 – Tuesday, June 30, 2009</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">3 – WKYC</td> <td style="width: 50%;">44 – Nat Geo</td> </tr> <tr> <td>26 – USA</td> <td>52 – Hallmark</td> </tr> <tr> <td>31 – Fox Sports Net</td> <td>57 – Food</td> </tr> <tr> <td>35 – FX</td> <td>68 – Weather Channel</td> </tr> </table>	3 – WKYC	44 – Nat Geo	26 – USA	52 – Hallmark	31 – Fox Sports Net	57 – Food	35 – FX	68 – Weather Channel
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Here are just some of the new HDTV Channels coming SOON

