

BCAP 18th Annual Skeet, Trap & Pheasant Shoot

October 19-20, 2016 Whitetail Preserve Conyngham, PA

Confirm your registration and sponsorship. More at bcapa.com.

A block of rooms has been reserved at the Hampton Inn, Hazleton, located just west of Exit 145 (West Hazleton) of I-81, off PA 93 at Top of the Eighties Road. Room rate is \$99.00, tax not included (**CUTOFF DATE SEPTEMBER 20**). Please call the Hampton Inn at 570-454-3449 to make your reservation and specify you are with the "Broadband Cable Group."

BCAP NewsClips

September 15, 2016

USA Today NYC chastises Verizon over slow FiOS rollout

DSL Reports Eshoo Pushes Bill to Prevent Protectionist State Broadband Laws

Variety Showbiz Groups Pan FCC's Latest Set-Top Box Proposal

The Wrap NBCUniversal CEO Steve Burke Wants to Bring You More Sequels

CNBC AT&T wants to own a media company -- here's who they could buy

Wall Street Journal Apple Hires Former Time

With much of the television business focused on catering to cost-conscious consumers with cheaper, slimmer packages of channels to keep them from abandoning pay TV, one company has decided to bet against conventional wisdom.

Layer3 TV, a startup pay-TV distributor, is taking the opposite approach by targeting high-end video customers with a robust selection of networks delivered over the internet. Even the company's technicians show up for installations in all-electric BMW i3s. "Concierge cable" is how Layer3 Chief Content Officer Lindsay Gardner described the service.



GET IT ALL
FROM YOUR LOCAL SERVICE PROVIDER —
ATLANTIC BROADBAND
TV • Internet • Phone

- ✓ Fully Loaded TV
- ✓ Lightning-Fast Internet
- ✓ Unlimited Local & Long-Distance Calling
- ✓ 24/7 Customer Support
- ✓ TiVo® Service

WHAT YOU WANT. INSTANTLY.
Call 888-536-9600 or visit atlanticbb.com

Service available in select areas. © 2014 Atlantic Broadband. All rights reserved. All other marks are the property of their respective owners.

Denver-based Layer 3 has signed agreements with most major programmers — including Walt Disney Co., Time Warner Inc., CBS Corp.,

Comcast Corp.'s NBCUniversal and Viacom Inc.—for their full slate of channels in advance of a national rollout over the next 12 to 18 months. Prices for the service range from about \$75 to \$120 a month for a premium package that includes more than 200 high-definition channels. Those prices are on par with traditional cable and satellite services.

Layer3 is banking on its flashy technology, which includes search and discovery capabilities that are the norm on services such as Netflix but exceed cable industry standards. The Layer3 set-top box also

[Warner Cable Executive Peter Stern](#)

[CNET Apple TV TVOS 10 now available, brings HomeKit and dark mode, but no single sign-on yet](#)

[Zap2it Cable Top 25 for Week Ending September 11](#)

includes integration with social media platforms as well as access to Netflix, Amazon and other digital services. “Consumers haven’t been given the breadth of tools to navigate television the way they navigate the rest of their digital life,” said Layer3 Chief Executive Jeff Binder. “They expect more from TV and they expect more from their provider and they haven’t gotten it.”

Layer3 is banking on its ease of technology and large slate of HD channels coupled with its plans for more attentive customer service to lure subscribers away from their cable or satellite service. To be sure, Layer3 isn’t the only player claiming to reinvent cable TV technology: Earlier entrants in streaming TV like Sony Corp.’s Vue have made similar claims, and among traditional giants, Comcast has invested big sums in an advanced system called X1.

While cord-cutting is on the rise and distributors are pushing skinnier channel packages to keep subscribers plugged in, Mr. Binder thinks those concerns are overblown, particularly among the customers Layer3 is seeking to woo. “There isn’t this whole migration away from the breadth of content that exists in the ecosystem,” Mr. Binder said. “You’re not going to get anybody who has 250 channels from DirecTV to get rid of that and go to an iPad with 30 channels on it.”

Unlike Hulu and Netflix, which deliver their stream to consumers through the commercial internet, Layer3 is renting access to privately managed networks, which is more costly but also results in better streaming quality. Layer3’s approach is still more affordable than the capital-intensive proposition of building its own pipes across the country like a traditional cable company. “We have our own highway,” said Mr. Binder, a former partner at private-equity firm Genovation Capital. Compared with companies that rely on the public internet, “it is substantially more expensive to do what we’re doing,” he said, but “we don’t have the unpredictability of the public internet.”

Backed by private-equity firms Evolution Media Partners and North Bridge Venture Partners with a management team that includes former Comcast and 21st Century Fox executives, Layer3 launched in Chicago earlier this month with plans to expand to a number of major markets over the next year and a half. Other investors include TPG Growth, Paulson & Co. and Altice NV. The company said it has raised more than \$100 million to date.

Programmers seem impressed with Layer3’s bells and whistles, not to mention the fact that it is willing to pay for their companies’ full lineup of channels. “Our support from the content community is broad and deep,” said Mr. Gardner, a former Fox distribution executive who spent much of the past year negotiating carriage agreements for Layer3. “The interface is so cool and fast,” said Denise Denson, executive vice president of content distribution for Viacom, whose networks including MTV, Nickelodeon and Comedy Central are part of Layer3’s offering. “Going after the high-end customer is not the easiest, but I think they have a shot with their technology,” she said.

Justin Connolly, executive vice president of affiliate sales for Disney’s cable networks including ESPN, said he sees Layer3 as “an opportunity to reset the bar for the consumer experience.” BTIG analyst Rich Greenfield said Layer3 is “trying to skim the cream off the top of the industry.” One question, according to Mr. Greenfield, is whether customers are willing to pay a premium for Layer3’s service as well as spend more for the broadband to receive it. Layer3 doesn’t offer broadband service, and cable companies charge customers who don’t subscribe to video more money to only receive broadband service.

Layer3 won’t divulge how many subscribers it needs to break-even, but the company said it expects to be profitable as it scales the business. “You don’t need to have everybody as a customer,” he said. “It is a very achievable number.” “We are giving consumers the first alternative in two decades. I think we could be an ‘iPhone moment’ for television,” he said. – *Wall Street Journal*

Netflix Inc. agreed to make its streaming-video service available to Liberty Global PLC video subscribers in more than 30 countries, the two companies announced Wednesday. The deal follows the launch of Netflix on Liberty Global’s Virgin Media in the U.K., a deal reached before [Liberty’s takeover of Virgin](#).

Consumers who are already Netflix subscribers will be able to view Netflix’s library of movies and television shows alongside traditional TV and other video-on-demand products currently accessible on the set-top boxes. They also will be able to sign up for the service on their TV. “We are committed to bringing the best content to our customers, and are thrilled to expand our partnership with Netflix,” Liberty Global Chief Executive Mike Fries said.

Netflix Chief Executive Reed Hastings said the move makes it easier for consumers to access Netflix content because they are able to use their same remote and same cable box to watch it. Under the deal, Netflix will maintain the billing relationship with its customers. Unlike the sometimes prickly relationship that Netflix has had with big U.S.-based cable providers, Netflix has received a much warmer welcome from countries abroad. Many providers bundle their subscriptions together with Netflix and offer it as an

app through their set-top boxes. Liberty Global, however, had long held out from striking such a deal. Of late, Netflix also has reached set-top box deals **with several American operators**, including Comcast Corp.

That reception contrasts sharply with Netflix's experience at home, where broadband providers have sparred with it over new internet regulations and the network traffic arrangements that the video service says it needs to efficiently deliver its data to subscribers. International TV and broadband company Liberty Global has 29 million customers across Europe, Latin America and the Caribbean. The Netherlands will be the first to launch Netflix, and it will expand to other countries through 2017. – **Wall Street Journal**

The Sugarloaf Township (Luzerne Co.) supervisors approved the installation of a new telephone system for the municipal building and police department during their regular meeting Tuesday evening. The building's current phones were last upgraded in 1992. The new phones will be provided by Guyette Communications and will feature voicemail. Phone service will be provided by Service Electric. – **Hazleton Standard-Speaker**



127 State Street, Harrisburg, PA 17101
717.214.2000 • bcaps.com

**First in Broadband.
The Future of Broadband.®**
