

Cable Television Operator Prevents Piracy

Hong Kong Cable Television thwarts piracy with a highly secure end-to-end video solution from the headend to set-top boxes.

EXECUTIVE SUMMARY

HONG KONG CABLE TELEVISION LTD.

- Service Provider
- Hong Kong
- 2800 Employees

BUSINESS IMPACT

- Prevented piracy and protected copyrighted materials
- Increased subscribers and revenue (expected)
- · Launched new high-definition services
- Minimized operational and training expense with common security system for cable and satellite

Business Challenge

A subsidiary of i-CABLE Limited, Hong Kong Cable Television Ltd. is one of Hong Kong's leading pay-TV cable operators, producing more than 10,000 hours of news, movies, and sports programming annually. The company's 947,000 cable television subscribers include individual consumers, mobile operators, businesses, and the public transportation system.

Like all pay-TV operators, Hong Kong Cable needed a way to prevent nonsubscribers from using illegal TV decoders to view content without paying. A more secure viewing system would protect copyrighted material, reassure content owners, potentially increase subscribers and revenue, and encourage the development of innovative programs.

The need became more urgent when Hong Kong Cable acquired exclusive program rights to major sports franchises, including the Union of European Football Associations (UEFA) Champions League from 2009 to 2012, the 2010 Fédération Internationale de Football Association (FIFA) World Cup, and the 2012 Olympic Games in London. These sporting events are very popular, and Hong Kong Cable wanted to maximize the subscription revenue opportunity.

Solution and Results

Hong Kong Cable secured its television content from unlawful viewing with a Cisco[®] end-to-end video solution that extends from the headend all the way to set-top boxes in subscribers' homes. The company began replacing its customers' old set-top boxes in February 2009 and expects to complete the transition by the end of 2009, in less than 10 months.

The Cisco solution consists of the Cisco D-PCG1000TM PowerKEY Conditional Access System Gateway, a digital headend system incorporating the Continuum DVPTM SI-ServerTM MKV, ROSA Copernicus Network Management Server, Cisco D9630 Advanced QAM Modulators, and Cisco DCM Digital Content Manager. Subscribers are given Cisco Explorer Z-Series Digital Video Broadcast set-top boxes, either standard-definition or high-definition.

Benefits of the secure Cisco video solution for Hong Kong Cable include:

- Piracy prevention: "Our primary objective is to avoid customer and revenue loss from piracy, and the Cisco solution is helping us achieve that goal," says Mr. Simon Yu, vice president, i-CABLE network operations.
 "The Cisco PowerKey solution has proprietary and embedded security technology, which we believe is more secure than open systems."
- Potential for increased subscription revenues: Hong Kong Cable expects that some of the people who
 previously used illegal TV decoders will become subscribers.
- Operational ease: The swap-out program for set-top boxes is expected to be complete in just 10 months, much faster than usual. The company attributes the speed to the ease of implementing Cisco's end-to-end

- PowerKEY video solution. What's more, using PowerKEY conditional access for both cable and satellite reduces training and operational costs.
- Platform for future growth: The Cisco video solution will enable Hong Kong Cable's network to evolve into a medianet, a platform optimized to support media-rich, interactive applications and new services. "We believe that this investment will provide us a secure system at least for the next five years," says Mr. Yu.

Near-term plans for Hong Kong Cable include upgrading to the DOCSIS 3.0 standard, adding more high-definition programming, possibly extending video services to a digital terrestrial platform, and offering a mobile television broadcasting service.

Mr. Yu concludes, "We are looking forward to a working with Cisco as a partner, not just a vendor, as we introduce these new services."

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- Mr. Simon Yu, Vice President, i-CABLE Network Operations, Hong Kong Cable

For More Information

To read about Cisco solutions for the broadcast industry, visit http://www.cisco.com/go/msb.



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