

Cable Television Advisory Board Meeting Agenda  
**R E G U L A R M E E T I N G**  
March 10, 2004                      Wednesday, 7:00 P.M.  
Stanley E. Remelmeyer Telecommunications Center Meeting Room  
3350 Civic Center Drive Torrance

Board Information

The Board advises and makes recommendations to the Cable TV Foundation and City Council in the area of policies and procedures in public access interests, scheduling public access programming, facilities and equipment for the community and public access channels, and disbursement of Foundation funds.

Agenda Review

Complete Board agendas are available for review at the Office of Cable Communications. The agenda cover and minutes are available on the City of Torrance home page – [www.tornet.com](http://www.tornet.com)

Meetings

All Board meetings are open to the public. Those who wish to speak on any matter on the agenda are asked to provide their name and address for the record.

Direct other questions or concerns to the City Council (310-618-2880), City Manager (310-618-5880), and Cable & Community Relations Manager (310-618-5762). In Compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of Cable Communications (310-618-5762). Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28CFR35. 102-35. 104 ADA Title II].

**A G E N D A**

- 1. CALL MEETING TO ORDER**
- 2. ROLL CALL**
- 3. FLAG SALUTE**
- 4. MOTION TO ACCEPT AND FILE REPORT ON POSTING OF AGENDA**
- 5. APPROVAL OF MINUTES - February 11, 2004**
- 6. SCHEDULED BUSINESS**
  - A. Community Matters – NONE
  - B. Committee Reports
    - 1) Producer Incentive
  - C. Report of Community Television Center – February, 2004
  - D. Report of Legislative and Cable Related Activities – February, 2004
  - E. Old Business - NONE
  - F. New Business
    - 1) A recommendation from the Cable & Community Relations Manager that the Chairperson appoint new member to Producer Incentive Committee and appoint a new and chairperson.
    - 2) A recommendation from the Cable & Community Relations Manager that the Chairperson appoint new member to Cable Television Franchise Renewal Committee and appoint a new and chairperson.
    - 3) A recommendation from the Cable & Community Relations Manager that the Chairperson appoint new member to Operating Policies and Procedures Committee and appoint a new and chairperson.
    - 4) A recommendation from the Cable & Community Relations Manager that the Chairperson appoint new member to Future of Access Committee.
  - G. Addendum Matters
- 7. ORAL COMMUNICATIONS**
- 8. ADJOURNMENT**

Prepared by:

Michael D. Smith  
Cable & Community Relations Manager

**Roll Call:** Carlson     Craft     Haussmann     Korman     Taniguchi     Tsao     Perkins

MEETINGS

The Cable Television Advisory Board meets the second Wednesday of each month at 7:00 p.m.

AGENDA REVIEW

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**City of Torrance**  
OFFICE OF CABLE COMMUNICATIONS  
3350 Civic Center Drive  
Torrance, California 90503

AFFIDAVIT OF AGENDA POSTING

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) as  
CITY OF TORRANCE             )

I, \_\_\_\_\_, in compliance with government Code 54954. 2(a), DO HEREBY AFFIRM that a copy of the **CABLE TELEVISION ADVISORY BOARD AGENDA** for the meeting of Wednesday, March 10, 2004, at 7:00 p.m., was conspicuously posted on the City Clerk's bulletin board, 3031 Torrance Boulevard, Torrance, California at the time and date indicated below.

POSTED:

Time:\_\_\_\_\_ Date:\_\_\_\_\_

By:\_\_\_\_\_

(Signature)

February 11, 2004

**MINUTES OF A REGULAR MEETING OF THE TORRANCE CABLE TELEVISION ADVISORY BOARD.**

**1. CALL MEETING TO ORDER:**

The Torrance Cable Television Advisory Board convened in a regular meeting on Wednesday, February 11, 2004, at 7:06 p.m. in the Torrance Community Television Studio located in the Stanley E. Remelmeyer Telecommunications Center. Because the Chairwoman Perkins and Vice-Chairwoman Korman were excused, Commission Tsao conducted the meeting.

**2. ROLL CALL:**

**Present:** Commissioners: Carlson, Craft, Hausmann, Taniguchi, and Tsao

**Also Present:** Cindy Hibbard, Clerk Typist  
Mark J. Doddy, TCTV Coordinator  
Michael D. Smith, Cable & Community Relations Manager

**Excused:** Commissioner Korman and Perkins

**3. FLAG SALUTE:**

Commissioner Taniguchi led the salute to the flag.

**4. MOTION TO ACCEPT AND FILE REPORT ON POSTING OF AGENDA:**

**MOTION:** *Commissioner Carlson moved to accept and file the report of the City Clerk on posting of the agenda for this meeting. This motion, seconded by Commissioner Craft, carried with an aye vote.*

**5. APPROVAL OF MINUTES:**

a) **October 8, 2003**

**MOTION:** *Commissioner Carlson moved to approve the minutes for the November 12, 2003, meeting. This motion seconded by Commissioner Craft, carried with an aye vote, with Commissioner Taniguchi abstaining.*

**6. SCHEDULED BUSINESS:**

**a) Community Matters – NONE**

**b) Committee Reports**

**(1) Producer Incentive**

Commissioner's Craft and Tsao provided the following report. The Committee conducted the December 5, 2003 meeting featured Advanced Sound Technique II taught by professional audio producer and engineer, Don Fefie. This is the second year we've offered this one-day workshop to the community.

The January 30<sup>th</sup> program was the Awards Ceremony. Over 150 guest participated. The February 6<sup>th</sup> session featured winners from the awards ceremony to talk about their productions. Twenty guests attended and enjoyed first-hand accounts of how to put an award-winning program together.

The next session scheduled for March 5<sup>th</sup> will feature "Copyright Law", presented by Irving Keschner, Attorney at Law.

Discussion followed.

**MOTION:** *Commissioner Craft moved to accept the Producer Incentive Committee Report for January 2004. This motion, seconded by Commissioner Carlson, motion carried with aye vote.*

**(2) Video Programming Awards**

Chair Craft provided the following report. Invitations were mailed December 29<sup>th</sup>. Eleven judges reviewed entries December 9<sup>th</sup> and 10<sup>th</sup>. Judges represented public, educational, and government access; local origination and local government. Eighteen different producers entered 46 programs. Kendra Kostelecky and Chris Berg served as masters of ceremony and were very well received. Exxon Mobil served as Platinum Sponsor and was mentioned throughout the ceremony as well as their name/brand included in the printed materials. The decorations, refreshments, centerpieces, flowers, linens, coordinated by Hospitality Committee (Cindy Hibbard and Ramona Rosas). They did a great job in creating the artwork, setting up the room, and managing the food. TCTV Staff produced all ceremony videos and the audience appeared to be very entertained. The "Little Daddy-O" band did an excellent job entertaining the audience at the beginning, at breaks, and at the closing. TCTV Producer, Peter Baldwin, headed the trio. Over 150 guest RSVP'd, over 150 showed. Councilmembers that were in attendance mentioned the quality of the program and ceremony and that they can't wait until next year.

Discussion followed.

**MOTION:** *Commissioner Haussmann moved to accept the Video Programming Awards Committee Report for January 2004. This motion, seconded by Commissioner Carlson, motion carried with aye vote.*

**c) Report of Community Television Center**

- 1) Coordinator Doddy discussed statistics for the month. He highlighted 14 new programs were completed compared to 13 in 2002 and 7 in 2001. He also noted studio usage was at 20% while field camera was at 47% and post-production was at 47%. Seven people attended the monthly New Users Orientation Session, five certified. One received the Its Your TV Brochure, two were certified.

Brief discussion followed.

***MOTION: Commissioner Carlson moved to accept the Torrance Community Television Center Report for November 2003. This motion, seconded by Commissioner Craft, motion carried with aye vote.***

- 2) Coordinator Doddy discussed statistics for the month. He highlighted 18 new programs were completed compared to 10 in 2002 and 2 in 2001. He also noted studio usage was at 20% while field camera was at 47% and post-production was at 47%. New Users Orientation Session was cancelled due to lack of sufficient reservations. Three "It's Your TV Brochures" were mailed. Ten children and six adults from Cub Scout Pack 1064 received a tour of the Telecommunication Center.

Brief discussion followed.

***MOTION: Commissioner Carlson moved to accept the Torrance Community Television Center Report for December 2003. This motion, seconded by Commissioner Craft, motion carried with aye vote.***

- 3) Coordinator Doddy discussed statistics for the month. He highlighted 4 new programs were completed compared to 10 in 2002 and 1 in 2001. He also noted studio usage was at 20% while field camera was at 20% and post-production was at 35%. New Users Orientation Session was cancelled due to lack of sufficient reservations. Hosted 12<sup>th</sup> Annual Torrance Community Television Video Programming Awards Ceremony, over 150 guest attended.

Brief discussion followed.

***MOTION: Commissioner Carlson moved to accept the Torrance Community Television Center Report for January 2004. This motion, seconded by Commissioner Craft, motion carried with aye vote.***

**d) Report of Legislative and Cable Related Activities – January, 2004**

Administrator Smith gave a brief summary of the report. Media giant Time Warner Inc. is seeking systems for acquisitions in 2004, with a focus on buying cable television properties and other businesses to bolster its media and entertainment holdings.

The U.S. Department of Homeland Security announced an e-mail alert system aimed at informing citizens/technical experts and the average home user of potential online threats.

The cable industry pay TV market remains firm at 75% subscriber penetration despite a decade of robust competition from satellite providers according to the Federal Communications Commission.

The Federal Communications Commission plans to launch its much-awaited rulemaking on voice-over-Internet-protocol services at its Feb. 12 public meeting.

Satisfaction among digital/cable subscribers slipped last year, while satellite subscribers maintained their enthusiasm for the delivery system.

Comcast Corp. president and CEO Brian Roberts hinted that the recent turmoil at The Walt Disney Co. might have played a small part in their decision to launch an unsolicited bid.

Students at 205 universities nationwide, enjoys the benefits of Internet2. The nonprofit consortium's high-speed fiber-optic network brings data to dorm rooms at 10 megabits a second --- 10 times the speed of a standard cable modem and almost 200 times faster than a dial-up connection.

A recent report concluded that long-term revenue gains for cable operators are contingent upon rolling out and expanding new digital-video, data and voice services, as overall subscriber growth has been flattening out.

CSG Systems International Inc. said Time Warner Cable's Los Angeles system will deploy its "Workforce Express" product to more efficiently handle requests for new products and services in the 350,000-subscriber system.

Brief discussion followed.

**MOTION:** *Commissioner Carlson moved to accept the Legislative and Cable Related Activities Report for January 2004. This motion, seconded by Commissioner Craft, carried with an aye vote.*

**e) Old Business**

**Recommendation of the Cable & Community Relations Manager that the Cable Television Advisory Board review the new Torrance Community Television Logo.**

**Commissioners expressed that the new logo was a refreshing addition. The design is timeless and well executed. Congratulations to all involved in its development.**

**MOTION:** *Commissioner Carlson moved to accept the new Torrance Community Television Logo. This motion, seconded by Commissioner Craft, carried with an aye vote.*

**f) New Business**

- 1. A recommendation from the Cable & Community Relations Manager that the Chairperson appoint new member to Producer Incentive Committee and appoint a new and chairperson.**
- 2. A recommendation from the Cable & Community Relations Manager that the Chairperson appoint new member to Cable Television Franchise Renewal Committee and appoint a new and chairperson.**

3. A recommendation from the Cable & Community Relations Manager that the Chairperson appoint new member to Operating Policies and Procedures Committee and appoint a new and chairperson.
4. A recommendation from the Cable & Community Relations Manager that the Chairperson appoint new member to Future of Access Committee.

**MOTION:** *Commissioner Haussmann moved table items 6f1 through 4 until the next meeting when the full Commission is present. This motion, seconded by Commissioner Craft, carried with an aye vote.*

**7. ADDENDUM MATTERS – NONE**

**8. ORAL COMMUNICATIONS:**

- a) Secretary Hibbard welcomed Commissioner Taniguchi to the Cable Television Advisory Board.
- b) Secretary Hibbard said she really enjoyed the Awards Ceremony this year.
- c) Coordinator Doddy said he also enjoyed the Awards Ceremony this year.
- d) Coordinator Doddy reminded the Commission of the upcoming Producer Get-Together March 5, featuring “Copyright Law” presented by Irving Keschner.
- e) Coordinator Doddy also wanted to thank Producer Peter Baldwin for providing excellent entertainment during the Awards Ceremony with his Trio, Daddy-O Band.
- f) Coordinator Doddy expressed excitement about the number of new Users, and some of the new equipment that has been purchased for TCTV.
- g) Manager Smith said he also enjoyed the Awards Ceremony this year.
- h) Manager Smith invited the Commission to the upcoming Ribbon Cutting Ceremonies for the Stage Two Theatre, March 2<sup>nd</sup>, and the Animal Control Facility, March 16<sup>th</sup>.
- i) Manager Smith welcomed Commissioner Taniguchi to the Cable Television Advisory Board.
- j) Commissioner Taniguchi said she too really enjoyed the Awards Ceremony.
- k) Commissioner Taniguchi said she was looking forward to working on the Commission.
- l) Commissioner Haussmann said she also enjoyed the Awards Ceremony and congratulated staff for another fine job.
- m) Commissioner Haussmann said she plans to attend the March 5<sup>th</sup> Producer Get-Together.
- n) Commissioner Haussmann said she and her grandson have recently been enjoying competing with *Axes and Allies*. It’s a game of strategy for two to six players, ages 6 to 66.
- o) Commissioner Haussmann also welcomed Commissioner Taniguchi to the Cable Television Advisory Board.
- p) Commissioner Carlson also welcomed Commissioner Taniguchi to the Cable Television Advisory Board.
- q) Commissioner Carlson said he also enjoyed the Awards Ceremony this year, congratulations to staff.
- r) Commissioner Carlson inquired about the status of field equipment in the facility. Manager Smith explained staff was developing a plan of replacement. Primarily with “prosumer” gear for field camera’s and “off-the-shelf” desktop editing solutions. Staff plans to slowly replace systems annually. A capital budget request for major system replacement has been submitted and pending approval by the City Council.
- s) Commissioner Craft welcomed Commissioner Taniguchi to the Cable Television Advisory Board.

- t) Commissioner Craft said he too enjoyed the Awards Ceremony and congratulated staff for another great job.
- u) Commissioner Craft wished everyone a happy Valentines Day.
- v) Commissioner Craft invited everyone to attend the presentation by Yolanda King, on February 22<sup>nd</sup> at the Cultural Arts Center.
- w) Commissioner Tsao welcomed Commissioner Taniguchi to the Cable Television Advisory Board.
- x) Commissioner Tsao said he too enjoyed the Awards Ceremony and congratulated staff for another great job.

**8. ADJOURNMENT:**

Commissioner Tsao adjourned the meeting to reconvene on Wednesday, March 10, 2004 at 7:00 p.m.

Respectfully submitted,

Michael D. Smith  
Cable & Community Relations Manager

Members of the Cable Television  
Advisory Board  
3350 Civic Center Drive  
Torrance, California

Members of the Advisory Board:

**COMMITTEE MEMBERS:** *Craft and Tsao.*

**SUBJECT: Producer Incentive Committee Report – February, 2004**

The February 6<sup>th</sup> event will be the 12<sup>th</sup> Annual Video Awards Winners Review. Each winning producer was invited to present portions of their tape and respond to questions. This event was well received and had eighteen participants.

The March 5<sup>th</sup> event will feature Irving Keschner, Esq., regarding Copyright Law

Respectfully Submitted,



Chester Craft and Richard Tsao  
Members  
Producer Incentive Committee

NOTED:

Michael D. Smith  
Cable & Community Relations Manager

6B1

CABLE TELEVISION ADVISORY BOARD  
 PRODUCER INCENTIVE COMMITTEE  
**M O N T H L Y P R O D U C E R G E T - T O G E T H E R S**  
 2 0 0 3 - 0 4

The Cable Television Advisory Board Producer Incentive Committee invites you to attend and participate in the **“MONTHLY PRODUCER GET-TOGETHERS.”** The GET-TOGETHERS are held the first Friday of every month with the exception of January and July.

Here’s your chance to meet, greet, and exchange ideas and skills with your fellow Producers.

Call TCTV and reserve your spot today.

DATE	TOPIC	SPEAKER/FACILITATOR	LOCATION	COORDINATOR
August 01	B.B.Q. Potluck	TCTV Coordinator and Staff	TCTV Studio	Commissioners Nick Mikulicich, Jr.
September 05	P.C. Editing Techniques 101	Brian Anderson	TCTV Studio	Commissioner Chet Craft
October 03	P.C. Editing Techniques 201	Brian Anderson	TCTV Studio	Commissioner Nick Mikulicich, Jr.
November 07	Holiday P.S.A.'s	TCTV Coordinator and Staff	TCTV Studio	Commissioner Nick Mikulicich, Jr.
December 05	Advanced Sound Techniques II	Don Fefie	TCTV Studio	Commissioner Nick Mikulicich, Jr.
January 30	12 <sup>th</sup> Annual TCTV Video Programming Awards Ceremony		Cultural Arts Center Meeting Room	Staff
February 06	12 <sup>th</sup> Annual Video Awards Winners Review	TCTV Coordinator and Staff	TCTV Classroom	Commissioner Richard Tsao
March 05	Copyright Law	Irving Keschner, Esq.	TCTV Studio	Commissioner Richard Tsao
April 02	P.S.A. in a Day	TCTV Coordinator and Staff	TCTV Studio	Commissioner Chet Craft
May 07	Lighting Techniques	Mic Ocoboc and Milan Janicin	TCTV Classroom	Commissioner Chet Craft
June 04	Post Production Techniques	TCTV Coordinator and Staff	TCTV Edit Suites	Commissioner Richard Tsao
July 02	Storytelling Tips and Strategies Or Music Licensing Rights	TBA	TCTV Classroom	Commissioner Chet Craft

Honorable Chairperson and Members  
of the Cable Television Advisory Board  
3350 Civic Center Drive  
Torrance, California

Members of the Board:

**SUBJECT: Recommendation to accept and file report of the Community Television Activities and Facility Usage Report for February, 2004**

***Expenditure: \$0.00***

### **RECOMMENDATION**

The Cable & Community Relations Manager recommends that the Board accept and file the Community Television Activities and Facility Usage Report for February 2004.

### **BACKGROUND/ANALYSIS**

The report is separated into three groups: Facilities, Programming, and Miscellaneous Activities.

#### **Facility Usage**

**Field Equipment Reservations** for February 2004 had a usage rate of 10%, compared to 15% in 2003 compared to 20% in 2002.

**Edit Room Reservations** for February 2004 had a usage rate of 31%, compared to 31% in 2003, compared to 42% in 2002..

**Studio Reservations** for February 2004 had a usage rate of 51%, compared to 40% in 2003, compared to 36% in 2002.

**Electronic Field Productions** for February 2004 had 0 scheduled shoot, compared to 1 in 2003, and compared to 3 in 2002.

#### **Programming**

- A total of 6 original TCTV programs were completed during February 2004, compared to 13 in 2003, compared to 13 in 2002.
- Torrance residents bicycled a total of 24 programs in February 2004, compared to 15 in 2003, compared to 11 in 2002.

## Miscellaneous Activities

- Dub Room "B" had 23 hours of usage during February 2004, compared to 60 in 2003, compared to 48 in 2002.
- 1 "It's Your TV" brochures were mailed, 0 new Users were certified through the brochure.
- 3 potential Users attended, 1 were certified through the New Users Orientation Session.
- 5 Users enrolled in Field and Post-Production Workshop, 4 graduated.

Respectfully Submitted,

Mark J. Doddy  
TCTV Coordinator

NOTED:

Michael D. Smith  
Cable & Community Relations Manager

**Roll Call:** Carlson  Craft  Haussmann  Korman  Taniguchi  Tsao  Perkins

Honorable Chairperson and Members  
of the Cable Television Advisory Board  
3350 Civic Center Drive  
Torrance, California

Members of the Board:

**SUBJECT: Recommendation to accept and file report of the Legislative and Cable  
Related Activities Report – February 2004**

***Expenditure: \$0.00***

**Time Warner: Let Cable Scramble Off-Air DTV**

Time Warner Inc. is seeking federal approval to scramble off-air digital signals over its cable systems to protect the content of local TV stations from rampant Internet piracy.

Federal Communications Commission rules bar cable operators from encryption of broadcast signals carried on the basic tier. But Time Warner said in a Feb. 13 public filing that the chief rationale for the ban was inappropriate for off-air digital-broadcast content.

In the filing, Time Warner said the scrambling ban was adopted a decade ago to ensure that consumers who purchased cable-ready TV sets did not need to lease or purchase set-top boxes to view local TV signals on the basic tier.

Today, Time Warner said, cable consumers recognize that in order to obtain digital services, they require set-top boxes or cable-compatible digital TVs with decryption capabilities.

"Thus, unlike the analog context, digital-cable subscribers lack the expectation and ability to receive digital-cable services without some form of operator-supplied decryption capability -- even in circumstances where they purchase a 'cable-ready' [DTV set] at retail," Time Warner said.

Time Warner's request came in connection with the FCC's implementation of broadcast-flag rules, which are intended to ensure that broadcast content does not easily migrate to the Internet for bulk retransmission. *Multichannel News, 2/17/2004*

[CSTV Joins Time Warner Cable Sports Tier](#)

Approaching its first anniversary, College Sports Television last week reached a distribution deal with Time Warner Cable, for carriage primarily on the MSO's digital sports tiers. The network, which debuted last April, will launch on Time Warner systems in Syracuse and Rochester, N.Y.; Waco, Texas, and Portland, Maine.... *Multichannel News 03/08/2004*

## **Britt Set to Appear Before Senate Commerce Panel**

Time Warner Cable chairman and CEO Glenn Britt is tentatively scheduled to testify before the Senate Commerce Committee Tuesday on voice-over-Internet-protocol issues, sources said Thursday.

Time Warner Cable is a cable-industry leader in the rollout of IP-based phone services that offer broadband subscribers a full-featured alternative to phone services offered by the dominant Baby Bell companies.

Jeffrey Citron, chairman and CEO of Vonage Holdings Corp., is also scheduled to testify on the same panel as Britt.

Because VoIP technology routes voice calls the same way it routes electronic mail and instant messages, members of Congress and Federal Communications Commission regulators are trying to determine whether to regulate VoIP like traditional phone service or to treat it like unregulated information services. *Multichannel News, 2/20/2004*

## **Michigan Lawsuits Target Franchise Fee**

Lawsuits currently pending in the Michigan courts could lower the franchise-fee payments cable operators pass through to consumers. The operators themselves are bystanders to the court fight, though. A Detroit law firm, Charfoos and Christensen P.C., has filed would-be class-action suits against 12 cities, claiming the towns collect more money from consumers in the form of franchise fees. *Multichannel News, 3/8/2004*

## **EchoStar Loses Viacom Channels**

EchoStar Communications dropped the feeds for all of Viacom's cable networks and the company's 16 CBS stations at midnight. *Multichannel News, 3/9/2004*

## **DEALING FOR DISNEY: Future of On-Demand Video Now Is in Play**

The Comcast Corp. bid for Walt Disney Co. could help determine whether the living room of the near future looks more like Lydia Woods' in Maryland or Kenneth Crudup's in Los Angeles.

Both are Comcast subscribers who use new technology to take control of the television schedule, letting them watch what they want when they want.

The difference: Woods relies on the Comcast cable system to do the heavy lifting, while Crudup uses a digital videorecorder — the approach favored by satellite TV operators News Corp. and EchoStar Communications Corp.

The satellite companies' technique is more effective at delivering television on demand today. If Comcast ends up owning Disney, that will improve its on-demand offering. But persuading the rest of Hollywood to embrace the cable industry's vision for a new generation of TV would be another matter.

Comcast is a leading advocate of "everything on demand," which enables viewers to tune in to any show for a limited time after it is broadcast. The company wants ultimately to record all the programs it transmits and store them temporarily on computer servers in every region its cable systems serve. That way, customers who missed a show when it was originally shown could play it again later at no additional charge.

The problem for Comcast is that TV programmers have refused to give it the right to record and replay hit shows such as "Alias" on video-on-demand, or VOD, services. Comcast hopes to address that shortcoming by buying Disney, which owns the rights to "Alias" and many of the other shows aired on ABC, ESPN and their cable network siblings.

"There's no question that Disney-branded and ABC-branded content would be a good thing to have on a VOD service," said Jack MacKenzie of Frank N. Magid Associates Inc., a media research and consulting firm. "The question is, can they survive just being an outlet for their own stuff, or do they need to acquire other people's content to make it a fully realized offering?"

Analyst Josh Bernoff of Forrester Research Inc. said that if Comcast proved it could make money offering on-demand Disney shows, other leading TV programmers probably would offer their shows for VOD.

Not only can on-demand services boost the number of people who watch a show, Bernoff said, but cable operators can reassure advertisers by preventing on-demand viewers from skipping commercials. By contrast, the commercial-skipping ability of home-based digital videorecorders, like those made by San Jose-based TiVo Inc., is a selling point.

The Disney purchase could help Comcast on other fronts as well.

By gaining control over Disney's movie studios, Comcast could make Disney films available through video on demand as soon as they are released to video stores instead of delaying them 45 days or more, as Hollywood typically does. It also could offer popular Disney programming to subscribers with high-speed Internet accounts.

The key question, though, is whether anyone in Hollywood would follow Disney's forced march.

Studios are nervous about video-on-demand services eating into the sales of DVDs, the most profitable portion of their business. Nor are they completely comfortable with the anti-piracy technology that protects programs delivered through the Net.

Although numerous cable networks are making their shows available on demand, the producers behind the broadcast networks' popular comedies and dramas are not. Their main concern, Bernoff said, was that putting a show into a video-on-demand service could lower its value in the lucrative market for syndicated programs.

"My rule of thumb for VOD is simple," Bernoff said. "The more popular a TV program is, the less likely it is to appear in VOD."

Woods, a retired nurse, likes Comcast on Demand even without the broadcasters' hit shows.

"What a joy this is," she wrote recently in a note to a group of television fans on the Internet. "I missed 'Carnivale' and 'K Street' last night. Early this morning I was able to watch both at 6 a.m. using On

Demand. It's just like a VCR, you can play, stop, pause, fast-forward and rewind to your heart's content and watch over and over."

Adding all of Disney's shows to the service would be very convenient, Woods said in an interview this week. But putting every program on demand would be better, she said, even if the shows were available only for a short time after they were broadcast.

"I would love this," she said. "I miss some shows due to programming vagaries and I would be able to catch something I missed the next day."

The response from customers like Woods is why the major cable operators are all rolling out on-demand services. Their recently upgraded networks have the capacity needed to support the shift to on-demand viewing, while their archrivals in the satellite TV industry do not.

But satellite operators aren't conceding the on-demand field to cable. Nor are they trying to obtain licenses to record programs on their subscribers' behalf. Instead, they bundle satellite TV service with high-capacity digital recorders, which subscribers use to store dozens of programs for themselves.

The result is the same as with cable's on-demand service, with one important caveat: Satellite viewers have to schedule recordings in advance; cable viewers do not.

As for Crudup, he started using a TiVo digital recorder when he subscribed to DirecTV, the satellite service that recently came under the control of News Corp. The device made recording and replaying shows so simple, it transformed the way Crudup watched TV.

"I love my TiVo to death," the software engineer said. "The only time I ever watch live television is if I'm at someone else's house."

Now a Comcast subscriber by default — he moved to an apartment that didn't receive DirecTV — Crudup isn't eager to try the cable company's on-demand service. In his view, TiVo is far better on two fronts: it can record every network's shows, and the recordings don't expire until he wants them to.

Some entertainment industry executives agree with Crudup's assessment and say television's copyright complexities spell doom for plans like Comcast's. The best way to make the leap to on-demand viewing, they argue, is to put recorders in people's homes and avoid having to cut deals with the copyright owners.

Others think the shift to on-demand programming is inevitable, and the cable operators' version will prove more attractive to the industry than the competition's. One reason is that the cable approach could generate a new, lucrative type of advertising: individualized commercials.

James Kelso, a vice president at SeaChange International Inc., said a number of top advertisers are just starting to experiment with ways to target individual on-demand viewers with specific commercials.

"No one really knows how this new business is going to shake itself out," said Kelso, whose company makes computer equipment for VOD. "But by and large, consumers, given the ability to get what they want when they want it, will find it irresistible. Especially if there's no cost to it." *New York Times February 20, 2004*

## F.C.C. Begins Rewriting Rules on Delivery of the Internet

WASHINGTON, Feb. 12 — The Federal Communications Commission began writing new rules today that officials and industry experts said would profoundly alter both the way the Internet is delivered and used in homes and businesses.

In one set of proceedings, the commission began writing regulations to enable computer users to gain access to the Internet through electric power lines. Consumers will be able to plug their modems directly into the wall sockets just as they do with any garden variety appliance. Officials said the new rules, which are to be completed in the coming months, would enable utilities to offer an alternative to the cable and phone companies and provide an enormous possible benefit to rural communities that are served by the power grid but not by broadband providers.

In a second set of proceedings, commissioners began considering what rules ought to apply to companies offering Internet space and software to enable computer users to send and receive telephone calls.

A majority of the commissioners suggested that the new phone services should have significantly fewer regulatory burdens than traditional phone carriers. The agency also voted 4-to-1 to approve the application of a small Internet company, Pulver.com, asking that its service of providing computer-to-computer phone service not make it subject to the same regulations and access charges as the phone carriers.

Industry experts say that neither the phone service nor the broadband delivery systems offered by electric companies will take any sizable market share for at least the next two years. But in moving forward with the new regulations, they said the agency was reducing regulatory uncertainty and encouraging major companies and investors to make investments in the new technologies to enable them to move to market more quickly.

The F.C.C. chairman, Michael K. Powell, and his two Republican colleagues on the commission said the agency's decisions on the two sets of rules and the Pulver application would ultimately transform the telecommunications industry and the Internet.

"This represents a commitment of the commission of bringing tomorrow's technology today," Mr. Powell said. He added that the rules governing the new phone services were intended to make them as ubiquitous as e-mail, and at possibly a significantly lower cost than traditional phones, since the services would have lower regulatory costs.

A Republican commissioner, Kathleen Q. Abernathy, said that the agency and industry "stands at the threshold of a profound transformation of the telecommunications marketplace" as more companies — including such giants as AT&T and [Verizon](#) — move from circuit-switching phone technology to Internet-based technology.

But one Democratic commissioner, Michael J. Copps, raised objections to the Pulver petition and questioned the underlying themes of deregulation in the two rulemaking proceedings. He said that they had set the agency on a course that could effectively rewrite the Telecommunications Act of 1996 and make it easier for the incumbent phone companies to escape necessary regulation.

Mr. Copps also criticized the majority of the commission for rejecting a request by law enforcement agencies that the F.C.C. first work out the legal and technical problems in monitoring phone calls over the Internet before granting Pulver's application or considering new rules for the Internet-based phone services.

"I believe it is reckless to proceed, and I cannot support this decision at this time," he said of the Pulver application. "The majority apparently prefers to act now and fix law enforcement issues later — along with universal service, public safety, disability access and a host of other policies we are only beginning to address."

Mr. Powell replied pointedly to Mr. Copps's criticism that the agency was rewriting the Telecommunications Act by offering a new deregulatory climate that the old phone companies might seek to take advantage of.

"We can talk about rewriting the Telecommunications Act," he said. "But the Telecommunications Act is nine years old and it is being rewritten by technology."

### **CALIFORNIA PUC to Look Into Regulating Net Telephony**

California regulators agreed Wednesday to investigate whether companies using Internet technology to handle phone calls should be regulated — and, if so, with how heavy a hand.

The Public Utilities Commission's unanimous vote mirrors efforts at the Federal Communications Commission, which is expected today to launch a similar look at the growing use of voice over Internet protocol, or VoIP, which sends voice signals much like e-mail over data networks.

A number of small companies like Vonage Holdings Corp. in Edison, N.J., are offering VoIP telephone services over high-speed DSL or cable modem lines, and the major regional and national telecommunications companies also said they expected to start offering consumer service this year.

Voice-over-IP telephony has grown quickly in an unregulated market as an information service not subject to telecommunications rules.

The service avoids taxes and surcharges, including a universal service contribution to help pay for service to rural and poorer residents, and does not ensure such public safety capabilities as automatic address identification on 911 emergency calls.

Commissioners of both the FCC and the state PUC have said they didn't want to stifle VoIP growth with a heavy regulatory hand, but they thought the public safety issues ought to be addressed.

"This starts us on the formal path to determining the appropriate regulation of voice-over-IP telephony," said PUC member Loretta Lynch.

Commissioner Susan P. Kennedy said she was glad the state was moving forward and not waiting for the FCC to act.

"California should be a leader in this and help define the debate and the role of voice over IP," she said.

VoIP service is provided in a number of ways. Some companies, like Free World Dialup in New York, allow members to talk to each other over the Internet through their computers. Vonage requires a broadband Internet connection to make a call, but the call can go to a regular telephone customer. And bigger companies are looking at using IP-enabled lines to carry voice traffic, but calls could start and end on the public network.

California plans to look into 11 VoIP issues, including the effect on 911 service, the universal service

fund, access payments for using the public telephone network and basic consumer protection rules, such as customer privacy and billing information. *Los Angeles Times February 12, 2004*

Respectfully Submitted,

Michael D. Smith  
Cable & Community Relations Manager

Honorable Chairman and Members  
of the Cable Television Advisory Board  
3350 Civic Center Drive  
Torrance, California

Members of the Board:

**SUBJECT: PRODUCER INCENTIVE COMMITTEE APPOINTMENT**

***Expenditure: \$0.00***

**RECOMMENDATION**

A recommendation from the Cable & Community Relations Manager that the Chairperson appoint new member to Producer Incentive Committee and appoint a new and chairperson.

**BACKGROUND/ANALYSIS:**

Due to the end of Commissioner Nikola Mikulicich Jr.'s term, an opening now exist on Producer Incentive Committee.

The Committee was originally established in October 1992, to develop strategies to get producers more active in producing television programs. The Committee came up with the following ideas and conducted a survey of Producers. The Committee evaluated the results and determined which ideas they would implement. The following is the entire list of ideas:

1. **PRODUCER GET TOGETHER:** A monthly or quarterly producer meeting. The meeting would include social time, producer recognition minute, information and program sharing, and/or equipment demonstration by a Producer based on his or her expertise (special effects switcher, writing, etc.)
2. **PRODUCER CLASSIFIED:** A bi-weekly listing of crew calls, shows in progress, volunteer listings, program ideas. The classified would be photocopied in-house, mailed only to active producers and volunteers with their copy of CitiGUIDE.
3. **COMMUNITY FORUM:** Just like a newspaper has an editorial section, TCTV could have community editorials. Once a month we could host open studio where anyone from the community (Torrance) could come down and have their thoughts taped. Editorials would be limited to a maximum of five minutes. The editorials would be mixed between programming throughout the schedule.
4. **SHORT PRODUCTION WORKSHOP:** Producers would get together one night for four hours with the objective to produce one 30 second PSA. 1st hour concept, 2nd hour plan and shoot, 3rd hour and half edit, final half-hour viewing.

5. **TORRANCE COMMUNITY CONNECTION:** One monthly group program where an executive producer is chosen by participating TCTV producers each month. Up to six other producers would be chosen to produce six feature segments for the show. The executive producer coordinates the show, writes all wraparounds, arranges set props., etc. The other producers would produce a 3 to 5 minute segment of broad community interests on topics of their choosing. Each month segment topics change and maybe the executive producer will rotate amongst the participating producers. The program would be shown monthly.
6. **MULTI-CAMERA PORTABLE STUDIO:** A core group of Producers could be trained to produce multi-camera shoots as community service without the assistance from staff using the 2 camera D-5100 system in anvil cases.
7. **ENFORCEMENT OF RECERTIFICATION RULE:** TCTV has not aggressively enforced the 6-month recertification rule. This rule if strictly enforced, may encourage Producer to complete a program every 6 months or jeopardize losing their producing privilege.
8. **TCTV ANNUAL PROGRAMMING AWARDS COMPETITION:** The creation of the Awards competition is designed to provide incentives to Producers to better their programs. Not only will the Producers compete with their peers, they'll also have the opportunity to win prizes.
9. **BACK TO ACCESS BARBECUE:** TCTV could follow Kalamazoo, Michigan Access Center and host a Barbecue in the fall. The event serves as a welcome back get together after the slow summer season.
10. **COMMUNITY GROUP PROGRAMS:** The Board could encourage non-profit Community groups to get involved by producing a monthly show about their organization activities and events.
11. **PROGRAMMING OF BROADER INTEREST:** The Board could encourage Producers to create shows that have a broader audience appeal. This would get more viewers and possibly more exposure to their program. Recently the Don and Ellie Show were featured in the Daily Breeze and Los Angeles Times.
12. **PROGRAM PROMOTION:** The Board could encourage Producers to better promote their programs by writing press releases, writing articles for Take One about their program, producing a 30 second promotion for their own series, etc.
13. **PROMOTE SUCCESS STORIES:** The Board could promote success stories involving producers and how they were able to get a project completed. This could be accomplished through articles in Take One or a behind-the-scenes feature that could be cablecast on Torrance Community Connection or even create a new show similar to CitiCABLE's CitiWATCH and call it, "Producer Spotlight".
14. **SPECIAL LECTURES:** The Board could invite guest speakers to talk about various areas of television production (writing, producing, shooting, etc.) as a supplement to the Board meetings or producer meeting.
15. **RAISE WORKSHOP DEPOSIT:** The Board could recommend to the Foundation that the deposit for workshops be increased from \$10 to \$25. This may encourage graduates to complete a program within the allowable six months.
16. **MENTOR:** New Producers would be assigned a veteran Producer "to show them the ropes".

The Committee implemented the following ideas:

- **PRODUCER GET TOGETHER** (monthly)
- **SHORT PRODUCTION WORKSHOP** (occasionally held during a Get Together)
- **TORRANCE COMMUNITY CONNECTION** (produced as South Bay 360 for several years)
- **TCTV ANNUAL PROGRAMMING AWARDS COMPETITION** (completed the 9<sup>th</sup> year in 2001)
- **SPECIAL LECTURES** (occasionally held during a Get Together)
- **RAISE WORKSHOP DEPOSIT** (implemented \$35 Field and \$50 Studio)

Usage of the facility has declined over the years, however since May, 10 field producers have been certified. As a result, there is an opportunity to challenge the existing Producers and encourage the new to get more involved.

Respectfully submitted,

Michael D. Smith  
Cable & Community Relations Manager

Attachment

1. Committee List

City of Torrance  
**CABLE TELEVISION ADVISORY BOARD**  
*Effective January 15,, 2004*

<b>MEMBERS</b>	<b>TERM</b>
Georgia Perkins, Chairperson	1/16/03 – 1/15/07
Dale Korman, Vice Chairperson	1/16/02 – 1/15/06
Henry Carlson	1/16/03 – 1/15/07
Chester Craft	1/16/02 – 1/15/06
Eileen Hausmann	1/16/01 – 1/15/05
Hazel Taniguchi	1/15/04 – 1/15/08
Richard Tsao	1/16/01 – 1/15/05

**COMMITTEES**

<p><b>Producer Incentive</b>            _____, Chair            Chester Craft            Richard Tsao</p>	<p><b>Cable Television Franchise Renewal</b>            _____, Chair            Dale Korman            Henry Carlson</p>
<p><b>Future of Access</b>            Eileen Hausmann, Chair            _____            Richard Tsao</p>	<p><b>Operating Policies and Procedures</b>            _____, Chair            Eileen Hausmann            Richard Tsao</p>
<p><b>Twelfth Annual TCTV Video Programming Awards</b>            Chester Craft, Chair            Dale Korman            Richard Tsao</p>	

Honorable Chairman and Members  
of the Cable Television Advisory Board  
3350 Civic Center Drive  
Torrance, California

Members of the Board:

**SUBJECT: FRANCHISE RENEWAL COMMITTEE APPOINTMENT**

***Expenditure: \$0.00***

**RECOMMENDATION**

A recommendation from the Cable & Community Relations Manager that the Chairperson appoint new member to Cable Television Franchise Renewal Committee and appoint a new and chairperson.

**BACKGROUND/ANALYSIS:**

The Franchise Renewal Committee was originally established in August 1995 to provide support to the City Council in the cable television franchise renewal discussions. The Council determined that the Commission should develop a report on the community needs and interests as it relates to Public, Educational, and Government Access (PEG).

The Committee conducted workshops, assisted in a statically valid survey, and solicited feedback from the community "stakeholders". The Committee developed a preliminary report. However due to unrelated franchise issues, the franchise was not renewed as scheduled. It later went on a month-to-month agreement.

Eventually, the City and Time Warner reached a settlement agreement concerning the outstanding franchise issues. One aspect of the agreement was to extend the franchise through December 31, 2002, with an option for an additional two years.

Because the data collected by the Committee no longer has much value, a new strategy will need to be developed. Currently, negotiations have stalled due to settlement of outstanding issues concerning an audit of franchise fees and utility user's tax. An agreement is expected soon.

Respectfully submitted,

Michael D. Smith  
Cable & Community Relations Manager

Attachment

1. Committee List

6F2

Honorable Chairman and Members  
of the Cable Television Advisory Board  
3350 Civic Center Drive  
Torrance, California

Members of the Board:

**SUBJECT: OPERATING POLICIES AND PROCEDURES COMMITTEE APPOINTMENT**

***Expenditure: \$0.00***

**RECOMMENDATION**

A recommendation from the Cable & Community Relations Manager that the Chairperson appoint new member to Operating Policies and Procedures Committee and appoint a new and chairperson.

**BACKGROUND/ANALYSIS:**

Due to the end of Commissioner Nikola Mikulicich Jr.'s term, an opening now exist on Future of Access Committee.

The Committee was originally established in February 1999 to consider a modification of Section IV, D. 4 (Political endorsements of candidates or issues during electoral campaigns) of the TCTV Operating Policies and Procedures. The City Council approved the Commission recommendation in October 1999.

The Committee was reconvened in December 1999 to consider establishing new guidelines regarding use of the Workshop Waiver Exam. Due to several factors including changes to the Commission and staff this Committee has not completed its assignment.

Respectfully submitted,

Michael D. Smith  
Cable & Community Relations Manager

Attachment

1. Committee List

6F3

Honorable Chairman and Members  
of the Cable Television Advisory Board  
3350 Civic Center Drive  
Torrance, California

Members of the Board:

**SUBJECT: FUTURE OF ACCESS COMMITTEE APPOINTMENT**

***Expenditure: \$0.00***

**RECOMMENDATION**

A recommendation from the Cable & Community Relations Manager that the Chairperson appoint new member to Future of Access Committee.

**BACKGROUND/ANALYSIS:**

Due to the end of Commissioner Nikola Mikulicich Jr.'s term, an opening now exist on Future of Access Committee.

The Committee was originally established in July 1993 to determine the most likely direction public access was headed. The Commission was concerned that based on the technology and waning user interests the City should be prepared to respond to the community needs.

The Committee invited a "futurist" to talk about where technology was headed, they also attended seminars and workshops. They developed a list of questions to assist in guiding them and provided the following answers:

**1. WHAT IS THE PURPOSE OF ACCESS?**

- Access allows all citizens of Torrance the opportunity to express themselves to other citizens of Torrance in a free manner.
- Access provides an alternative form of communications from commercial television.
- Access gives a voice to the people as mass media grows further away from them.

**2. DO WE REALLY NEED ACCESS?**

- YES!

**3. HAS ACCESS FULFILLED ITS MISSION/OBJECTIVE?**

- Yes, but it's an on-going effort that needs to be nurtured on an continuous basis.

**4. SHOULD WE ENCOURAGE PRODUCERS TO THINK IN TERMS OF CREATING PUBLIC DISCOURSE RATHER THAN SIMPLY TO PRODUCE VIDEO?**

- Yes, by the Board but not by staff.

5. **SHOULD WE PROMOTE ACCESS PROGRAMMING MORE AND/OR ENCOURAGE PRODUCERS TO DO SO?**
  - Yes
6. **CAN WE ENCOURAGE PUBLIC DISCOURSE WITHOUT INFLUENCING CONTENT?**
  - Yes
7. **HOW WILL THE INFORMATION SUPERHIGHWAY EFFECT ACCESS?**
  - In many ways, it depends on Federal and state laws and what they require information carriers to provide to the communities.
8. **SHOULD ACCESS CONTINUE TO BE OFFERED IN TORRANCE FREE OF CHARGE?**
  - Yes, but maybe not forever.
9. **ARE THERE OTHER SERVICES ACCESS SHOULD OFFER BESIDES TELEVISION?**
  - Yes, possibly personal computer use to provide access to the information superhighway. Internet, bulletin boards, databases, community services, City services, etc.
10. **DO WE CURRENTLY PROVIDE TOO MUCH SERVICE?**
  - No

Due to several factors including changes to the Commission, staff, and establishment of the Franchise Renewal Committee, this Committee has been inactive. However, the primary question still remains as to the future of public, educational, and government access with regard to current franchising, technology, and more than a decade of use in Torrance.

Respectfully submitted,

Michael D. Smith  
Cable & Community Relations Manager

Attachment

1. Committee List

Roll Call: Carlson  Craft  Haussmann  Korman  Taniguchi  Tsao  Perkins