

**Minnesota Telecom Alliance  
Video Peer Group  
Minutes of October 2, 2008 Meeting**

1.) Call to Order

Chairperson Katka called the meeting to order at 9:30 am in the MTA headquarter office. Present were Group members Katka, Laqua, Kilde, Nowick, Kirhoff, South, Carlberg, Pawlowski, Hunt, Meier, Jore, Beatty, Russell and Hamre by speakerphone. Also present were Mike Nowick and Jeannie Wilbur of Melrose, SCTV.

2.) Antitrust Compliance Policy

The meeting is conducted under the MTA Antitrust Compliance Policy.

3.) Additions to Agenda

Chairperson Katka asked for approval of minutes of the Group's July 24, 2008 meeting. Moved and seconded to approve those minutes. Passed.

There were no other requests for additions to the agenda.

4.) Local Content Presentation: Melrose, SCTV

Jeannie Wilbur of Melrose, SCTV distributed to the Group two handouts: 1.) a list of video shows that SCTV produces and airs; 2.) cost components of producing and airing local video content. Discussion then followed:

- SCTV started in 2004 to attain an advantage with local content over its competitors
- Began with basics of high school games
- Expanded to the shows included on the handout. Most of these shows are not date sensitive, so could be shared with other telco/TV providers over a long period of time
- City council meetings are recorded and aired later, with SCTV considering also providing those recordings through a web stream
- SCTV produces quality audio and video, with state-of-the-art cameras, lighting, sound recording
- SCTV has one full time person committed to this effort and a combination of part time people
- Discussion among the group regarding if/how SCTV and other telco/TV videos might be shared among each other
  - + Katka has been talking with a company that could store video on its server, then stream to a website, possibly to a TV set. He offered to invite this company to give a presentation at a future Group meeting
- A commitment to share a video library involves many costs, primarily in equipment for storage and distribution. In particular, today SCTV has between 1,500 and 2,000 DVD's, which could require significant storage space if sharing were to be mechanized (vs. mailing of DVD's). Discussed various options for storage and distribution, some

of which are not yet fully researched. Affording this commitment depends on knowing that there will be a some level of confirmed interest by other telcos to pay for SCTV content

- Royalty and copyright, ASCAP issues were discussed, including costs of such and reporting requirements as to number of viewers and other info
- For buy-in among the management of the various telcos to the idea of establishing/expanding local content, a number of issues need to be developed toward supporting a “business case,” such as:
  - + viewership level of the local channels, determined by historical data from current operators
  - + customer survey of interest
  - + cost of the various options, such as content production and content sharing, distribution
  - + methodology/practicality of operating such channel
  - + likelihood of sponsors/advertisers to assist in covering costs
- **Action items** from the above discussion culminate primarily in the form of suggestions for the breakout sessions at the MTA 2009 Annual Meeting, in Agenda Item 7 of these minutes.

#### 5.) Fall Video Forum Review

- Meeting Agenda
  - First Day, November 18
    - Noon Luncheon – Speaker: Matt Polka of American Cable Assoc. (or Ross Lieberman of ACA)  
Topics: retransmission, programming bundling, Q&A
    - 1:00 – 2:00 Traditional VOD – Speaker: Arris
    - BREAK
    - 2:15 – 3:00 Internet VOD – Speaker: Voodoo or Avail Media
    - BREAK
    - 3:15 – 4:00 Local Content – Speaker: Crew Cut Productions
    - BREAK
    - 4:15 – 5:00 Local Content – Speaker: BEK Telephone
    - 6:00 Reception – opportunity for local content speakers to exhibit their product
  - Second Day, November 19
    - 8:00 – 8:45 Sit-down breakfast
    - 8:45 – 9:30 Set Top Box Waiver, Must Carry, copyright law, royalties, retransmission – Speaker: JSI
    - BREAK
    - 9:45 – 10:15 Ad Insertion – Speaker: Cable One of Fargo
    - BREAK
    - 10:30 – 11:00 Local content production – Speaker: ACS
    - BREAK

11:15 – Noon Roundtable – Moderator: Dave Pawlowski

• Logistics details and work commitments

- + Pawlowski welcomes questions from this Group for the roundtable
- + Pawlowski will bring a projector
- + Costs for some speakers could include hotel, airfare
- + Beatty will ask Matt Polka if he can stay into Day Two for the roundtable
- + Need bios for introduction of the speakers
- + The Group asked Nowick to coordinate announcement of this meeting on the MTA Bulletin and other possible electronic communication
- + Laqua will produce a large poster to announce this meeting to be placed at the MTA Fall Conference next week
- + Nowick discussed a number of factors to consider when determining registration fees:
  - Speaker expenses, including hotel, airfare
  - Usual high cost of hotel rental of media (bring your own)
  - Consider getting a sponsor to help defray costs
- Based on prior MTA video event attendance, plan for registration of about 50 attendees from which to defray costs
- + Other input from Nowick
  - Our Video Peer Group could visit with other MTA Peer Groups for their experience
  - Registration forms used by other MTA groups were given to the Video Group's executive committee for possible use at this upcoming event
- + Jore will develop the registration forms and other distribution and will receive registration fees
- + Registration for this event shall be:
  - \$99 MTA members
  - \$149 non-MTA members
  - Includes the first day noon lunch
  - May include free drink tickets at reception, depending on net of registration and costs for this event
- + Lessons learned and successful procedures derived from this seminar should be documented for use at future seminars

6.) Old Business

None

7.) New Business

MTA Breakout Session Topic for the 2009 MTA Annual Meeting

Much discussion among the Group members resulted in suggestion for two breakout sessions under these general headings:

1. Value of Local Content
2. What do Video Customers Want?

8.) Hot Topic Discussion

Due to length of the meeting, this item was not discussed

9.) Next Meeting Date

January 13 10:00 am at Melrose Telephone/Diversicom

10.) Adjournment

The meeting adjourned at approximately 12:15.

Respectfully submitted, \_\_\_\_\_ Ronald Laqua, Secretary