

Cable One, owned by the Washington Post media group, is moving into voice over IP. A bit later than some of the larger companies in other parts of the US, but CEO Tom Might wanted to make sure crucial technology settled down and then talked to the others about the right vendors to choose

Don't rush, but do get it right



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There's an advantage in being one of the smaller cable operators in the US. There isn't the pressure to do things first. It can wait, watch others' successes — and mistakes — and then take the best decisions.

Cable One is not that small: it has networks in 20 US states, though 75% of its nearly 700,000 customers are in five states, Mississippi, Idaho, Texas, Oklahoma and Arizona.

And because it's smaller and in smaller markets it's not facing immediate competition from the telcos, that gives it some time to prepare its defence against the inevitable onslaught of IPTV. Meanwhile it can launch voice over IP and take on those phone companies.

There are few direct statistics about Cable One: mainly because for the last 21 years it has been part of the Washington Post company — which owns the newspaper that covers the US capital as well as Newsweek.

It's run by Tom Might, who has worked for the group for 20 years and for Cable One for the past 14 of those years. He's been taking the company into voice over IP.

But cautiously, he says. "Our company strategy is not to be a leader," says Might. "We're a smaller company, in smaller markets, and we're not being overbuilt by the telcos."

Cable One has already made the transition to digital cable, "and then we started high speed data and now we're going into telephony", he says. "We're

probably running a couple of years, three years, behind Cablevision and Time Warner."

And Comcast is only just rolling out VoIP, he adds: "That is our strategy." But there are differences. Some cable operators decided that they wanted to be in the market early, and they decided to do it in association with Sprint.

"We decided we'd rather control our own destiny. We wanted our own switch and we wanted to do our own billing," he says. Cable One did not want to be in the hands of another telecoms operator.

One of the drawbacks of the Sprint-type relationship is that the other telecoms company provides the switch and thus controls the features you can offer to your customers. "You'll get many different companies all on the same switch," says Might. "If you want to change any of the features, it's a long process."

And troubleshooting is also a more complex process for companies that don't have their own switch: "It just takes time," he says.

Not for Cable One. "We control it all ourselves," he says. "If we want to change the feature package overnight, we can."

Of course, Cable One is working closely with some existing companies in the industry. The transport is provided by Level 3. Nortel supplied the switch, which is located at Cable One's head office in Phoenix, Arizona, and provided much of the expertise. The call centre is also in Phoenix.

The billing system comes from SunTec. "We wanted to choose the best systems," says Might. "We had time to see what other operators use and learn from that. We haven't regretted a single vendor decision — we were able to choose the best in the field."

In planning its VoIP launch Cable One staff were able to visit other cable operators: because they're territorial, they don't directly compete. "We went to talk to the Comcast voice people and they told us about their vendors," says Might, "and we talked to other cable companies. There's great industry collaboration in cable. Comcast recommended SunTec. We shared non-confidential information."

Another key decision was ensuring customers had 100% back-up power — a particularly important feature in VoIP. "By starting late we found a lot of these questions were solved," says Might.

And next? Cable One does not do cellphones, but in August 2006 it bought WiMax spectrum that covers 91% of the homes passed by its cable network. "We're very excited about that asset." How will Cable One use it? "No decisions yet," says Might. "We are sitting and waiting for a year or two." ■