

Press Release



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Casting Call for Digital Cable Ready Solutions

*New Research from The Diffusion Group Predicts
Digital Cable Ready Devices to Surpass 120 Million Units by 2010*

September 27, 2005 (Dallas, Texas) - Today's set-top boxes will gradually give way to Digital Cable Ready devices such as TVs and DVRs that first use CableCARDs and then downloadable security to enable consumers to receive services from a local cable operator. According to The Diffusion Group's latest report, [Transition to Digital Cable Ready: Analysis & Forecasts](#), TV, DVR, and set-top manufacturers will begin mass shipments of these devices in 2006, with cumulative deployments expected to grow 17 fold by 2010.

"While Digital Cable Ready (DCR) deployments will expand rapidly in the next few years, the product is anything but straightforward," says Gary Sasaki, consulting analyst with The Diffusion Group. "Because the early DCR solutions such as the CableCARD can involve as many as six parties - the MSO, the technician, the consumer, the CableCARD vendor, the television/DVR/STB vendor, and the retailer - it is easy to point fingers at the other guy when something goes wrong. This confusion can make it particularly frustrating for all involved. Many current CableCARD users report four or more technician visits, along with multiple phone calls to television support. MSOs often try to push a STB or DVR on the subscriber, saying that the CableCARD simply does not work."

Currently, digital cable set-top boxes are proprietary and specific to the network operator - thus, they cannot be used on cable networks other than pay TV service operator who distributes the STBs. Standards pushed by U.S. government mandate that new set-top boxes are capable of working with all US cable systems, regardless of the network operator in question. With Digital Cable Ready solutions such as the portable CableCARD and downloadable security, new set-top boxes can be used on multiple network systems. As with the transition from broadcast TV to analog cable TV, it won't be long until the functionality of a separate digital STB will soon become embedded within the TV or DVR itself.

TDG's latest report, [Transition to Digital Cable Ready: Analysis & Forecasts](#), provides a detailed examination of the transition from analog to digital set-top boxes, to CableCARDs and ultimately downloadable security. The report provides a detailed explanation of technologies and specific standards involved in the transition to Digital Cable Ready; an analysis of the market and bureaucratic forces driving the movement

to embedded conditional access and security in the US cable industry; an examination of consumer TV purchase intentions and familiarity with Digital Cable Ready products; as well as detailed forecasts for Digital Cable Ready products through 2010.

The complimentary report is available at TDG's website or by contacting the firm at 469.287.8050.

About TDG

The Diffusion Group is a market planning and research firm dedicated to keeping our clients *In Front of the Curve*.™ Since 2004, TDG has helped more than 250 technology leaders, media companies, and service providers to understand and manage the quantum shifts now impacting how consumers access, navigate, distribute and consume media – whenever and wherever they may be.

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