

Ready for a Digital Future

Broadcasters, vendors adapt to the demands of a changing business

By Glen Dickson -- *Broadcasting & Cable*, 1/19/2004

The launch of digital television and the increasing consolidation of station groups have already forced many broadcasters to undertake a significant change in the way they manage their operations. As they peer into the future, most broadcasters expect the increasing penetration of digital television, whether HDTV or multicasting, to significantly impact their existing economic model. But they are uncertain as to what exactly those changes will be.

With that in mind, broadcasters are looking to future-proof their plants to any extent they can. One vital piece of the operations puzzle is the traffic system, the software that links the sales and engineering departments by communicating what commercials need to run and when to the master-control infrastructure.

Traffic systems have already grown considerably in functionality over the past few years as many broadcasters adopted "centralcasting," or "clustering": consolidating master-control operations in one location to serve multiple stations and thereby improving efficiency and reducing costs. The adoption of centralized master-control architectures by some station groups has spurred traffic vendors to create software capable of managing the spot load of myriad channels and inputting traffic information from multiple databases at different network affiliates.

"The demands of the business have changed, and clustering has brought on a whole new set of requirements," says Scott Blumenthal, president and general manager of WISH-TV Indianapolis and vice president of regional operations for LIN Television.

LIN has two clusters, one in Springfield, Mass., and one in Indianapolis. The latter cluster handles seven stations in five markets, including digital simulcasts (LIN is about to launch a digital-only UPN affiliate in Fort Wayne, Ind.).

"It's been over five years since we switched to VCI from our old [Encoda] BIAS system," says Blumenthal. "We went to them initially because we believed in the concept of an NT server-based system rather than a mainframe system. They were one of a couple of vendors we looked at, and we chose them because of their willingness to develop a sales program [called Sales Desk under VCI]."

LIN's current master-control operations are totally server-based, but the group used VCI software for 3 1/2 years before switching to clustered operations and server-based payout, according to Blumenthal.

"Servers are a big improvement, absolutely, but some of the efficiencies that we've gained with them have actually been a byproduct of other changes we've made. For example," he explains, "when we started the clusters, we recognized the need to standardize the communications system. Each station might have its own local communications system, but, once a spot was sold in a market, that had to be communicated in a standard way back to the hub. Going to servers

also changed deadlines and eliminated errors and mistakes."

As a foundation, the VCI traffic system is ready to carry LIN into the digital future, says Blumenthal. "But they will have to constantly rewrite software to keep up with changes [in the business]. So far, we have been very pleased with their willingness to do that."

Another station group that has consolidated its operations is Media General, which runs 20 of its 26 stations from a hub in Tampa, Fla. Media General uses Encoda Windows-based traffic software to manage spots for its stations from a single database.

"It's all client-based software, and everything today is almost in virtual space any way you slice it," says Ardell Hill, senior vice president of broadcast operations for Media General. "So where the equipment is and how it's managed is almost secondary to the discussion."

Media General's five-year agreement with Encoda expires next year, and the group currently has a very detailed RFP "on the street" for a new traffic system, says Hill. "We are having discussions as to whether we continue with Encoda or whether someone has a better plan to offer. We probably have about 20 folks who have responded to the RFP, and we're in the process of narrowing that RFP down and coming to a conclusion. We hope to reach a decision about that by midyear.

Hill adds that Encoda is a very strong player but a change could still be coming because there are a lot of other players in the field now. And other players that were around five years ago are better-positioned to meet Media General's need for an aggregated system.

Media General's RFP has roughly 160 to 180 interrogatory questions for traffic vendors to tackle. Of those, says Hill, one-third were simple yes/no questions; one-third were evaluative scaling, as in "where would you fit in a category on a scale of 1 to 5"; and the remaining third were narrative queries asking the vendors to respond to very specific scenarios, such as "Given this type of situation, describe your methodology for achieving that task."

Says Hill, "When you ask those types of detailed questions, anything you can imagine in terms of discussion is probably covered. That is the way we're going to be evaluating those things."

One station group that has just switched traffic systems is Equity Broadcasting Corp. The group manages a mix of high-power and low-power stations by multicasting feeds via satellite from its technical operations center in Little Rock, Ark.

The group, a radio broadcaster until it began amassing TV properties several years ago, had been relying on a radio-based program (Visual Traffic from Wicks Broadcast Solutions) adapted for television use, says Business Manager Sheila Hornecker. But, as Equity acquired more stations and the demands of frequent skim reports grew, the group started looking for a new traffic system. It found one in Optimal Solutions Inc. (OSI), which implemented its OSI-Traffic system at Equity last month. Eighteen stations are running on OSI now, and, by late March, Equity expects to be trafficking 29 stations on the OSI software.

"One of the key capabilities of OSI is that it is a Web-based product," says Hornecker. "All of our stations can log on and have access to traffic systems, sometimes in read-only, no-write mode where applicable. While all the traffic order entry happens here and the manipulation of logs occurs here, each property can maintain their own avail list within the OSI system or pull skim reports to assist in their local selling."

New revenue possibilities under digital television are likely to increase the burden on the traffic

department. NTSC broadcasters that have launched DTV have already doubled the number of channels they manage; however, almost all of that content, including commercials, is simulcast. But, as more viewers buy HDTV sets, there could be a tipping point in the future when it makes sense for advertisers to target NTSC and HDTV viewers with different spots or for TV sales executives to shop commercial time on the two channels differently—particularly if the demographics of the HDTV audience prove more attractive than in the analog viewer base.

"Those are the kinds of things that we don't know," says Frank Chebalo, general manager of WTKR(TV) Norfolk, Va., owned by the New York Times Broadcast Group. "I think that might happen, but do I know it will? Not really. What we will have to do is take our inventory, and say, 'We have a defined spot, but, when it's running in HD, this automobile dealer will go in that channel, and this one will go in that channel.'"

Another possibility is that broadcasters will elect to use their DTV spectrum to multicast several channels of different programming; a few stations have already experimented with doing so. "If we slice and dice the digital channel, then the complexity layers itself a little more. You could have four automotive dealers running in real time, and the system has to handle the normal trafficking process, play out through the server base, and, at the end of the day, reconcile," says Chebalo. "You could easily quadruple the kind of numbers you're dealing with, and that's not even the worst-case scenario. We want to be able to build systems to handle that bigger load without having to quadruple resources."

WTKR and other New York Times stations rely on traffic software from WideOrbit, which produces Windows-based systems with Oracle databases that run on high-powered PCs. The group discovered WideOrbit when it was looking to switch from its mainframe-based Encoda BIAS system to something more powerful. New York Times began working with WideOrbit software in 2000 and also invested in the company.

"Where we saw the vendors going philosophically is what aligned us with WideOrbit," says Chebalo. "They were on the same or at least similar track to where we were philosophically."

New York Times operates its group from a central master-control facility in Norfolk but doesn't "centralcast." Instead, it relies on Pinnacle video servers at each station to play content to air. There is a central traffic database in Norfolk, but trafficking is still performed locally. Each station has a WideOrbit client that sends a log back to the master system in Norfolk, which then interfaces with Encoda MCAS automation software to create the logs that direct commercial insertion at the stations.

"From the operator's point of view, those logs are distributed out of that central server to each station, and that happens transparently," says Chebalo. "The virtue of networking is that, when you ask the system to go get a file from a computer, whether that computer is in the same room or hundreds of miles away over a wide-area network is immaterial."

PBS is upgrading its traffic functions through a new deal with Canadian developer Broadview Software Inc. Starting this spring, PBS will use Broadview to perform a full range of broadcast-management functions at its Alexandria, Va., headquarters, including managing underwriting contracts and traffic logs. According to Chief Technology Integration Officer Andre Mendes, the Microsoft SQL server-based Broadview software will replace a number of homegrown databases and applications that PBS has developed over the past 20 years.

While noncommercial PBS doesn't handle traditional traffic demands because of its lack of commercial breaks, the promotions, interstitials and underwriting spots that appear for 20 outgoing feeds still represent a "substantial load" for a traffic system, Mendes points out. With Broadview, PBS is looking at the ability to quickly repackage shows with new underwriters

through a virtual environment that assigns "containers" to segment portions of a show for underwriting purposes. "We could change on the fly," he says, "to point to a different sponsor for a spot."