



HOW DO YOU REALLY SECURE PAY TV INVESTMENTS?

When considering set-up costs, generally focus is placed on subsidising the set top boxes distributed to new consumers to make the TV offering look affordable. The cost of the set top boxes multiplied by the numbers of subscribers usually represents the most significant portion of the operator's investment. The real earning will become available from monthly subscription over a period of years, assuming an interesting content offering is provided. Content, particularly major sport events represent substantial investments for the operators. The rationale for purchasing the best content at exclusive terms is to attract as many new subscribers as possible, and offerings that keep them loyal to the pay TV operator.

Should valuable content leak to other networks, the pay-TV operator will suffer, thus affecting the ability to attract new subscribers. This is a scenario far too familiar over the past few years for many pay TV operators. Pirates have changed their focus from trying to hack the conditional security system to obtaining control words, or the content itself from set top boxes. Unauthorized Control words are easily re-distributed to STB's, even through low bandwidth Internet access, and redistribution of the content itself is made available by the growth in available broadband access. Often such leaks originate from set top boxes with low security, or where security is

not a focus.

Conax has addressed this scenario through a combination of Conax content security together with chipset pairing - Conax CAS7 and Conax Pairing. By requiring a security evaluation of set top boxes at a third party independent specialist security laboratory, each STB receives a security level. The higher the set top box security level, the more robust the set top box is to resist control word or content theft from the set top box.

Today, a large number of the set top box vendors already support Conax Pairing. By using set top boxes with a high security level, the operators are much better suited to withstand piracy, thereby increasing their content revenues, gaining a potential reduction of content costs and lowering cost of operation in the long term.

Should valuable content leak to other networks, the pay-TV operator will suffer, thus affecting the ability to attract new subscribers. This is a scenario far too familiar over the past few years for many pay TV operators.

