



Press Release

Hill Country Telephone Cooperative Completes Phase Two of Skitter.TV Deployment

FOR IMMEDIATE RELEASE: May 10, 2010 (Atlanta, GA) — Skitter, Inc. today announced the completion of Phase Two deployment of the Skitter.TV converged entertainment services platform at [Hill Country Telephone Cooperative](#) (Hill Country), headquartered in Ingram, Texas. To date, 54 Skitter [Acclaim™ video encoders](#) have been installed in preparation for a total linear (live) TV lineup of 70 cable/satellite network channels and 42 broadcast TV channels from network affiliates in nearby Austin and San Antonio. In addition to Hill Country's linear TV channels, the Tier Two service provider will take advantage of Skitter.TV's converged media environment to offer over-the-top (Web video) content, video on demand, digital audio and user-generated content as a part of a unified entertainment experience. The co-op expects to complete its installation of the Skitter.TV platform this summer and plans to begin external beta testing of the service shortly thereafter. Hill Country expects to launch its entertainment services in late 2010.

Hill Country serves 2,900 square miles across 14 counties in central Texas, providing service to approximately 14,000 telephone customers and 5,200 Internet subscribers. Like many telecom service providers, Hill Country turned to entertainment services as a key strategy to expand operations beyond traditional landline phone service. The Skitter.TV service will be marketed as a stand-alone offering and as part of a number of service bundles designed to increase customer satisfaction and loyalty and ultimately increase network revenues. The co-op also offers monitored security services and mobile technical support services to residential and business customers, as stand-alone and bundled offerings.

"Skitter.TV is key to our on-going strategy to diversify our business," said Delbert Wilson, Hill Country's general manager. "We didn't want to duplicate a typical TV service with 300 channels. With Skitter.TV, we have a unique offering with live TV programming we specifically designed for the tastes and preferences of the communities we serve, supplemented by unlimited Web video and advanced features that make TV better. I'm excited about offering the Texas Hill Country an entertainment services product that will be more affordable, easy to use and easy to service, as well as being portable to different screens so that our members can watch what they want, where they want and how they want."

Hill Country's channel lineup includes a mix of high definition and standard definition content. While specific channel package offerings and pricing strategies are not yet announced, satellite network content licensing is being pursued and retransmission rights for off-air network affiliates are underway. Hill Country is also pursuing licensed content from leading networks that include ESPN, Discovery Networks, CNN, Fox News and a number of other popular news, sports, lifestyle, and special interest channels. Several Spanish-language networks are included in the lineup. The co-op chose to include broadcast TV affiliate channels from both Austin and San Antonio, its two nearest major metropolitan TV markets.

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"I am convinced that Skitter.TV is the best platform for service providers like Hill Country who serve large rural areas," said Larry Pechacek, Hill Country's business development manager. "The needs are different in rural America than in urban markets, from both a network perspective and a cultural perspective. In terms of infrastructure, Skitter.TV doesn't burden plant operations, and won't require in-home installation services for most of our members.

"From a cultural perspective, Skitter.TV gives us the ability to put together a unique content package, and can also support local content that we will produce in the future," Pechacek continued. "For example, we are working with several of our local radio stations and will be including their Internet streams using Skitter.TV's digital audio features. Cable and satellite TV services often offer satellite radio, but local radio gives us a unique audio feature that our competitors don't support."

Kerry Sutton, Manager of Competitive Businesses at Hill Country, adds, "At Hill Country we strive to produce leading edge services in which individuals, businesses and whole communities alike can enjoy and benefit. We see Skitter.TV as a solid platform on which to build that next service. When completed, we envision the best of local and satellite TV, over the top web content as well as other local and community generated radio, advertising, and video content all to be available via the Skitter.TV interface. Being "good enough" is not good enough for Hill Country. We know we must be better than all of the alternatives and we believe Skitter.TV will provide that opportunity that we are looking for."

Hill Country will deploy Skitter.TV across its fiber and copper networks. The co-op is in the third year of a four-year, \$57 million fiber-to-the-node build-out. Upon completion, Hill Country will have more than 560 miles of fiber installed, connecting its 3,500 miles of copper. The organization's plant infrastructure includes Cisco routers, DSLAM solutions from Occam Networks and the Zeugma Services Node from Zeugma Systems.

About Skitter.TV

Skitter.TV™ is a hybrid IPTV/over-the-top video platform enabling telecomm service providers to encode, configure, deliver and monetize converged entertainment services. Skitter.TV provides a broadband TV experience on computers, televisions, mobile devices and gaming consoles. The end-to-end video and audio solution includes head-end hardware and software for integrated Web video, live (linear) cable network and broadcast TV, digital audio and video-on-demand content, delivered over IP via DSL, fiber optics or wireless networks. Skitter.TV's [end-user software and program guide](#) offer consumers' premium-quality high definition (HD) or standard definition (SD) multi-screen entertainment service that combines live and on-demand content in a unified, remote-control-driven environment.

About Skitter, Inc.

Skitter is a converged media technology startup based in Atlanta, GA. Its founders have a combined experience base of more than 50 years in computing, telecommunications and Internet technology and more than 30 years in video technology, including numerous patents in video compression. For more information, visit www.skitter.tv.

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Media Resources

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Available Graphics:

Photos: Delbert Wilson, General Manager, Hill Country Telephone Cooperative, and Larry Pechacek, Business Development Manager, Hill Country Telephone Cooperative

Logos: Skitter.TV, Hill Country, Hill Country Telephone Cooperative, and Hill Country Telecommunications

Other: Example Hill Country screen shot from the Skitter.TV Media Player

Please contact Skitter, Inc. to request graphics.