

Obviously quite a bit is going to be written about Apple's new releases today. Hopefully I can cover new ground.

First, i thought it was smart of Apple to announce their ITV product. Streaming from a PC to a device connected to your TV with multiple connectivity options , HDMI, Component, Digital Audio is certainly nothing new. [IO Data has a box](#) that can wirelessly read from a PC, as do [others](#). I use15 an IO data box as a DVD player as well as for playing back directly from a portable hard drive to an HDTV. That said, I dont think there is any question that Apples implementation will be cleaner and more popular.

There are a couple things that are special about Apple's announcement today as it pertains to Movies and TV shows.

1. The 80gbs hard drive.

The opportunity to download movies to a hard drive and KEEP THEM THERE and replay them AS OFTEN AS THE USER LIKES. Is critical. Its a great first step towards carrying around your video library as easily as you carry around your music. As hard drives grow, so will the number of titles you can store, and of course the door will open for high def. Its clear that the Ipod is not only a playback device, but is a personal or family digital content host.

I personally have digitized almost every picture and home movie i have ever taken or had given to me . I currently only have room on my IPod for the pics, my music and a few videos. As storage expands, so will my storage of personal content. I also have found transferring baby pics and videos to a new Ipod and giving it as a gift to relatives is easy and more humane than making everyone sit through the pics and videos at our house.

2. The 1.5mbps encoding speed for self proclaimed "near DVD quality" is important. First of all it sets a quality floor using H.264 and they didnt lie and call it DVD quality. Others that want to call their offerings DVD quality will at least have to match. It also means that HD quality, when it comes, will really be HD quality at 8mbps or more encoding levels.

3. The first two items are nice , but its No 3 that is tthe key to the future of digital content.

The most important element of Apple's announcement today is that the IPod interface is now viewable on your HDTV. Cable and Satellite companies are working hard, spending tens of millions of dollars to optimize their Programming Guides to incorporate Video On Demand, DVR ability, Internet Content, Purchase of content and TV Programming Guides. Of course this is a matter of my opinion, but I think that the Apple interface, because it already has tens of millions of consumers trained to buy content on impulse has to have the edge. Adding a Programming Guide of TV shows and controlling a tuner (in your TV using [OCAP](#) possibly) or a tuner built into a future ITV box would put it square in the crosshairs of the cable and satellite companies as a direct competitor.

Its going to be very interesting to see how not only cable and satellite respond, but also how TV manufacturers respond.

[I just ordered my HP MediaSmart TV .](#) It's 37", and does technically everything that the ITV appears to do. Except run the IPod interface and enable buying from the ITMS (itunes music store). If HP makes it as easy to buy, AND TO SAVE TO A HARD DRIVE with as slick a user interface as the Ipod and ITMS, then why wouldnt i just plug my 80gbs PDA into my TV and use it to store and playback all my digital content and read from a networked computer for anything else ? And of course it could easily have a direct broadband connection for any internet connectivity.

And the cable and satellite companies can, and in some cases have already enabled the same technical features in a set top box.

The big problem for all the above is that it will be a battle.

So what does this mean to video on the net for everyone else ? For movies, nothing. Nada. Downloading wont get any faster. DRM is still a nightmare. High Definition video from the net is still a nightmare. In fact, the best way to beat Apple in this game is for cable and satellite companies to push as much content as possible to HD. The greater the expectation for HD content from consumers, the less value to consumers for downloading movies.

For TV shows, its still a great idea. Selling TV shows is found money for Apple and producer.

And of course retailers continue to be big losers in this. Apple gets a movie store with unlimited inventory, for no inventory cost (that we know of), at a price that appears to be lower than what retailers currently sell many DVDs for. (unless of course Disney withholds certain DVDs from Apple in the future and only makes less popular titles avialable day and date with their DVD release. Retailers are asked to stock their shelves and warehouses, deal with carrying and marketing costs and sell their products at what looks like premium pricing.

Which means it wouldnt be a surprise if retailers sent a loud and clear message to non Disney related studios about the direction their stocking orders will go if they cooperate with Apple.

Apple did a great job making their UI available to HDTV users. Thats a good thing and will certainly speed the competitive landscape. But one thing it will not do, is speed up downloads. I dont know where Apple is getting 5mbps throughput for an entire 2 hour movie, but i want some where i live in Dallas.