This is an HDTV christmas. HDTV pricings are dropping, while the size of the screens gets bigger. Its a trend that isnt going to stop. In fact, some think that 70″ LCD will be the norm in 5 years.

What does that have to do with Web Video ? Everything

The thing about big screens, is that High Def content looks better the bigger the screen. Standard Def content looks worse the bigger the screen. Compressed web video looks bad if you try to expand it to fill your PC monitor. It becomes abstract art if you try to put it on your HDTV.

But thats just a minor issue. Here is the issue that everyone seems to be missing.

If you have a new HDTV look at the video inputs, or do something different and open up the manual. Either way you will come to find that the only way for your new HDTV to receive and display HD content in HD is through a component, DVI or HDMI port. Thats it. You may have S Video or Composite there, and they may allow you to connect to your cable, satellite or PC, but they don't play in HD.

Now look at the back of your PC. Look to see if you have a component, DVI or HDMI port out ? Chances are that unless you bought a PC with high def video in mind, you don't

To quote from Cool Hand Luke; "What we have here is a failure to communicate"

The PC you have, and that most Americans have can't connect to their brand new HDTV and play High Def content. (That is even if they have the 2.8Ghz processing power required in many cases).

So all the prognosticators who believe that streaming or downloaded High Def content over the net is right around the corner. Well, maybe only if that corner includes not only huge bandwidth upgrades, but also massive replacement of video cards or PCs with brand spanking new units. (Of course there is irony in the fact that if your CPU or video processor is fast enough, you can play HD content out of your VGA port to your PC monitor. But VGA inputs are going away in HDTVs and VGA to component doesnt work well and to DVI converters are expensive and confusing to typical consumers).

So how many people are going to upgrade or replace their PCs in order to connect to their new HDTVs ? How many are going to put the brand new or upgraded PC they just spent good money on close to, and shared with their HDTV and their high speed data connection and give up CPU and Bandwidth performance rather than just leasing a box from the satellite , cable or telco provider ?

I personally dont think many will and the natural replacement cycle will take many, many years to create a compatible installed base of PCs

So the opportunity for Video over the web to replace TV , if you think such a destination is possible, is going to be hurt by the quickly growing base of HDTVs. The expansion of HDTV content through traditional distribution is going to be helped

But wait, there'w more.
2 Way CableCards from the Cable providers and Satellite receivers on a PC Card from DirecTV or Dish Networks could quickly pre empt any chance video over the net had to replace traditional TV distribution. . If either of those becomes a USER INSTALLABLE , no more than 1 call to the provider option, then the PC might become a home for distribution of HD content to HDTV, which would of course put more nails in the video over the net replaces TV coffin

Personally, Im still suprised that cable and satellite providers would rather absorb the capital costs of boxes and all the inherent risks associated with changing technology and pricing rather than put the electronics on a card or chipset, with the appropriate HDMI or VESA output, that is sold cheap or bundled with service and control the entire thing through their sofware. There is no reason why a lot of this cant be on a chipset that is provided to PC manufacturers for Home Theater PCs, making every PC sold a client where the enduser picked up the capital cost.

If they would, then "plug your PC into the cable port in the wall and into your HDTV , and away you go becomes a reality". Satellite would only have to worry about installing the dish. MultiRoom would be simplified as PCs around the house could handle distribution to local TVs or monitors..

And video over the internet replacing cable and satellie would be just an amusing memory