

No i dont hate technology. I just prefer a little realism with my technology planning. Broadband Video is smoking hot right now. Why ? Because thats where the money is. Advertisers have gone bonkers over it. For good reason. Its a great use of the net for advertisers. A video directed to the right demo can generate far more value for an advertiser than many other advertising opportunities. Advertisers have caught on and are putting their budgets to rich media. Thats a good thing.

Its also why content providers, particularly major media players are putting content into broadband offerings. If you can get a great CPM and sell "name brand" content that commands a great CPM, you are stupid not to do it.

But offering broadband content in order to gain a bigger share of the advertising pie is a completely different realization of broadband than the expectation that broadband video delivered over the internet is going to be a viable alternative or as some future gonzos are suggesting, a future replacement for traditional delivery of TV. A replacement for TV ? Over the open internet ? Now that is crazy ! (for definition's sake here, Im excluding private end to end controlled networks like cable or telcos who are using IP delivery of content. Switched delivery of content on an end to end owned network is not "internet delivery")

The first problem for broadband is bandwidth. DVD quality at 1mbps is fine today, but have you noticed you cant do live consistently for any size audience at even this minimum bandwidth level ?

If someday the internet can support live delivery of 1mbps unicast streams, the cost will be prohibitive (every live stream requires a direct stream from source to end viewer), It adds up very fast. 1 stream per person. X number of streams per server. All the routing and internal backbone equipment to get it on the net. All the monitoring equipment to make sure it gets to the viewer in some semblance of decent quality. All the people to make sure that all works. Thats big bandwidth and overhead and hosting costs. Which is why 350k simultaneous streams at 300k quality for march madness and a concert were considered huge events in 2006. Every single incremental user for a 300k stream of a 2 hour event can cost more than \$1 PER USER. (Dont think so ? call a broadband video provider and ask them how much they will charge to stream a live 300k stream to 350k simultaneous viewers with TV level quality of service).

Compare that with the cost of delivering TV today.

Then of course there is the consideration that if broadband will replace TV, what happens when we go High Def ? Lets see we can get by with the lowest quality and only 6mbps of bandwidth (and all you "we have a better codec people, your stuff still looks like crap doing HDTV at 6mbps) . If its a challenge and costs a fortune to delivery 300k streams at 350k , DVD quality , how long do you think it will be before we can do the same over the internet with 6mbps or the required 8mbps for low end and 12 mbps for high end content ?

It aint gonna happen anytime soon. Not this year. Not next. Not 5 years. Not 10 years.

Want to deliver the SuperBowl or American Idol in HD in realtime to 10s of millions of simultaneous viewers ? Not in this lifetime without some breakthrough technology that hasnt been invented yet. (DO NOT SEND ME EMAILS SAYING YOU HAVE THIS. YOU DONT)

So if you want to look at broadband as the future of tv delivery, you can completely eliminate live programming. Of course thats not a big deal. Right ??????

Its feasible of course to do on demand, in a netflix type model. Let it download over night (equal to postal overnight). But it does tie up your PC, so shipping on a hard or optical drive is much more efficient, and thats not the internet.

But wait there's more. You still have to pay for that bandwidth somewhere. Yes peer to peer helps save bandwidth at the originating end. But it doesnt help at the destination end. 100 peers on a network segment will still use the same amount of bandwidth on that segment as 1 destination with no peers. 10gbps of programming still has to find its way to the destination. So clogged pipes in that last mile are going to clog further as more content is delivered is delivered at higher bit rates. Which in turn mean that fewer broadband bits can be delivered at busy times to last mile users. Net Neutrality will pretty much guarantee that this is a problem forever and ever.

Finally, there is the home experience. Everyone who thinks that analog and sd channels look Worse on an HDTV than they did on an analog tv raise their hand. Now everyone who thinks its worth the hassle to hook a PC up as a media center, connect it using HDMI or DVI to their new HDTV and then connect to the net as their primary source of content, raise the other hand....

You can hook any HDTV today up to pretty much any recent PC and use it as a conduit to get internet content to your HD set. You know how many people are doing it ? Not many at all. I dont know of any families gathering around their brand new HDTV to watch internet content they just grabbed from Youtube. I know millions that are doing it for HDNet, HDNet Movies, TNT HD, HBO HD , ESPN HD.

The reward for connecting a PC to an HDTV isnt worth the hassle and that wont change for years. Dare i say, not even in 10 years, if ever.

[Two years ago i wrote that it will be easier to deliver content on a hard drive](#) than it will be over the net. That is the case today, and it will be the case for a long time to come.

Remember, your broadband throughput hasnt increased 5 mbps in 5 years. What makes you think that its going to give you 5mbps more of THROUGHPUT to enable you to do a SINGLE hd stream at a time to your home in the next 5 years ? Or 15mbps more to do 2 HD streams ? (you do want to use your PVR for HD shows dont you ?)

And finally, for all you content creators that think broadband video, whether to a PC or PDA will be the greatest opportunity to make money since.... [Podcasting, well read my posts on podcasting](#). You aint gonna make crap from your broadband video efforts that are drawing zillions of downloads (dont you realize a download isnt the same as actually watching ? do you watch every minute of everything you download ???) unless someone hires you to create programming for TRADITIONAL VIDEO DISTRIBUTION METHODS LIKE TV or DVD !