

I'm obviously a defender of copyrights. I'm also a defender of fair use. I also think that there is a time to sue, a time to compete and a time to use some sense.

CableVision, a Long Island cable MSO created a very simple product. It's a virtual DVR. Rather than having a DVR with finite hard drive storage capacity in every home, they essentially moved the hard drive to a network location and let the storage occur there. The user had no idea where the shows they wanted recorded were stored. They were getting the DVR services they wanted, and the virtual DVR was a platform that made it easier to enhance and update services going forward. CableVision was able to save a ton of money on set top boxes.

A win for consumers. A win for CableVision. No problem, right? Wrong.

Suing Youtube and pulling content from Youtube is a good idea because the content there is unemployed. It's not making any money for its creators, it's only making money for Youtube. Content on the Cablevision DVR is employed. It's getting paid for. Cablevision may not have all the best content available (they haven't figured out that they are losing subs not having HDNet, but that's another story), but what content they have, they pay for. So the media companies that sued Cablevision over their virtual DVR were getting paid for it.

But that alone is not what makes it stupid to sue to halt the DVRs. Critics of media vs youtube like to say that big media needs to find new ways to compete with internet video and combating youtube is not the way to do it. In reality, those critics have it backwards. Internet video is not ready for primetime and it will be years till it will, however, when the opportunity arises to create space for those who are paying for your content vs those who are stealing content, it's a good idea to help out your paying customers.

Virtual DVRs from cable and satellite companies are a step in making television a better experience. It's a big step to creating an environment that can easily compete with internet video and far exceed the current and future capabilities of the net. After all, Cablevision et al can buy just as many hard drives and servers as Google or any internet provider to store and offer as much content as any internet site. Plus, they are already fully integrated into the home tv experience. Users don't have to buy Apple TV or whatever to make it all work.

So bottom line, those filing the lawsuit to halt the Cablevision DVR made a HUGE strategic mistake. They ought to go back to them and sign a quick deal allowing them and all video distributors to offer Virtual DVRs as part of what they pay for content.

Employed content is always a better business model than unemployed content