



Billed as *the world's largest electronic media show*, the NAB (National Association of Broadcasters) conference in Las Vegas is part Spring showcase, part great debate, and part vantage point on the future of media.

An example is Thomson's Infinity Series of camcorders and removable media, with its crowd-pleasing storage, compression, ingest, and play-out innovation. But the greater headline is a "fully connected tomorrow" according to Thomson chairman and CEO Frank Dageard, "where the consumer is in charge of the content they watch." It explains why vendors are developing content production, storage, and distribution for on-demand versatility, commonplace HDTV presence, new mobile platforms, and decreasing content creation and roll-out costs.

NAB is two million square feet of exhibits and presentations covering Broadcast, as it intersects with Internet and Telecoms services. And it is populated by thousands of product managers all claiming to have second-guessed the market and developed *the next big thing*. With so many vendors hyping their wares, it's as well to recall WC Fields' cautionary remark that "a thing worth having is a thing worth cheating for". And let's face it a 'Trillion Dollar Bounty' (as one

more loaded question if you consider the new market theory maintained by some insiders. Wired Magazine editor Chris Andersen's upcoming book *The Long Tail* examines how the future of entertain-

ment will derive from millions of niche markets created by an explosion of content available to smaller and smaller demographic units. Some compare this technology-driven market boom to the opening of middle America real-estate by the transcontinental railroad.

At the Greatest Show on Earth: Turning Content into Revenue

keynote panel on future *convergence* upside was titled) is a thing worth having.

BOUNTY HUNTERS

Projecting a trillion dollar market may seem overboard. But consider some trends, starting with the fact that a billion people are already connected to the Internet world-wide. In the US alone, one-third of all households are online and that number is expected to double by 2010. Apple Computer reports over a billion legal iTunes downloads and over 15m video downloads (projected to grow to a \$5 billion business in the next eight years). Likewise, according to Deloitte, IPTV subscribers will grow from 1.9m in 2004 to over 25m by 2008. Finally, of two billion cell phones in use world wide, 236m already contain 3G video-enabled playback, today's \$600m mobile gaming industry is expected to grow to \$1.5 billion by 2008, online advertising will reach \$26 billion by 2010, and VoIP revenues are projected to reach nearly \$7bn by 2009. That's a clear high-growth outlook.

The secret to harnessing that growth? The ability to distinguish the attention-grabbers from reality. In other words, "it may be cool, but is it a business?" says Hearst-Argyle Television EVP Terry Mackin. "The test becomes: 'How do I turn this into a complete business, and what is the revenue strategy?'" This is an even

READY, FIRE, AIM. The business potential is persuasive, so what's

the strategy? Is there even time for a strategy? From the sound of it, experimenting our way into the future is the way forward. "We're basically trying everything, is the simplest way to put it," says Larry Kramer, President of CBS Digital Media. "We're trying to put all our entertainment content on as many platforms as we can, to see how consumers accept it."

Disney confirmed we should expect more episodes of *Lost* and *Desperate Housewives* turning up on mushrooming new media and broadband devices. The readiness of on-demand functionality and counter-piracy strategies will be the foundation for tomorrow's services and business models, Disney-ABC's Television Group president Anne Sweeney believes.

The near-term is about *additive* media, not integration. "How many of you have a cell phone?" asked Sweeney, in her NAB Keynote - *Turning Content Into Revenue*. "I'm guessing none of you gave up your computer when your Blackberry arrived. Just like you didn't give up watching TV when DVDs hit the shelves." Disney's bet is that the new technology allows content to follow you—and your money.

In any case, the 'fully connected tomorrow' is going to be the subject of much trial and error and will keep everyone guessing about its final features for years to come. Or at least until Spring 2007 in Vegas at the next NAB. 



About the writer

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