

A few years ago in this column, I asked whether IPTV was poised to prove itself and flourish, or continue meandering as a solution in search of a question. At the time I maintained that the real question is not *if* IPTV would proliferate, but where, when, and *how widespread*. IPTV is conventionally defined as prime-time quality digital programming delivered over a dedicated, fully-managed network and set-top box, but is increasingly being compared against video delivered over the public Internet.



interactivity are becoming available from Internet services that only recently were believed too feeble to compete with Broadcast TV or the strengths of pure IPTV delivery.

But the technology has changed and the trend continues. Consider that over-the-top revenue from Internet video delivered to the TV is expected to increase six-fold in the next five

years and reach nearly \$6 billion accord-

ing to media analysts TDG. The race for that monetisation will drive the winning solution to success—regardless of platform. And speaking of monetisation, the scale of US retail giant Walmart's recent acquisition of broadband entertainment provider Vudu further illustrates this blurring of the lines and commonly held notions of fully-managed IPTV networks.

Walmart moves in

Walmart is big, and their effect on delivery of digital video to the masses will be significant. Two million employees service 20m transactions a week at over 8,000 stores worldwide in 15 countries which generating a \$405 billion in sales.

"The real winner here is the customer," suggests Walmart vice-chairman Eduardo Castro-Wright. "Combining VUDU's unique digital technology and service with Walmart's retail expertise and scale will provide customers with unprecedented access to home entertainment options as they migrate to a digital environment," he argues.

Originally based on a hardware device that was dubbed "veddy, veddy expensive" by *USA Today* with set-up that "turned into a B movie nightmare", it is rumoured Vudu spent a large percentage of its original venture capital on this flawed hardware-based model, before setting up licensing agreements with LG Electronics, Mitsubishi,

Samsung, Sanyo, Sharp, Toshiba and VIZIO. At this year's CES show, they announced there were nearly 50 vendors that would shoulder the hardware part of the solution. These devices will all be able to deliver 1080p HD video with Dolby Digital Plus 5.1 surround sound via Vudu's HDX video format.

Today, the question about IPTV remains the same. As the line between IPTV and Internet video dissolves, the days of the big face off between a monolithic broadcast industry and a monolithic IPTV model are gone.

It's now only a matter of time before we see ubiquitous high quality IP-based video content and interactive solutions running across PC, smart phone, and TV, as Korean Telecoms has initiated. The platforms will both delight and annoy us as the kinks are worked out, but whether everyone calls it *IPTV*, *Internet video*, or *WebTV casserole* is secondary.

IPTV has proliferated

In the five years of intense industry development since the first issue of *IPTVi* was published, it has become nearly impossible to keep track of IPTV deployments large and small proliferating around the planet. From Seoul to Helsinki to Mattoon, Illinois, the digital IP technology and delivery envelope is being pushed faster and farther every week.

IPTV AND INTERNET VIDEO ARE BEGINNING TO BLUR, SUGGESTS HOWARD GREENFIELD.

FIVE YEARS ON

In South Korea, the country's largest fixed line telecom, Korea Telecom, which already has nearly a million TV subscribers, will reportedly invest \$1.5 billion in IPTV over the next few years. And to fuel the convergence of TVs, PCs, and mobile devices, they have just announced an IPTV apps store that provides a platform for third-party content and programming. (Thank you, Apple, Inc. – I wonder if they ever thought the iPhone apps store would be replicated for IPTV?).

In the US, Illinois-based Consolidated Communications, a traditional telecoms services provider, is committed to the digital media future by bringing IPTV to the heartland states of Texas, Pennsylvania, and beyond. "We are focusing efforts on our strategic products and services," says Consolidated's President and CEO Bob Currey, "by continuing to grow IPTV and DSL."

Meanwhile, in the UK, digital TV-Internet hybrid contender Project Canvas is also flexing its muscles. The BBC-Channel 4-ITV joint venture that includes communications companies BT and TalkTalk recently announced it is in discussion with Cisco, Humax, Technicolor, LG, Sagem, and Amino as potential technology providers for Canvas-enabled boxes.

The line is blurring

In the wake of hundreds of IPTV projects such as these flourishing around the world, the once hard and fast line distinguishing pure IPTV and video delivered over the Web has begun to blur.

Since the first issue of *IPTVi* in 2005, numerous developments have challenged the technical and commercial high ground that was once the exclusive turf of IPTV. New and improved offerings from the likes of Roku, BBC, Apple, Hulu, Sezmi, and ZillionTV, just to name a few, have been beefed up for direct Web access. Better quality, content, and



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