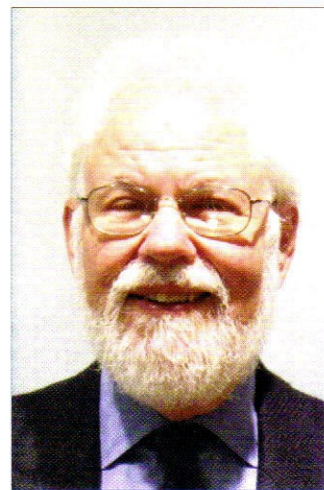


Every Story

Dave Says: Not So Fast, People Want Reliable TV



**Dave Waks,
Consultant, System
Dynamics Inc.**

dave@system-dynamics.com

A broadband industry pioneer, Dave has worked on residential broadband for nearly 20 years. In the 1990s he directed several of the earliest residential cable modem trials, and later helped MSOs plan and deploy broadband services. When Dave is not busy consulting for clients or co-writing the Report on the Broadband Home, he tests new broadband-related products and maintains the multiple Web sites he's created.



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Many developers see the digital TV screen as the next logical place for innovative applications and would like to be able to combine their innovative features with all the features of today's TV viewing — just as downloadable smart phone applications add innovative features to all aspects of mobile telephone service. But it is hard for the cable industry to move quickly to open up the tru2way environment. Tru2way — whether in a set-top box or embedded in a digital TV set — is a much more sensitive environment than a mobile phone. Most tru2way applications will be running while people are watching television. They watch for long stretches and expect flawless video and audio. They are accustomed to the TV behaving reliably and have high-quality expectations for digital TV.

A tru2way system will have multiple applications running simultaneously, sharing the screen “real estate” and competing for processor and memory resources. If applications aren't “good neighbors” they could interfere with the TV picture, audio and other tru2way applications. Cable operators would understandably want to test these applications very carefully, making sure they work correctly with all other applications in each supported tru2way environment, before allowing them to be loaded into customer devices.

MSOs are likely to be blamed for any application problems and will bear the primary cost of customer support. If operators aren't careful, tru2way applications could turn into a customer service nightmare. Operators also may bear the cost of having an inconsistent user interface. Customers may get confused by the differences between user interfaces and navigation within and between applications, and call for help.

The idea that tru2way is the total solution to the problem of differing operator environments is a naïve one. While the tru2way core may remain the

same, providing applications involves interaction with many external systems, such as billing, customer support and provisioning. These can be hugely divergent in different MSOs' infrastructure and can even be different between two regions of the same MSO. Thus, tweaking and testing in each different environment must be inherent to running any new application, tru2way or not.

For MSOs, the application software business — “software as a service” — is new and untried, and will likely require some experimentation and blind alleys to prove out.

Tru2way has a lot of potential benefits for MSOs — not least, the ability to generate premium service revenue from hardware capitalized by the consumer rather than the MSO; but it will take some time for

that revenue stream to materialize. The biggest source of tru2way revenue is likely to be interactive advertising and transactions from bound applications; the revenue model for unbound applications is not clear.

Thus “walk before you run” would seem to be a prudent tru2way approach for cable operators. First priority must be given to the “core” applications that enable the TV viewing experience — the guide, on-demand selection and DVR controls. Next would be interactive applications bound to specific programs. Third would come other applications from existing program providers. Only then could operators turn their attention to “unbound” applications that leverage the resources of the set top-box and the screen.

Tru2way promises a nationwide footprint of TV-centric devices, deployed by MSOs and purchased by consumers at retail, all running the same application software. It may take several years before operators can complete the deployment of the network infrastructure to support tru2way and to work out the logistics and the business deals to fully leverage the benefit tru2way can bring. Hopefully the industry will find that the wait has been worthwhile.