

# Bridging the Chasm



Xanthum Partners



# Bridging the Chasm...

- To profitable mass-market consumer and business broadband services by offering a mix of media-rich content and applications across heterogeneous networks.
- By focusing on both the business and technology aspects leading to successful broadband deployments and by addressing challenging questions service providers may be facing.
- By presenting interoperable and deployable solutions focusing on consumer and business applications and financial models, as well as the enabling technologies behind advanced broadband services.

# Trends

- Almost 20M households have broadband connectivity
- How to target the next 20M – the mainstream?
- Acquisition costs and uses of connectivity are different... marketing need to be more targeted
- No single 'killer application'
- Display devices blur for younger people – PC vs. STB considerations don't need to drive decision-making

# The Service Provider Quandary

- Most broadband access provides simple connectivity.
  - But the next wave of broadband customers are looking for media services and family room broadband.
- Carriers not (yet) an integral part of the broadband application and content value chain.
- Needs to change if carriers are to profit from mass market service, due to costs of delivering required bandwidth
  - Cost declines alone won't cut it

# The Good News

- Enabling technologies, applications, and the ROI models to back up deployments are all proven
- Carriers having success with content/application partnerships
  - SBC/Yahoo
  - Verizon/MSN
- Consumers are willing to pay for quality content (and the providers are willing to supply it)
  - RealOne
  - MovieLink, CinemaNow
  - Apple iTunes Store



# The Bad News

- DRM issues still unresolved
  - Worldwide sales of music CDs, records and cassettes fell for the third year in a row, hit largely by rising Internet piracy in the United States (IFPI, April, 2003)
  - DVD copying becomes mainstream

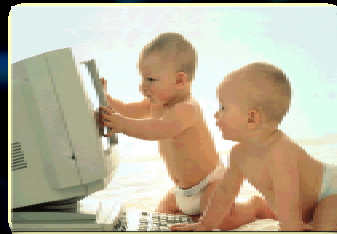


- Need an informed legislature (and public)

# What are the Applications?



Voice



Training



Conferencing



Security



Games



Music



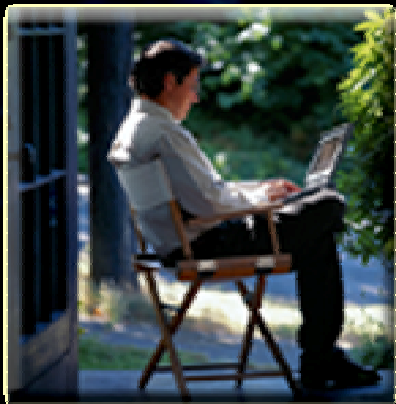
Video



Storage

# What are the tools?

- Enabling Technologies



Access  
Anywhere



Infrastructure  
and QoS



Content  
Aggregators  
and Brokers

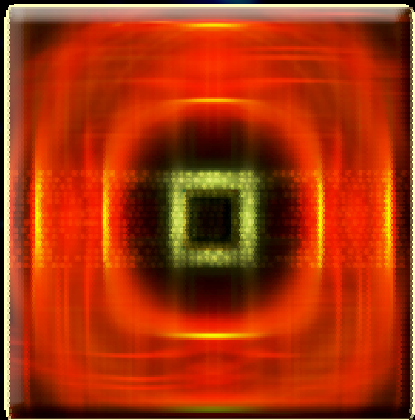


Multicasting



# What are the tools?

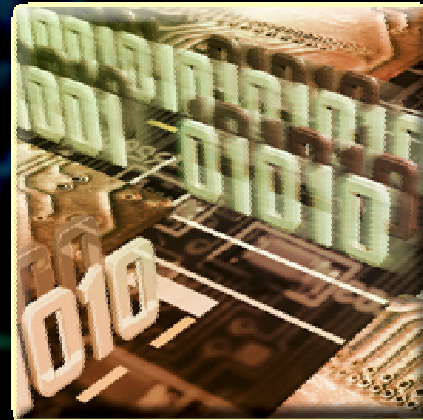
- Enabling Technologies



Edge Content  
and  
Application  
Hosting



Subscriber  
Policy Mgt.

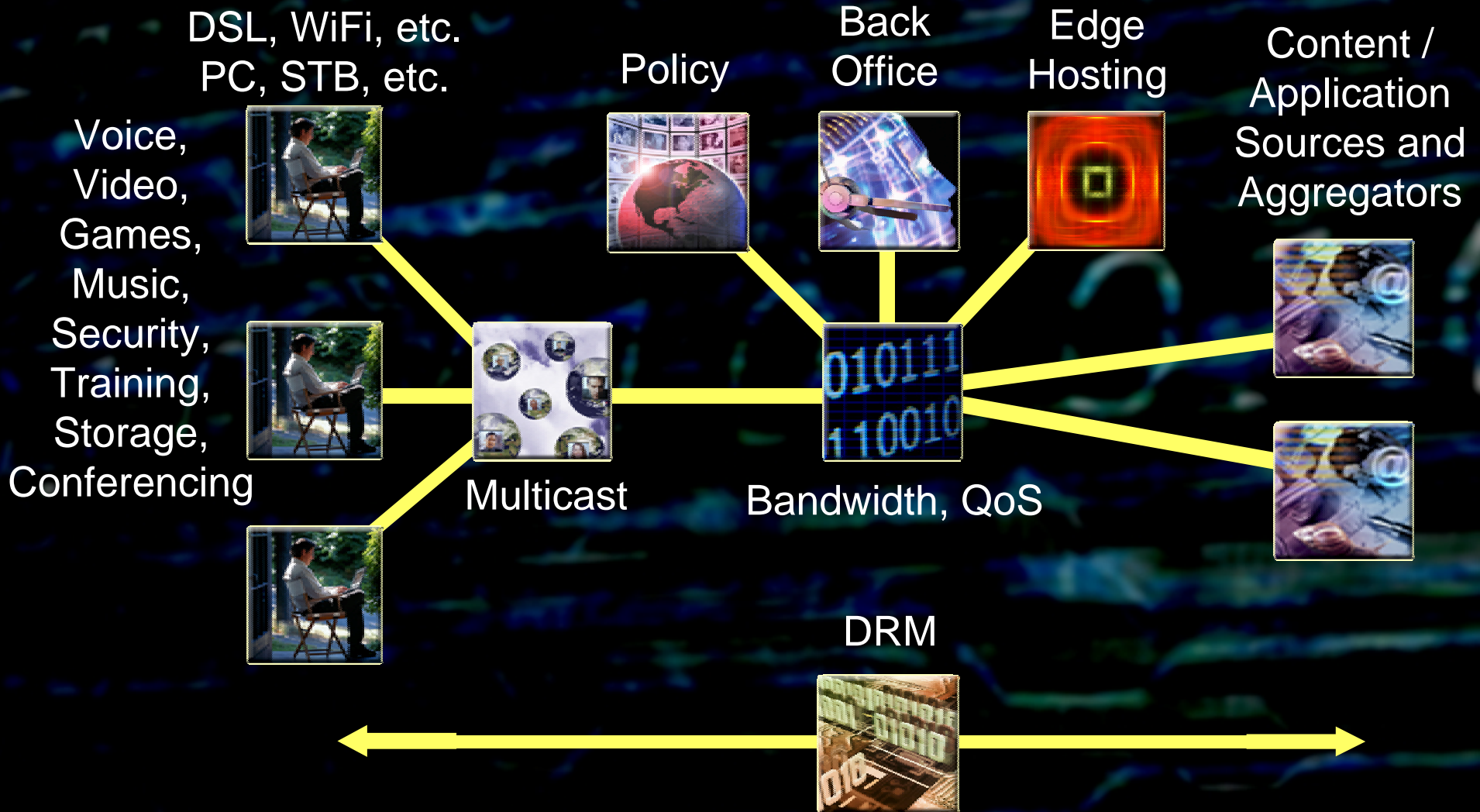


Digital Rights  
Mgt.

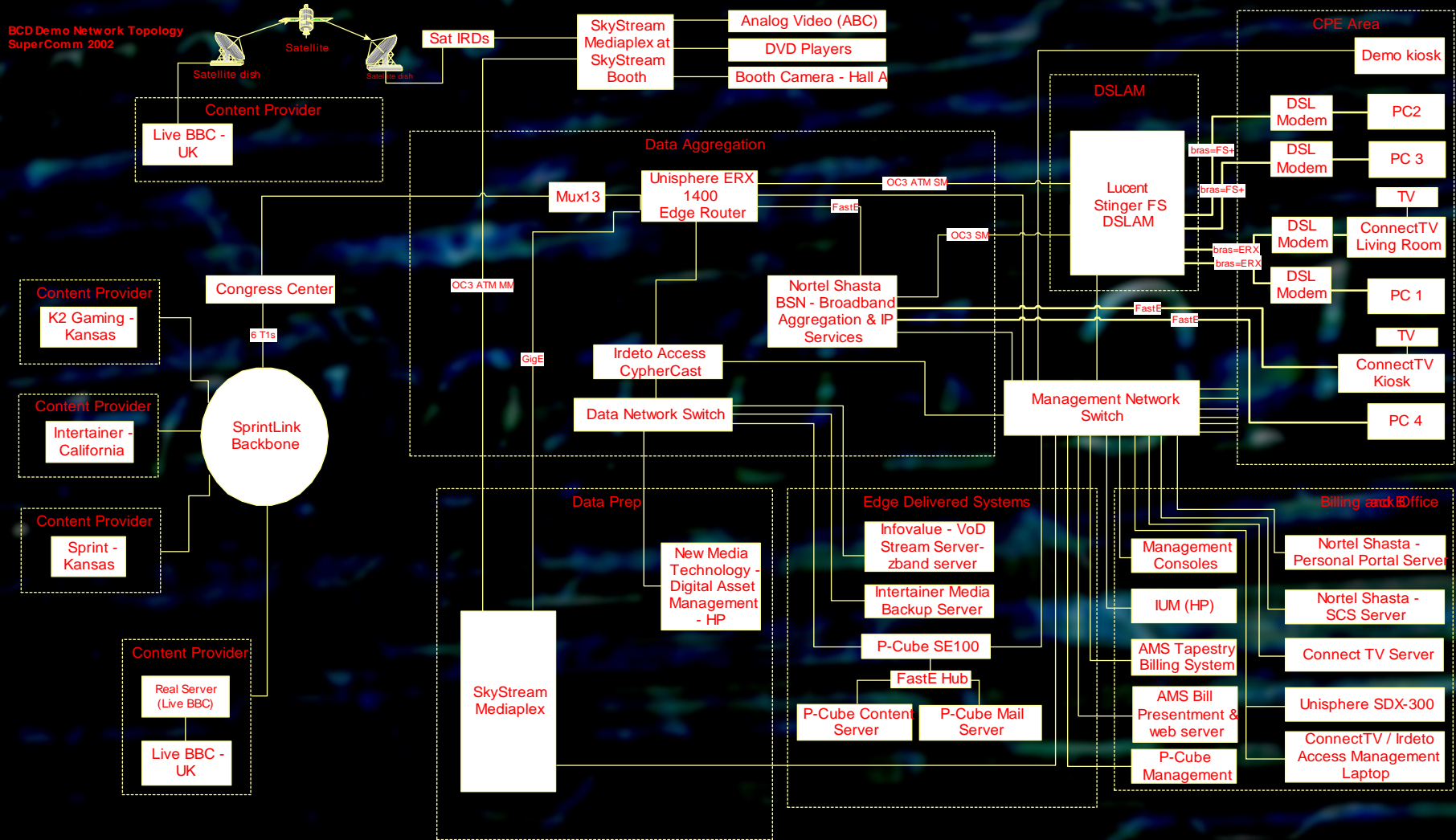


Back-Office  
Systems  
Billing;  
Minimize  
OPEX

# Putting the Puzzle Together

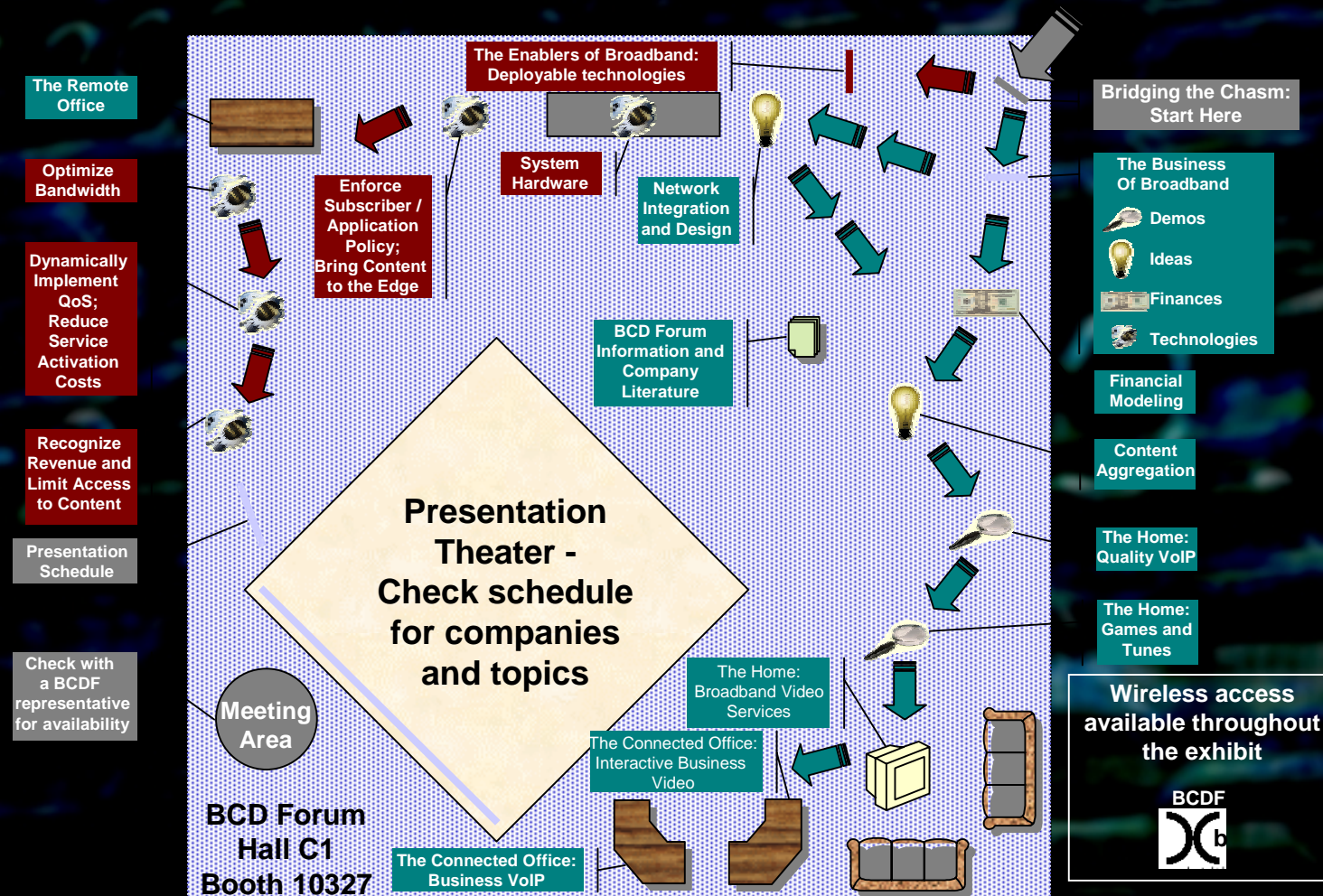


# BCD Forum End-to-End Services Demonstration at SuperComm 2002



# Service Viability Demonstration

BCD Forum, SuperComm 2003



# The BCD Forum: Why?

- Most fora focus on physical layer technologies (i.e., ATM Forum; DSL Forum) or protocol development (IETF).
- The industry requires an organization that focuses on the business and application layer issues ***for end-to-end services***, and spans all access technologies

# The BCD Forum



- The BCD Forum is an independent non-profit trade association that addresses the business of broadband.
- Members, which include some of the most important players in the broadband industry, work collaboratively to identify the issues, options and opportunities associated with monetizing broadband networks.
- Members demonstrate that multi-vendor solutions can profitably deliver content-rich consumer and business services across both wireline and wireless networks.
- Membership consists of service providers, content providers, and hardware and software providers.
- For more information, visit [www.bcdforum.org](http://www.bcdforum.org)

# OOGMUND OGG,

THE CAVEMAN WHO  
INVENTED THE WHEEL,  
WAS LOOKED UPON BY HIS NEIGHBORS  
AS SOMEWHAT OF A CRACK-POT!



THEIR OPINION OF HIM CHANGED, HOWEVER,  
WHEN HIS COUSIN OOGLA JOINED HIM IN  
HIS BUSINESS AND INVENTED THE AXLE!