



# A Look Under the Hood of Over-the-Top Media

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July 27, 2010

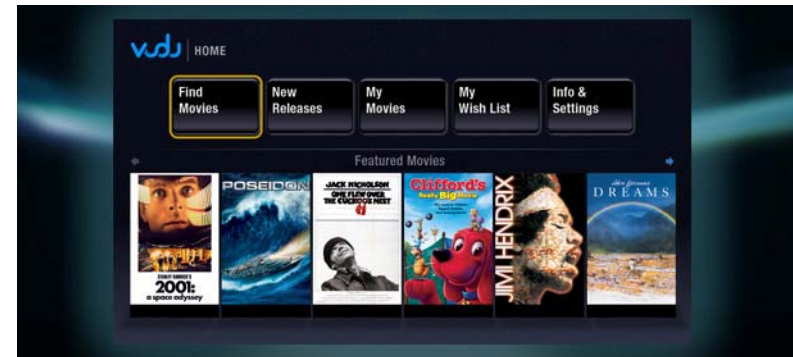
# Some Internet VOD TV offerings

# Apple TV



- 160Gb HDD
- 1,000 titles (100 HD) available for rental
- Photos, music, YouTube, Podcasts

# VUDU



- 250Gb HDD
- 5,000 titles available for rental or purchase
- 1080p – HD ready

# Unbox on TiVo



- 160Gb HDD
- 1,200 titles available for rental or purchase

# NetFlix

- January 3, 2008: announced partnership with LG Electronics
- Movie rentals to TV
- LG may also embed the receiver into its dual-DVD (Blu-ray; HD-DVD)
- Now on gaming consoles X-Box, Wii

# Business factors

- All these services ride your (and other operators') pipes
- No way to monetize, other than to up sell bandwidth

# Operator On Demand

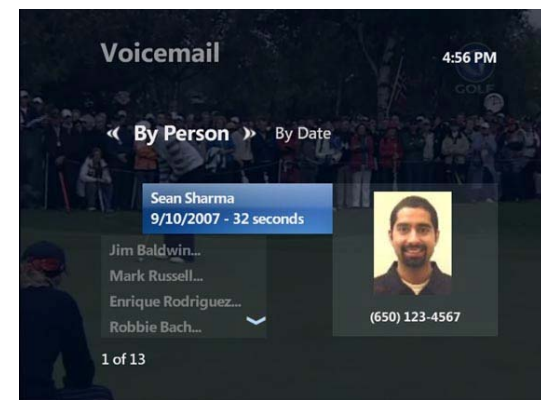
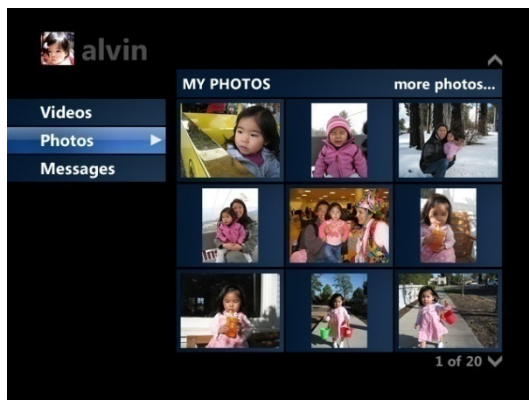
- Telco branded product similar to other movie rental appliances available today:
  - Apple TV
  - VUDU
  - Amazon Unbox on TiVo
  - NetFlix
  - Blockbuster On-Demand
- Download & Play VOD
- Centralized Admin
- Content
  - Utilizes existing TV VOD services content
  - Leverage 'home grown' content as well

# Benefits

- Allows operator to monetize video in non-video markets
- Uses existing networks
- Uses existing STB's which typically have lower price points than OTT offering
- Self provisioned – eliminates truck roll
- Leverages other Mediaroom features
  - Home Media Sharing
  - Application Developer's Kit
- Migration path to full managed TV offering

# Additional Features/Benefits

- Common UI for future service expansion
- Home Media Sharing available from the beginning (photos, music, etc.).
- Applications platform - games, tickers, weather, etc. Could leverage existing portal



# Summary

- VOD TV “appliances” and services, while still nascent, are poised for significant market growth, based upon historical trends for similar devices/services.
- Vendors are attempting to create a retail play here, which may eventually supplant DVD players.
- Operators risk becoming relegated to cheap “plumbing” for higher margin video services.
- VOD margins provide attractive revenue streams for the operator, which will help to build ARPU’s and monetize network builds.
- Mediaroom-enabled D&P VOD-only services will allow operators to cost-effectively grab market share, and provide a migration path to full IPTV.