

Fibre to the TV: the only option for home entertainment

By Nadia Babaali, Communications Director of the FTTH Council Europe

BRUSSELS, 6 June 2013 - Today's audio-visual entertainment landscape is rapidly changing. Across Europe, triple play is widespread, video on demand (VOD) is increasingly regarded as a basic service and high definition (HD) is becoming the norm. Audiences want to watch their favourite shows whenever they want, in the best quality available. They have also come to expect a wider choice of viewing content, along with extra services and personalised information.

Today, buying, storing and watching media content is easy, thanks to developments in cloud computing, payment technologies and licensing legislation. The USA gives a good indication of what's in store for Europe. Verizon's FiOS fibre package currently offers the fastest digital TV in the US. In fact, fibre may even be overtaking traditional broadcast channels. As a 4K film wouldn't even fit onto a Blu-ray disk, online distribution is clearly the future. The UltraViolet industry consortium, for example, allows users to purchase and watch content anywhere. Netflix, the world's leading Internet television and video streaming network - rumoured to be opening offices in Belgium, the Netherlands and France soon - offers more than one billion hours of TV shows and movies per month, including Netflix original series, to over 30 million members in 40 countries. Members can watch as much as they want, anytime, anywhere, on nearly any Internet-connected screen.

A CLOSER LOOK AT DELIVERY

Of course, all these innovations and developments bring significant requirements with them. Today's TV cable and Internet connections simply won't be able to accommodate the bandwidth demand that this implies. TV still mainly reaches our homes through traditional and often obsolete copper-based networks or coaxial cables. All too often viewers are forced to choose between the immersive, collective TV/home cinema experience and laptop viewing. Ageing networks are limiting services and holding back developments in broadcasting. Repeatedly jittering and pausing to buffer means dissatisfied customers.

Regardless of which company drives next-generation Video-on-Demand and enhanced TV services, we can be certain that new models are coming. Europe's operators and content providers need to act upon this. Especially in countries such as Belgium, where there is hardly any future-proof high-speed broadband available... The country's FTTH broadband penetration lags behind the European leaders, with subscribers representing less than 1% of households*. Although the government is promoting its SuperFastBelgium scheme, based on a national FTTH network, developments remain extremely slow. National telecoms incumbent Belgacom's VDSL vectoring strategy and Telenet's DOCSIS cable solutions are only temporary answers, which can only complement the limited FTTH roll-out to a small degree.

A recent study of the German analyst company WIK pointed out that in just 10 years nearly half of the German households will require a broadband connection that is able to deliver more than 170 Mbit/s – in both directions! And one of the main drivers will be video and home entertainment. Another important aspect is the quality of service. Consumers would not be happy if an action movie stopped during the most thrilling scene, displaying a "buffering" text, because technical limitations

induced a temporary reduction of the bandwidth. To have a first-class entertainment experience, the usual “up to” bandwidth offerings will not work anymore.

Many “experts” also ignore the fact that an individual user might be watching one programme whilst recording another, or engaging in some form of interaction. Also, it is not uncommon for several members of the same household to watch multiple content streams simultaneously. Just consider your home connection speed, which might be just enough to watch a show in reasonable quality. Now, divide that by the number of people watching TV, gaming, using VoiP, listening to music or sharing files over the Internet over that single connection... As digital video content evolves to richer formats beyond high definition for improved user experience, and the TV becomes the hub in the connected home nervous system, the demand for higher performance and capabilities from the network infrastructure will grow accordingly. Only Fibre to the Home is capable of handling such demands, allowing everyone to enjoy error-free streaming content now and tomorrow.

Integration of broadband and broadcasting also supports new broadcasting services and business models, including targeted content suggestions and advertising, niche programming, on-demand content and enhanced viewing with added regional information. For network designers, using passive optical network technology means less space is required in the central office and ducts, and that energy requirements and technical complexity are reduced.

SOLUTION FOR TODAY’S AND TOMORROW’S TV

Tomorrow’s television may only realise its full potential if it’s powered by fibre - the most high-tech, reliable, enduring, future-proof and cost-effective solution. FTTH provides the highest speeds, both downstream and upstream. High and steady bandwidth on fibre networks offers better audio and video quality, high channel counts, less static and interference, interactive options, better hacker protection and online transaction security.

One recent study expects the number of global Internet TV subscribers to surpass 106 million by next year**. New, interactive ways of ‘consuming’ TV are leading to increasing convergence between the worlds of broadcast and broadband, and operators and content providers need to act upon this. Advanced tools and solutions make it easier than ever to hook up houses, blocks and apartment buildings. Optical fibre offers vast bandwidth, and in the future significant upgrades can be made directly on the active equipment, with no need to replace the fibre itself. In short, FTTH is the ONLY solution capable of supporting any future development in the home entertainment arena.

* FTTH market panorama 2012, IDATE for FTTH Council Europe, February 2013

**Global IPTV Market Forecast to 2014, RNCOS

-end-

About the FTTH Council Europe:

The FTTH Council Europe is an industry organisation with a mission to accelerate the availability of fibre-based, ultra-high-speed access networks to consumers and businesses. The Council promotes this technology because it will deliver a flow of new services that enhance the quality of life, contribute to a better environment and increase economic competitiveness. The FTTH Council Europe consists of more than 150 member companies.

www.ftthcouncil.eu

Register now for the FTTH Conference 2014, to be held in Stockholm from 18 to 20 February 2014:

www.ftthconference.eu

Longing for a better Internet connection? Join “I want Fibre” page on Facebook:

www.facebook.com/pages/I-want-fibre/174248502650699

Media Contact:

Nadia Babaali, Communications Director

FTTH Council Europe

+33 (0) 6 20 88 72 38

nadia.babaali@ftthcouncil.eu