

Digital Destiny

Decisions Being Made Now about Our Media Future

- By biggest media/telecom companies
- Advertisers
- Technology companies
- <http://www.onetooneinteractive.com/>

Most Powerful Media System

- Immersive
- Ubiquitous-PC, TV, Mobile
- Virtual
- Entire Global Media System Now Being Transformed--principally to be more effective marketing/selling system
- Entertainment continues to be “glue” for commercial transactions
- <http://www.verizonfios.com/tvdemo/>

The Net at Risk:

- Phone and Cable Companies Deliberately Eliminated Non-discrimination and interconnection principles for broadband. 2002 and 2005

The Net Under Attack

- The two dominant broadband providers--cable monopolies and local telephone giants--control well over 98 percent of all high-speed Internet service in the US.
- They are committed to transforming the public Internet into a private, closed, pay-as-you-go toll road.

- Through what is called "deep packet inspection," network operators will know what kind of content you are accessing online, from email, to websites, to peer-to-peer downloads.
- Unaffiliated and competitive content will be shunted onto the digital equivalent of a dirt road.

The End-to-End Principle

- "End-to-end is a design principle that network architects began to articulate around the early 1980s. The idea is that you should place intelligence at the edge of a network and keep the network itself simple. This made the evolution of the network much more flexible, because it requires a minimum amount of coordination among network owners and users.... [I]t also has very important political consequences: The end-to-end principle enables maximum liberty for users."

--Lawrence Lessig, June 2002

Undermining the Original Vision

- “Twenty-seven years ago, the inventors of the Internet designed an architecture which was simple and general. Any computer could send a packet to any other computer. The network did not look inside packets. It is the cleanness of that design, and the strict independence of the layers, which allowed the Internet to grow and be useful. It allowed the hardware and transmission technology supporting the Internet to evolve through a thousandfold increase in speed, yet still run the same applications. It allowed new Internet applications to be introduced and to evolve independently.
- “When, seventeen years ago, I designed the Web, I did not have to ask anyone's permission. It is of the utmost importance that, if I connect to the Internet, and you connect to the Internet, that

- we can then run any Internet application we want, without discrimination as to who we are or what we are doing. The Internet is increasingly becoming the dominant medium binding us. The neutral communications medium is essential to our society. It is the basis of a fair competitive market economy. It is the basis of democracy, by which a community should decide what to do. It is the basis of science, by which humankind should decide what is true.
- “Let us protect the neutrality of the net.”
- Tim Berners-Lee, May 2, 2006
- <http://dig.csail.mit.edu/breadcrumbs/node/132>

The Corporate Vision

- "Why should they be allowed to use my pipes? The Internet can't be free in that sense, because we and the cable companies have made an investment and for a Google or Yahoo! or Vonage or anybody to expect to use these pipes [for] free is nuts!"

--Ed Whitacre, CEO of AT&T, November 2005

The Corporate Lobby

- "All told, cable, phone and Internet companies in the first half of the year have spent more than \$110 million on lobbyists, consultants, ad hoc advocacy groups, Web sites, billboards, print and TV advertisements trying to sway the voting and thinking of members of Congress. That nine-figure number does not include millions of dollars in campaign contributions doled out to House and Senate incumbents."

--Multichannel News, 10/23/2006

AT&T Will Soon Control BellSouth, Cingular

- "Without strong network neutrality safeguards, AT&T will leverage its combined wireless and wireline subscribers to control what these customers can hear, see, and say."
--Media Access Project for CDD, Oct. 2006

Principles of Network Neutrality

- Broadband networks must remain open to any equipment or device the user chooses that does not harm the technical operation of the system
- Broadband Internet networks must remain open to competition from all entities, including municipalities

- Broadband networks must remain free flowing for all content and software applications, without restrictions or degradations
- Broadband networks must remain open to unlicensed wireless providers
- Broadband networks must remain open to interconnectivity between various networks and network operators, users, and information service providers

Net Activists Fight Back

- [Save the Internet!](#) YouTube
- [The Death of The Internet?](#) YouTube
- [Rocketboom](#) on Network Neutrality
- [This Spartan Life](#), VideoBlog on Network Neutrality
- [The Daily Show - Ted Stevens and the Internet](#)

The Other Side

- [United States Telecom Association videos](#)
- [National Cable and Telecommunications Association videos](#)

Broadband Deployment

- The U.S. lags behind at least 11 other countries in terms of per capita use of broadband connection.
- Residents of South Korea and France enjoy broadband speeds some 10 to 20 times faster than average US connections.
- US consumers pay 10 to 25 times more than broadband users in Japan.

Universal Service in the Broadband Era

- The longstanding principle of ensuring that all citizens have access to basic telephone service must now be expanded to include advanced telecommunications services as well, reaching those in low-income, rural, insular, and high-cost areas in particular.

Cable and Broadband

- “As to the First Amendment, it is settled law that cable operators engage in and transmit speech, and they are entitled to the protection of the speech and press provisions of the First Amendment. Imposing a requirement that cable operators provide non-discriminatory access to their cable Internet platform would limit a cable operator's First Amendment discretion.”
- Comments of Comcast Corporation, CS Docket, FCC, June 17, 2002

Legislation Needed to Protect the Net

- Sen. Ron Wyden's Internet Non-Discrimination Act of 2006 includes important safeguards that prevent network operators from exerting undue influence over the data traffic that passes through their systems--neither favoring their own content nor interfering with the content of others--and prohibiting the assessment of content-provider fees for the delivery of their programming.

The Public Interest: Missing from Debate

- It's being sold by cable and phone as empowering us--but it's really only about creating captive consumers
- <http://www.richerdeeperbroader.com/>
- Advertising is driving broadband network direction

Media Industry Media Ownership “Vision”

- No Ownership Limits
- Michael Powell: One company could own 8 radio stations, three TV stations, the major newspaper, the cable system, and principal broadband ISP.
- Myth of Competition
- Courts Clueless/Fooled

Media Companies Used FA As Political Tool

- Broadcast networks have told courts that the media ownership "rules unduly limited their freedom to engage in constitutionally protected speech, in violation of their rights under the First Amendment."
- Fox Entertainment Group, et al v. FCC
- News Corp/Fox, GE/NBC/Telemundo, Viacom/CBS -2004

Triple Play

- Advertising getting more powerful
- http://www.eyebalster.com/newsletter/ad_gallery/rich_media_formats/interactive_features.asp
- <http://www.opentv.com/index.html>
- Video
- <http://www.roo.com/advertisers/network.aspx>
- Mobile
- http://www.enpocket.com/static/dog_viral.htm

Every move we make

- Profiles
- Targeting
- Wherever we go
- Major push by ad industry
- Engagement
- ARF, IAB, ANA--all involved in research
- Ad Networks
- http://www.247realmedia.com/products/web_alliance/index.htm
- Powerful corporate presence
- http://www.icrossing.com/brandshadow/brand_shadow.htm

System now being created

- http://www.lightreading.com/tv/tv_pop
- Why?
- Monetization--Driving Theme
- Everything will be a transaction--access, content, etc.

Brandwashing

- Powerful technologies
- http://www.revenuescience.com/saveth eads/banner/default.asp?referral=%5BB ehavioralInsider_MediaPost
- Rich Media
- <http://www.oddcast.com/home/aboutus>
- <http://www.pointroll.com/products/featur es.asp>

Web 2.0

- Marketers are seizing control
- Consolidation. News Corp., Microsoft, Viacom
- <http://www.myspace.com/pepsicolayummy>
- the digital gold inside of MySpace wasn't the number of users, but the information they're providing," including "demographic and psychographic data that Fox Interactive can use" to identify "the brand preferences of young people on the Web."

Mobile Very Important

- Not so smart mobs
- <http://www.mobilestr33t.com/frontend/ui/html/mobilestreet/openL8.htm>
- <http://www.gamutmobile.com/partners.html>
- <http://podtrac.com/advertiser/advertiser-main.aspx>

Branded Entertainment

- Madison Avenue, Show Biz merging
- Virtual
- <http://www.vlb.mtv.com/>
- Immersive
- <http://www.studiocom.com/godeep/>
- Kids are target
- <http://www.groovyglider.com/>

“Front” Groups

- Progress and Freedom Foundation
- Heartland Institute
- Discovery Institute
- New Millenium Research Council--Sam Simon, Alliance for Public Technology
- Also Corporate Foundations/grants
- Many groups receive funding

Allies of commercial vision

- Universities
- Stanford, UC Berkeley/Yahoo, USC, MIT
- <http://www.media.mit.edu/sponsors/sponsors.html>
- <http://mediax.stanford.edu/flash/home.html>
- Also private research efforts--Microsoft adLabs
- <http://adlab.msn.com/>

Crossroads

- We must ensure equity
- Resistance necessary
- Proactive Public Interest Vision
- Which Vision, not his
- <http://www.boldheaded.com/podcast/>
- Read Digital Destiny--Coming this January!
- Thanks

Need to shape the market

- Policy important, but also must foster quality content. Policy options may be limited
- New models for local news, civic, cultural content, etc. Commercial with conscience/social responsibility
- Ownership of content by people of color and women
- Content public can create and distribute
- Free access for low income Americans
- Activism--shaming/policy to ensure our content available on all platforms.

Time to Change Direction is Now

- What do we want
- Digital media system which supports equity, diversity, localism, civic participation, culture, community
- Need to ensure this content--and the financial models to support it--is there
- Otherwise we will be overwhelmed by the harnessing of power media where commercial concerns are foremost
- <http://www.alcatel.com/tripleplay/iptvdemo.jhtml>