

# ON THE GO

## STREAMING

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It's a trend, not a fad according a Netflix® spokesperson. It's video/content streaming, and it's here to stay.....until the next big trend comes along. Last year, Netflix released its 'Watch Instantly' app for the Apple iPhone, making possible stream video from your queue to compatible Smartphones and the iPod Touch (the app was previously available on the iPad), making it mainstream to mobile users. Netflix had introduced a mobile app for Windows Mobile Smartphones last year—hardly mainstream, and for 2012 has emphasized its streaming video app for Android based handsets. Blockbuster attempted to seized the missteps by Netflix to push its ON Demand Android app, although, this month, parent Dish networks hinted that the service would be scrapped. AT&T meanwhile continues to push its U-Verse® Live TV products and Amazon Cell streaming apps are grabbing market share as well. Redbox is presently working out a streaming deal with Verizon, but details of that service aren't available as yet.

The Netflix for iPhone app (tested as version 2.4) is available for free and compatible with the iPhone 5 and the Apple iPad. It allows use of a small screen for accessing the Instant Queue (to list content you want to see next) as one of four menu choices. At the top of the screen is an easily selected Resume button that allows you to continue a video where you left off, even if you stated viewing on a different streaming device.



Watching a full-length film over the iPhone's connection may be a challenge, but when your choices are limited, it fills the bill perfectly---assuming you have sufficient battery life to get to the end. A typical 90 minute movie will cost you about half a full charge on the iPhone. Data usage was about 400 MB, which can run up a significant tab for those using a limited data plan---presently \$45 for 2 GB per month with tethering charge, or \$25 for 2 GB per month without tethering. The lowest cost plan - \$15 for 200MB per month, won't provide anywhere near enough coverage to watch even a single movie, so users would need an upgrade if currently on that plan. Of course AT&T stopped offering iPhones with unlimited data plans two years (existing customers were allowed to retain their unlimited plans), before Apple approved a Netflix app that could stream video. To that end, the thousands of iPhone owners streaming

video for hours a day from an 'unlimited' Netflix account is a highly profitable scenario for AT&T. And users can still stream as much as they want over widely available (free) Wi-Fi, but note that the app is not capable of storing content on the iPhone's memory so that you could access later/offline ---such as on a plane trip.

While long-term prospects for Blockbuster Video continue to look grim, -witness the continued closing of stores, it is betting heavily on a mobile-streaming profits. The company released an application that allows users to watch movies on a mobile phone last year. The application makes the Blockbuster's digital catalog (approximately 10,000 titles) available for rent or purchase from a Smartphone, the company said. The streaming app is now available for a variety of T-Mobile, Sprint, ATT and Verizon phones. More significant, Blockbuster's app is now download or streaming selectable -- Movie/content files can be fully downloaded before watching, or live-streamed for instant viewing.



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Redbox had been expected to announce a streaming version late in 2011 of its video service. Rumors continue to circulate that the company's looking at an alliance with a major Cell Phone carrier (Verizon) and would establish a pricing structure approximately 2/3 of Netflix's price of \$8. Given its current \$1-per-24-hour rental scheme, it's not entirely impossible.



And then, there's ATT. Already a mobile service provider to Apple, AT&T last week announced an iPhone app for the Apple ecosystem that allows users to download and watch selected shows on its U-verse DVR system.

For customers who own the ATT U300 package or better, users will be able to stream shows to their iPhone. AT&T finally did let Apple iPad users take advantage of the new app.



Their iPhone app uses a Wi-Fi connection to download the content, or user can opt for a 3G connection, or where available, a 4G LTE connection. According to David Christopher, chief marketing officer at AT&T Mobility, "We're making it possible for users to watch TV shows on your iPhone at no extra charge. It's just one more valuable and innovative feature available on U-verse TV". Although the emphasis was TV shows, it won't be long before other content finds its way to ATT customers, potentially cutting out ATT's partners.

Eventually, alternate video-distribution routes could persuade television, cable and movie producers to shift priority from the traditional models (theater, cable and satellite) and shift their business models to give Netflix, Blockbuster, RedBox, and similar services full access to all of their content in a concurrent release timeframe. Being able to watch streaming/downloaded movies will put a lot of pressure on the Hollywood producers whose revenue comes from DVD sales and film sales at the movie theaters. As technology increases and more 3D movies are released, the variables left in the equation are now whether the consumer will pay for content-delivery mechanisms and associated hardware or the content itself...or finding the right mix of both.

