
NDS Vision of the Future

■ Sideloads transfers content to 3rd party devices

■ Ad substitution “very interesting”

NDS has given *New Television Insider* its ‘Vision of the Future’. The technology company has brought together elements, including the Unified Headend and Master UI (user interface), in a demonstration that also underlined the return of convergence to the multichannel arena as TV displays continue to appear on a wealth of devices.

Part of the demonstration had been created in Flash and run from a hard drive in a central London hotel, though NDS chief marketing officer Nigel Smith was keen to stress the technology was ready and working once an operator took the decision to deploy.

“We decided to look at the projects that we think are going to be applicable in the next two to five years and try to build an application for them,” said Smith. The result was that NDS created its own ‘operator’, integrating a converged system that included PC capability, a hybrid set-top box offering both broadcast and broadband, mobile phone and media player.

My iPod sitting on the coffee table, recording out conversation, brings the inevitable conversation about compatibility with devices that sit outside the traditional platform operator’s environment. Getting TV content onto the iPod via an NDS enabled PVR surely has consumer benefits?

“We love to get our stuff onto Apple, but they seem to want to lock it up,” added Smith. “There is a technique to get content onto a mobile phone called sideloads, because it doesn’t come over the broadcast from the mobile network, but through Wi-Fi or a USB”.

Using this method it would be possible to link devices together so that come the morning one charged with content downloaded overnight would be ready to watch on the train. During the transfer process the content has to be transferred to a format that is both capable of being displayed on the mobile

and will run at a sensible speed.

“It’s very much like a podcast, but it’s for your favourite TV shows,” explained Smith. “We’re not a huge believer in mobile TV, its another of these contribution cards. We believe that broadcast content is best over a broadcast network that is designed for that and DVB-H and media player stuff, they sort of work, but it’s not clear if they move beyond that.”

Targeting advertising, has re-emerged as an industry talking point, NDS looking at both ad substitution through capacity set aside on the PVR and personalisation through broadband connectivity.

“Ad substitution, when a third of the market has PVR like Sky, starts to become very interesting. The people who have Sky+ are already their own demographic and you mix in the type of household from postcodes and it really can be quite exciting.”

Broadcasters would download the additional ads as data overnight. The box would then choose which ones to record and override selected ads. The argument is that to the advertiser a targeted ad is worth ten times the amount of a non-targeted ad. To the viewer this might mean fewer advertisements, unlikely, or at least ads that were relevant to the argument. Smith says there is already evidence of PVR owners returning to an advertisement they had previously skipped.

Advertisements could also be targeted within the home in order to show a different selection of advertisements in the family room as compared with the study. NDS is launching its ads substitution technology at IBC, though Smith admits that its actual deployment might be some time after that, as operators try to persuade advertisers to move the traditional TV advertising model to one more akin to the internet.

“All of the internet techniques are completely valid for this type of advertising, not necessarily within the same department, but they will be able to educate themselves quickly. If you look at all the money that is going towards internet advertising

you can imagine advertisers picking up on this quickly.”

NDS has had a tracking technology available for some years that collects the information from the set-top box and is already used by Sky for its own viewers’ panel. Companies such as the advertising intelligence provider TNS would be able to provide operators and advertising with information on the client base while safeguarding the necessary privacy issues.

Smith says that most PVR boxes, going back to 2001, would be able to handle targeted advertising. The only requirement is the available partition that was made standard early on in the process.

Other innovations shown by NDS include X-Space, a technology demonstrated with the social networking site MySpace, though capable of picking up content though selected RSS feeds.

The set-top box could also be used to deliver content to the PC. A USB key would be connected to the box and later to the PC, along the way keeping the content protected and allowing viewing outside of the home. The technology works the other way as well, allowing consumers to download content from the internet – perhaps from the BBC iPlayer – then transfer it back to the set-top box for viewing on the larger display. “The principal is the same, use the right device for the right thing”.

The demonstrations were running using MediaHighway, the former Canal+ Technologies middleware purchased by NDS, and subsequently integrated by the News Corp company into its broader offering. OpenTV remains the middleware used by News Corp owned companies BSkyB and Sky Italia. Premiere, where News has built its stake to 25%, uses MediaHighway as it has done prior to Murdoch’s renewed interest.

“We don’t have any real issues with Open TV, but it’s in the way. For us to be able to offer all these new features we have to bypass the operating system in the box with our own system, otherwise it’s just hard work.”