

Real Broadband Requires Fiber

“YouTube today consumes as much bandwidth as the entire Internet consumed in the year 2000.”

An Excerpt from
Michael Dell’s
Keynote Speech at
the 2007 Consumer
Electronics Show



Michael Dell challenges the telecom industry to accelerate the deployment of fiber to the home.

Consistently, customers tell us they want to use their digital content around the home, and the PC is at the center of that. In fact, consumers 40 and under say that the PC is their most important device, ahead of both the cell phone and the television. For at least the past six years, the digital home has been a very hot topic at CES, but it really hasn’t quite caught on, and I think for two reasons: The first is that broadband isn’t really where it needs to be for a robust online experience, and the second is that the industry really hasn’t made it easy for all these products, all this digital content, to work together throughout the home. It’s not a seamless experience.

So I’m going to start with broadband. Now, we all know there’s great content available online: videos, music, online gaming. And to use it, you need a fast connection. In fact, broadband is certainly on the rise, but it’s mostly DSL or cable. And to have a great experience, you really require something much faster, something like a fiber connection.

Stop for a minute and think about it. YouTube today consumes as much bandwidth as the entire Internet consumed in the year 2000. When you imagine the multitude of new services and new capabilities coming online, that says we’re all going to need a lot more bandwidth, and certainly a lot more servers and storage to serve it all up – we happen to make those, too.

Now, fiber penetration is in its infancy, but we see some progress. Singapore has a plan to offer its residents 1 Gbps – wouldn’t you like to have that? – by 2015.

You can already get 100 Mbps in Denmark, Japan, Romania, Iceland, Slovenia, Dubai, parts of Kuwait, and in cities like Paris and Prague. In fact, in Iceland, you can get it for \$26 a month.

Here in the U.S., broadband penetration is just 44 percent, with fiber to the home being just one percent of that. So there’s a lot of opportunity to improve this. The largest fiber-to-the-home deployment is Verizon’s FiOS project here in the U.S. Verizon started replacing all the copper in a little place called Keller, Texas, around Dallas-Fort Worth.

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They're now offering fiber in 16 states across the U.S., and there are similar pilots all across the world. I challenge the telecom industry to accelerate the deployment of fiber in the home. Real broadband requires fiber and will enable a real home experience.

Once users are geared up with fast connections, the usage model and the experience becomes exponentially more interesting. Let's take South Korea, for

example. Ninety percent in South Korea already have high-speed broadband. In fact, 20 million a day log in to Cyworld, which is a social gaming network.

There are 20,000 Internet cafes in South Korea that attract more than a million people per day. And Korea's GDP is expected to grow 4.5 percent this year.

In the Netherlands, there's an interesting project. It's the first European fiber-to-the-home project in Eindhoven in a

neighborhood called Vlinderflats. And residents can watch TV online with DVD quality. They can even order products online and have them delivered from local shops within three hours.

There's an application called Heart Point that allows users to stay at home by having their blood values checked, and there's something else called Linder TV, which is the first interactive television station run by the neighbors themselves. It can be viewed in the neighborhood and, eventually, globally.

Emerging applications require more bandwidth. For education, and to ensure that our kids can compete in the global economy, we need to adopt advanced, ubiquitous, 21st-century broadband infrastructure in this country. **BBP**

About the Author

Michael Dell is founder and CEO of Dell, the computer and video giant.



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