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### **The Best of Streaming Media East 2004, Part 2**

Last week, we shared highlights from the show's Content track. This week, here's a look at some of the more notable issues from Streaming Media East's Business track, including sessions on Internet radio, security, and the future of enterprise streaming.

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Last week, we looked at highlights from Streaming Media East's Content conference track, and in upcoming articles, Larry Bouthillier will discuss in detail some of the most useful tips and techniques that were discussed during the show's Technology track sessions. Today, we offer a sampling of the best of the conference's Business track.

#### **Internet Radio: Show Us the Money**

Moderator David Oxenford, partner in the Shaw Pittman law firm, opened by joking that, a couple years ago, the topic for this session would have been "show them the money." But with royalty and licensing issues now mostly ironed out, this year's panelists turned to examining ways to make Internet radio profitable. "Recent developments indicate that Internet radio is finally coming of age," Oxenford said. Raghav Gupta, COO of Live365.com, described how his site maximizes revenue by combining ad-supported free stations with a subscription service that offers a better end-user experience (fewer interruptions, guaranteed access to any station no matter how busy, and CD-quality sound). The site also allows several levels of service for radio station "programmers," from personal stations as low as \$7.45 a month for 100MB of song storage and up to 25 simultaneous listeners to a pro service for individuals and businesses that want to use Live365 to generate revenue, starting with a \$200 setup fee and \$75 a month. "It was clear that we had to recognize there were many different tiers of broadcasters we were dealing with, from hobbyist on up," Gupta said.

When it comes to appealing to advertisers, both Gupta and mvradio.com's Jennifer Lane agreed that Internet radio's profitability has been hampered by faulty Arbitron metrics. Online advertisers don't care about "total tuning hours," she said, and Arbitron needs to come up with a new metric that will be meaningful to people who are used to measuring a site's value via click-throughs and unique visitors. "We need to get on the same page," Gupta says. "We're just waiting on Arbitron and other partners to resolve the issue."

Part of the challenge for net radio broadcasters has been figuring out exactly who in an organization does the net radio buys – the radio ad rep or the online/interactive ad rep? "Most of our buys have been from the online people, but that's not always true," Lane said. "Sometimes, the biggest hurdle is just figuring who to talk to."

#### **Streaming for Security & Surveillance: Successful Deployments**

The last Business track session of the day was Streaming for Security & Surveillance. Speaker Dun Chau, VP, business development at Advanced Concepts Solutions, Inc., made the most of the small group environment and targeted his talk to the needs of the group after a general introduction to the way streaming for surveillance works. Members of the audience were interested in streaming for retail environments, high school security, industrial management, retail applications, home security, and use in the Chicago police department.

Chau touched on some difficulties of surveillance via streaming, particularly the fact that many areas most in need of monitoring are the most complicated and expensive to run wires to. This segued into a brief talk about the problems with wireless surveillance; though wireless might seem the most logical and fiscally and environmentally responsible way to supervise a remote location, other issues such as interception can actually make the site less secure.

After Chau's discussion of drawbacks, the audience member from the Chicago PD brought up what he views as the largest hindrance to effective use of streaming: a lack of general knowledge about what is possible on the most basic of levels. Too often, he said, a detective will come in who has "watched too much CSI" and simply does not understand that a surveillance video can not be zoomed in to read the license plate number on a car that sped past at 40mph. This led to a discourse on the importance of understanding the storage and compression needs for each unique application.

Chau also explained the legality issues surrounding streaming--namely that until recently no video surveillance could be submitted in court because of tampering concerns. Recent watermarking technology has alleviated much of that concern.

### **Tracking the Next Wave of Enterprise Applications**

Despite predictions a year ago that the entertainment industry would spearhead early adoption of new streaming applications, enterprise is what's pushing the evolution of technologies, applications, and business models, and more specifically, rich media content. Video alone wasn't enough to drive streaming media, agreed the panelists, who included Sonic Foundry VP of strategic solutions James Dias, Bright-Talk cofounder Paul Heald, and Tivella VP of business development Dima Itkis. But now that the technology to deliver rich media is there, enterprise streaming initiatives are running into troubles creating high-quality, effective content.

James Dias, Sonic Foundry's VP of strategic solutions and alliances, firmly believes that this stems from two basic problems. "Creating streaming is still too complicated. Where's our orange button," he asked, arguing that preparing content for streaming should be as simple as pressing a button on a copy machine. That complexity leads to the second hurdle: all too often, it's an organization's technical staff, and not its communications professionals, who end up taking control of content creation. "Those people might understand streaming technology, but they don't necessarily understand the basics of creating high-quality content," Dias said. All the panelists agreed that the future of enterprise streaming lies in re-engineering content for streaming delivery—for instance, creating training programs that alternate passive listening and interactivity—and not necessarily in the technology itself.

*For a report on the Content track sessions, see ["The Best of Streaming Media East 2004, Part 1."](#)*

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