

Local Television Broadcasting: A Service on the Brink of Extinction

By John E. D. Ball
FreeDTVPlus™
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The nation's local TV broadcasters are close to completing a ten-year transition from an analog to digital broadcasting service. At the start of this transition in late 1998, the percentage of TV homes relying solely on the broadcaster's over-the-air (OTA) service (versus cable or satellite) was **30%**. Today, OTA-only homes represent a mere **10%** of the viewing audience.

From the beginning this conversion has been plagued with strategic indirection. Probably the most egregious oversight was the lack of a strategy to curtail the rapid migration of OTA-only homes to the alternate delivery platforms of cable and satellite. This rather fundamental oversight begs an obvious question: Why undertake a **\$12 billion** OTA transition to digital for a delivery system whose audience is fast evaporating?

As cable and satellite carve up the market, Internet TV is now being marketed as an alternative service and threatens to alter the TV delivery landscape entirely. Also, fresh new applications are eager to lay claim to the underutilized TV broadcasting spectrum. Clearly, if the TV broadcasting service cannot show a compelling public interest to retain this crucial bandwidth, it could die by regulatory fiat.

Time is running out for the broadcasters. Their only choice is to upgrade their service to a ***broadcaster-centric Internet TV service***. I have developed such a service proposal, FreeDTVPlus™. A summary description appears on the next page.

Any and all comments on my proposal, pro and con, are welcome and should be sent/emailed to:

John E. D. Ball
9415 Atwood Road,
Vienna, VA 22182
johnball@freedtvplus.com

FreeDTVPlus™

FreeDTVPlus™ would facilitate local TV broadcasters delivering Internet TV as an integral part of their OTA service directly to proprietary FreeDTVPlus™ DTV sets. This would enable the broadcasters to control much of the access to Internet TV in TV homes as opposed to being totally replaced by it.

- ***FreeDTVPlus™ Inc. would be a single-purpose organization, charged by the local TV broadcasters to create and maintain a broadcaster-centric, Internet and wireless telephony linked, nationwide interactive service platform and related broadcaster and home consumer technical products.***
- ***FreeDTVPlus™ Inc. would secure the cooperation of the consumer electronics and cellular wireless industries in the functionality, design, manufacture and marketing of FreeDTVPlus™ service-specific DTV sets and related products.***
- ***FreeDTVPlus™ Inc. would promote the fact that the local TV broadcasters would continue to be the only free nationwide local TV programming service.***

The TV broadcasters will not survive as broadcasters if they continue on their current path to digital. However, if they collectively adopt the FreeDTVPlus™ business concept outlined above they will dominate in-home TV viewing as they once did in the distant past.

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John E. D. Ball Biographical Information

Mr. Ball has extensive experience in successfully developing and implementing large national-in-scope TV systems and services including:

- Lead the design and implementation of the first satellite-based national TV distribution system. (1978 Emmy Award)
- Directed the development of the closed captioned (CC) TV technology (1980 Emmy Award)
- Oversaw the TV industry adoption of the CC TV service on a nationwide basis. (1990)
- Oversaw the development and marketing of five generations of CC TV set top boxes and a single CC TV decoder chip leading to the passage of the Decoder Circuitry Act of 1991. (1980 - 90)

Mr. Ball moderated a series of roundtable discussions with senior network TV executives and others on the broadcast DTV transition (1996/98) and has been a long-time advocate of the need for a comprehensive broadcast-centric DTV business plan

Mr. Ball has been the recipient of many awards for his contributions in the field of planning and implementing new and innovative television systems/services and enjoys the support of many talented business professionals in his work