

Excerpt:



Demand for Video Capacity Trumps Voice Call

Experts are seeing terrestrial fiber has an advantage over wireless forms of video transmission

By João-Pierre Ruth 10/6/2008

THE BOOM of videos viewed through YouTube and other online multimedia is driving more traffic through terrestrial — or land-based communication — networks.

People may watch videos on computer screens, televisions and even wireless phones, but communications carriers must first transmit the media over high-capacity data connections. Land-based communications have more capacity for this type of media than satellites.

Arbinet-thexchange Inc. in New Brunswick says it is seeing bandwidth increasing for media content. Arbinet is a marketplace where voice and Internet capacity is sold and routed among communications carriers.

The need for capacity to carry rich media, such as video, is expected to increase in the future.

Forrester Research Inc. in Cambridge, Mass., a market-research firm, released a report in June that projects video sent as data via Internet protocols will grow from 10 percent of all video in 2008, to 35 percent in 2013. With more video being transmitted as data, terrestrial communication lines are becoming more vital to delivering content.

The growth of videos such as television shows, movies and news broadcasts from media providers is further driving demand beyond the homemade clips on YouTube. **Sue Su**, vice president of IP services for Arbinet-thexchange, says that while data traffic currently accounts for less than 10 percent of the transactions negotiated through its marketplace, business is expected to grow quickly.

“When I see my 5-year-old daughter watching the Disney Channel over the Internet, you know where the growth is heading,” she says. Arbinet’s clients buy and sell bandwidth to each other through the marketplace.