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## Media Deals Expected for Intel

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[Intel](#) is expected to announce today that it has entered into partnerships with several movie, music, and game providers around the world to introduce content that would work with its new Viiv technology for home media centers.

With Viiv-enabled PC's and other devices, consumers will be able to download content from the Internet that will be automatically configured to provide the best-quality image when viewed on large wide-screen TV's. Movielink, the movie download service in the United States, and [British Sky Broadcasting](#) in Britain, are two companies that will offer content compatible with Viiv.

The Viiv technology, first announced in August, provides a set of standards that allows certified televisions, PC's, DVD players and other devices to connect easily and share digital content.

Viiv-enabled computers, which will run the [Microsoft](#) Windows Media Center operating system, will be designed to operate like televisions, controlled by a remote and powered on instantly. And Viiv-compliant TV's will be able to download and display movies and TV shows directly from the Internet without the use of a PC.

Intel expects Viiv hardware and content to be available during the first quarter of next year, with simultaneous introductions in France, Germany, Italy, Britain, the United States and other countries. The hardware manufacturers have not yet been announced.

Other content owners that will provide Viiv-compliant programming include Canal+, the French pay TV service; the Japanese TV network NEC; Telecom Italia; and [TiVo](#). Music and game content will be offered by [Napster](#), Square Enix and Ubisoft, among other companies.

Programming from these services will also be available to users of non-Viiv hardware, but those versions will not be optimized to take advantage of the Viiv standards.

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Analysis:

This article outlines expected Intel's entry into the media market. Intel is already the world's largest supplier of microprocessors for home computers. It is now seeking to leverage that by partnering with manufacturers of complementary products/services. This is illustrated directly through Intel equipped PCs running Microsoft Home Media Center or indirectly through the services (movies, music, and video games) that are optimized to run on these devices. If executed correctly, this partnership would be a win-win situation for all parties. Intel benefits from increased adoption and reliance of its technologies by consumer product manufactures, and the content authors benefit from potentially increased sales from higher quality content representation.

The core of this partnership rests on Intel's new Vivv technology announced in August. Fundamentally, it is simply a set of standards allowing TV, PC, DVD players to easily share digital content for an optimized entertainment experience. However, this underscores the importance of standards as a strategic step in the technology adoption process. Intel being the owner of this proprietary standard stands to win the most, especially by pre-empting the competition. Though, Intel also promises compatibility of Vivv content with non-Vivv hardware, but the experience would simply not be optimized for the hardware platform. Nevertheless, this backwards compatibility allows for and encourages a controlled migration as the technology evolves.

Though, standards in and of itself are useless without the products and services that utilize them. The success of Intel's Vivv technology will depend not only on getting consumer hardware manufacturers to sign on, but also the media content distributors. The hardware and media content are complements, neither of which is particularly valuable without the other. In terms of hardware, Intel can easily leverage Intel enabled PCs running Windows media center. These PCs will be controlled through a TV-remote like interface. I think this is a clever idea as it facilitates user migration from TV to Media PCs through familiarity with the existing interface (the PC becomes transparent to the user). In terms of content, these Vivv enabled devices would download content from the Internet for viewing on TVs. Intel's partnership with major distributors worldwide such as Canal+, NEC, TiVo, Napster, Square Enix, and Ubisoft would certainly help its cause.