The Information Superhighway Is...

- A Network
  - Like a Telephone System...
  - Or Maybe Cable...
  - Or a Computer Network...
The Information Superhighway Is...

- "500 Channels to the Home:" Entertainment Distribution Channel
  - Theatres, Broadcast, Cable, Satellite, Video Stores
- E-Transactions
  - Electronic Catalog Shopping, Banking, Ticketing, Etc.
- Communications
  - Videophone, E-mail, Subject Forums, Interest Groups
- Interactive Multimedia
  - Information Access, Games, E-Magazines
Who Cares? Why?

- Entertainment & Media Firms
  - New Distribution Channel

- Telephone Companies
  - Access to New Less-Regulated Markets

- Computer Firms
  - Continue the Digital Revolution

- Electronic Service Providers:
  - Info Access, Transactions, Games... ; Provides the Market They Need

- Al Gore & the Clintonians
  - National Information Infrastructure.
Technology & Market Convergence

- The InfoBahn: Convergence of Computing, Telecommunications, Retail, and Entertainment

- Each Industry Comes with Radically Different Views About What the InfoBahn Is For

- Each Industry Has Radically Different Network Needs: Interactivity vs. One-to-Many

- Each Industry Has a Radically Different Regulatory/Public Policy History
The Differences

- **Media & Entertainment**
  - One-to-Many, High Bandwidth: Cable & Satellite, Not Interactive, No Regulation (Until Recently)

- **Retail, Banking**
  - Some-to-Many, Variable Bandwidth, Interactive, Some Regulation

- **Computing**
  - Many-to-Many, High Bandwidth, Interactive, “Open Architecture” (Regulation? What’s That?)

- **Telephone**
  - Many-to-Many, Interactive, Needs More Bandwidth, Tightly Regulated, No Content Control.
The Policy Issues

- **Is This An Infrastructure Issue?**
  - Telephone, Highways, etc.
  - Requires Gov’t Intervention
  - “Universal Access”
  - Role of Market: Franchising, Open Competition, Regulation
  - Form of Regulation: a la cable, a la telephone
  - Separation of Markets
    - Production vs. Distribution
    - Platform vs. Service

- **How About We Let It Be?  Cellular/PCS Model**

- **Multiple Superhighways?**
Likely Outcomes

- Telephone and Cable (and Satellite) In Each Other’s Entertainment Markets? Only If Gov’t Permits.
- “Interactive Multimedia” Much Further Off Than Gore and the Techies Think
- “Universal Access” ⇒ Entry-Restricting Regulation
- Enforce the Carriage/Content Split? Jury’s Still Out
- “Open Platform:” Provide Unbiased E-Platform for a Myriad of Service Providers; PC vs. IBM models
- The Cellular/PCS Model: Evolve Toward a Universal Network via a Market
- Franchising/Regulation: One vs. Many InfoBahns.