broadband news

AOL cable broadband comes through pipeline

This spring will see AOL Broadband available to customers living in broadband-enabled NTL franchises – some 7.2 million homes – giving the ISP the largest nationwide reach of any broadband player in the UK.

The £85m deal is a significant one because it marks the first time that NTL has opened up its cable network to third-party ISPs, thereby challenging BT Wholesale's monopoly in the provision of residential broadband.

The deal is also significant for AOL as it becomes the first ISP to offer its broadband service on both cable and ADSL (asymmetric digital subscriber line) – that is, broadband over BT's conventional telephone network – beating off archrival Freeserver which was sniffing around NTL last spring.

The wholesale deal will be restricted to NTL's 600Kbps (kilobits per second) service, slightly faster than AOL's ADSL equivalent but slower than the top 1Mbps speeds offered through NTL Home.

A spokesman for AOL described the company's broadband offering via cable as "fairly comparable" to its current ADSL service. Pricing details have yet to be finalised but are expected to be similar to AOL's ADSL broadband service, which is £27.99 a month.

Freeserve was due to announce a similar deal this autumn, following the signing of a memorandum of understanding back in May. However, it has so far been unable to put its scheme in place.

A spokeswoman for NTL indicated that today's announcement could be the first of many wholesale broadband deals.

"We already supply wholesale narrowband to the likes of Virgin.net and Tesco.net and we're talking to them about broadband as well," she said.

BT's broadband smokescreen

In a bid to prove its commitment to widen broadband availability to the third of the UK that still can't get ADSL (asymmetric digital subscriber line), BT has conjured up a 'new' type of internet access called Midband.

BT Midband offers speeds of 128Kbps (kilobits per second), sitting between old-fashioned 56Kbps dialup and standard residential cable/ADSL broadband (512Kbps).

A trial of BT Midband is due to begin in spring 03 and is based on grafting some of broadband's key features on to what is essentially a version of Home Highway/ISDN.

BT describes Midband as providing an always-on email notification service. This is an improvement on ISDN, which requires you to dial up. But the fact that BT only refers to email as being 'always-on' would seem to indicate that internet access itself can't be turned on and off at the click of a mouse as it can with ADSL.

It's likely that the service will work with one 64Kbps channel remaining permanently connected, while the second 64Kbps pipe is used if the bandwidth is needed. If you make or receive a phone call one channel can be dropped, allowing you to answer it.

Pricing details are vague, though a monthly charge of £20-£25 (if the product ever comes to market) is being

bandied about. According to BT, Midband could potentially reach 97 percent of the UK. Industry experts, however, are concerned that the service might act as a distraction to the major issue at hand: the upgrading of rural phone exchanges to ADSL.

It's also worth pointing out that 'trials' don't equal product availability. BT is extremely good at rolling out trials. Its wireless Mesh pilot scheme, for example, could potentially deliver broadband access speeds to the UK's rural outposts but as yet hasn't made it into BT's broadband portfolio.

Trials are an excellent way of keeping governments and industry busybodies off your back by making a company look like it's investing, without actually committing the necessary capital for a nationwide rollout.

Our experience is that if you hold your breath waiting for BT's trials to come to fruition you may not live to see Britain's broadband paradise.

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Let the games begin

Broadband gamers can expect big changes in how they use their consoles thanks to the imminent arrival of high-speed network gaming. This spring will witness Microsoft's Xbox Live going head-to-head with Sony's PlayStation2 online gaming service, triggering the latest escalation in the battle for teenage pocket money.

Both services will allow broadband internet users to play games online, talk to other players and download current statistics, new levels and characters.

Playing against friends over a fast internet connection is seen by many experts as the next big thing for both gaming and broadband, which has so far failed to produce a genuine killer application. Market research firm Screen Digest, for example, believes worldwide revenues for online gaming will be worth at least $1bn by 2006.

Microsoft, meanwhile, sees Xbox Live as an opportunity to finally make a dent in Sony's domination of the console market and has invested millions in a dedicated network.

As Microsoft and Sony finetune their online broadband service for a UK launch, broadband ISPs are busy jockying for position ahead of their arrival. At the beginning of December Cable telco Telewest invited 500 customers to take part in an Xbox Live trial as part of Microsoft's pan-European test drive.

Sony, by contrast, has announced it will begin selling a 'broadband gaming pack' at the suggested retail price of £44.95

PC Advisor poll

Will online console gaming prove to be a killer application for broadband?

Yes (33.0%)

Not sure (27.7%)

No (39.3%)

From a total of 1008 votes
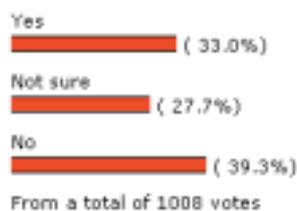
in time for its spring UK launch. The pack will include an ethernet adapter to internet-enable the PlayStation2 console, along with a game and a startup disc. According to Sony, around a dozen online games will be on offer, including products from third-party developers such as Eidos, Electronic Arts, Take 2 and Capcom, as well as in-house games.

Both Microsoft and Sony will be hoping that in due course avid online gamers will be happy to pay monthly subscriptions to compete against other gamers, further building on an entertainment category that already generates $3bn a year.

Meanwhile the *PC Advisor* reader jury is well and truly out on the subject of broadband console gaming. In a recent online poll, a third of respondents (33 percent) indicated that they believe it will 'prove to be a killer application for broadband'. But even more (39.3 percent) appear convinced it won't.

More bandwidth, less haste

Broadband vendors could be holding back the mass takeup of broadband because they're promoting the wrong benefits, according to a report into broadband usage patterns.

Contrary to current received wisdom it isn't speed and an always-on connection that characterises broadband internet usage, the study said.

Presenting their findings at the recent Building Broadband Britain conference, researchers on behalf of industry think-tank The Work Foundation, discovered that broadband's main benefit was changing people's perception of the time they spend on the internet.

"Broadband is about timeless time," said James Crabtree, one of the authors of the report. "And while it is being sold as a sprint, it is exactly experienced as a saunter," he said.

This is because the always-on nature of broadband means users aren't constantly racing against the clock to complete their online business without

incurring too many charges. Instead they can peruse the web at their leisure and even in little bursts while they complete other household chores.

"Broadband can be taking it easy," said co-author Simon Roberts. The broadband image had more in common with Cadbury's Caramel and Werther's Original than fast cars.

However, the Work Foundation's in-depth study of broadband usage in the home and

among small businesses also found that users were not fully exploiting the benefits of an always-on service. Because people prefer to tidy away their PC or notebook after use they weren't, in fact, taking advantage of their always-on connection.

Resurrecting age-old concerns about technophobia, the report concluded that "household PCs are switched off, shut away, out of sight, out of mind, under-used and undervalued".