

The Future of Bitcasting
Radio World
Guest Commentary, Transition to Digital

David Maxson

“Someday we’ll be broadcasters of bits.” If I remember right, Glynn Walden then of USA Digital Radio said this to me in 1995. But over the last decade we have seen a lot of datacasting ideas come and go with little success. Why? Why do many of us have a healthy suspicion of the every datacasting fad that comes along? How can we get out of the rut that keeps datacasting only a pipe dream in radio broadcasting? What’s missing in the digital broadcasting arena that keeps profitable datacasting tantalizingly out of our reach?

In a word, it’s infrastructure. We lack the infrastructure needed to make datacasting compelling and profitable from the start. A company called Impulse Radio has a way to do this. But before I get too far into this infrastructure idea, let’s look at what datacasting is, or isn’t, in radio.

Start with the most apparent datacasting tool available to us today, RBDS. How many RBDS boxes are plugged into FM transmitters that are doing nothing but transmitting station ID’s? Too many. Those of us who have the information available in digital form at the studio may have gone one step further—by posting song titles and artist names as the music plays.

How many of us have figured out a way to make money with our RBDS streams? Is the income related to the station’s programming, or is it from a side deal that uses RBDS capacity as a private service? GPS corrections? Nearly real-time Stock data?

And if we don’t make money at it? Surely we could have found a way to enhance our audience’s experience of our station. Do song titles do it for us? Is that driving people to upgrade their radios to the latest RBDS equipped units? Is it building audience favor and loyalty?

Based on our experience with RBDS, it sure looks like data is a dead end. Consumers don’t seem to want it. Broadcasters wait for more radios to be sold before being sold on it. Consumer electronics manufacturers wait for broadcasters to put in some sizzle that drives consumers to the stores. It’s a self-fulfilling prophecy. Each stakeholder in RBDS waits for someone else to make the concept useful, and nothing happens.

But we are broadcasters. We know how to create an audio “stream” that is compelling and addictive. We know how to sell our P-1’s to one kind of advertiser and our cumes to another. We know how to do it so revenue exceeds expenses and our stations can thrive.

What if we did that with data? What would it look like? To make datacasting successful, we have to look at the datacasting stream the way we look at the audio stream on our stations. We need lots of content produced elsewhere that we assemble locally and transmit to ubiquitous receivers. To make our audio program today we get music from record companies, programs from syndicators, news from news services, weather, facts, information, you name it, from outside sources. We assign avails within the format of the audio schedule and fill them with spots either made in-house, or sent to us from the advertisers' agencies. Then we glue it all together with local voices and production to give our station a local personality.

Shouldn't our data stream be modeled after our audio stream? Make it a compelling and addictive adjunct to the audio program. Fill it with entertaining content and paid spots the way we know how to do with audio. But how can we possibly do this? Stations are running leaner and meaner than ever before. Who has time to create a data broadcast from scratch, with content that doesn't exist, for play on receivers that don't exist?

First, we need a dynamic digital platform that can handle the transmission of data in a flexible and standardized way. IBOC is in a testing phase for the NRSC now, and looks like it may indeed prove to be more desirable to the consumer than analog radio. This is the platform for "broadcasting bits" to consumers that we have been waiting a long time for.

Next, we need a way to transmit a variety of data objects over the radio that the consumer can—and wants to—receive. We need to figure out how to make the data work in a low capacity display, such as in a car where you can't have too much going on. At the same time we need to be able to wow our audiences with more sophisticated presentations on other kinds of radios. None of this can happen unless the broadcasters and the manufacturers work out the details together, based on consumer feedback.

Finally, we need a way to start from the very first day you turn on your first IBOC transmitter. This is where the infrastructure comes in. iBiquity has been working closely with manufacturers to work out the hardware details both on transmission and reception. And you may have noticed that iBiquity has also begun to partner with content providers to figure out how to get radio stations what they need. But the puzzle is still incomplete. The business model is still lacking. The infrastructure of content production, delivery, and management does not exist.

Enter Impulse Radio. This company started with a simple premise, if you are going to transmit a profitable data stream you need compelling and addictive content. It needs to be running from day one. It needs to be easy for the station to plug in and administer. It needs to be able to support itself while there are few digital radios in the marketplace, yet be able to grow into a local revenue generator when there are enough digital radios in your listeners' hands.

Impulse Radio's idea is to build the infrastructure necessary to get real public datacasting off the ground. They are building a datacasting content portal on the web. They are

building the relationships our industry needs with advertisers, content providers, record companies, and the like. The result will be a steady flow of new and compelling data content that you can easily customize to your station's liking.

Meanwhile, Impulse Radio and iBiquity have joined forces to chart the course toward profitable datacasting to the masses. iBiquity's relationships with receiver manufacturers will guide the development of new radios with sizzle. Impulse Radio's relationships with content providers will create the content library necessary to deliver good content nationwide from the start.

How will it work for the radio station? Radio's old standby, barter. While at first there will only be a handful of digital radios in your market—not enough to sell local dataspots for—Impulse will take a percentage of the digital avails on your station and sell national content to fill them. The rest of the time your data stream will contain what you want it to. You can synchronize content with your programming and when you are ready you can sell dataspots too. You'll be able to synchronize dataspots with your own advertisers' audio spots. Large station groups can also make cluster or format specific sales.

Impulse Radio supplies the content from its portal and you will be able to customize it to your station's image. As use of digital radios grows, you'll be able to add your own data content the way you add local spots and promos to your audio broadcast. Content formats will be based on open standards so you can produce your own material as needed.

With iBiquity's hardware, and Impulse Radio's content resources and management tools, we'll have the infrastructure in place to make mass datacasting a profitable reality. By becoming "broadcasters of bits," our radio stations will shed the stodgy image of old technologies and keep us ahead of competing media. With a datacasting infrastructure in place we'll take advantage of the benefits of going digital, and we'll create a new sizzle that will sell radios and bring us closer to our audience.

David Maxson is a partner in Broadcast Signal Lab, LLP, a broadcast engineering consulting firm which has been providing advice to Impulse Radio. He is also a member of the NRSC DAB Subcommittee.