Verizon planning to use 4G LTE for wireless TV

By amclynn on Aug, 13 2014 with Comments 0

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Americans have long associated pay-TV with a cable or a satellite dish. But Verizon (NYSE:VZ), the nation's largest wireless provider, says it hopes to take another technological leap within a year: delivering cable TV over its high-speed mobile network.

Verizon is the No. 6 U.S. pay-TV provider with its FiOS service, but the company is planning the next generation of that service delivered over its 4G LTE network to wireless devices. "No one has a wireless network better positioned to do this than we do," Verizon spokesman Jim Gerace said.

The idea of streaming that amount data over already-jammed cellular networks seems far-fetched, but Verizon claims it's not that far off. With two big tranches of wireless spectrum now held by TV broadcasters coming up for auction this year and next, wireless capacity is about to expand. But Verizon says it can achieve TV over wireless broadband without adding additional spectrum. And it's not the only one that may try.

"By year's end, America's four national wireless broadband ISPs will be offering speeds capable of supporting new over-the-top video streaming services, nearly ubiquitously," broadband analyst Scott McClelland said.

"To do over-the-top you have to have a rich spectrum portfolio," he said, adding both AT&T and Sprint have sufficient spectrum to do it. "The key gating factor is if they have the [content] rights legally to do it."

Delivering video over wireless networks would allow Verizon to compete on a national basis with satellite providers Dish Network and with DirecTV, which is in the process of being acquired by AT&T Inc. (NYSE:T) in a proposed $45.3 billion deal, now under review by the Federal Communications Commission.   It would also reconfigure the video business and add a new dimension to the net neutrality debate now playing out at the FCC. Verizon would very much like to prioritize data over its fiber network, and has conceded it rations wireless data through what it calls "network optimization," popularly known as "throttling."