



# The Chicken-and-Egg Problem

Do applications stimulate networks, or vice versa? The answer is complicated.

The articles about the International Consumer Electronics Show and the US Ignite project in this issue of Broadband Communities got us thinking about the relationship between networks and applications. The Consumer Electronics Show (CES, as it's affectionately known) embodies today's mainstream, and US Ignite is the future – "Tomorrowland," as Walt Disney used to call it. These two projects reflect different attitudes about where broadband is going and how fast it's getting there.

In the world of consumer electronics, developers create applications that most consumers can use on available broadband networks. This is a great thing. The prospect of "anywhere, anytime" video content, remote-controlled door locks or Skype visits on a TV set inspires consumers to sign up for high-speed – or higher-speed – Internet service. That, in turn, encourages network builders to keep ratcheting their networks upward.

In the world of US Ignite, developers are challenged to create applications that few people, if any, can use today. The hope is that these applications will be so compelling that they will fundamentally change the economics of network building and encourage network builders to take giant leaps forward.

This is also a great thing – it offers users a chance to benefit from technology advances that are not being applied today. The strategy is risky, but so is the incremental approach; the consumer electronics industry, despite being relentlessly practical and down-to-earth, often misses the mark.

In reality, there's no either-or choice. The worlds of CES and US Ignite can co-exist – and, as illustrated by recent news, other strategies can coexist along with them. For example, the Australian government is building a nationwide next-generation network and using it to transform health care delivery with remote monitoring of health indicators, remote doctor visits and healthy-living support in homes. None of these applications is new, but their effects are magnified many times over by the network's reliability and bandwidth.

Another example is Google's FTTH build in Kansas City. (This project has run into snags but still seems likely to succeed.) In this case, the local business community decided to stimulate application development with a business plan competition called Gigabit Challenge. The grand prize, announced in January, went to SEIN Analytics and Asset Management, a start-up company that is developing a Web-based application for enterprise financial management. This type of application, which performs complex analyses of huge data sets, requires a robust and powerful network. Other prizes went to a company that provides cloud services for small businesses and a Web-based company that is proposing a new model for matching employers and employees.

So which came first, the chicken or the egg? Does it matter? Let's have some more of both.

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