

plugged in

The (your name here) show

Live Net broadcasts are now the rage—and one Vancouver firm is poised to cash in

BY CYNTHIA REYNOLDS

Hundreds of uninvited visitors crashed this year's Rogers Communications Inc. annual general meeting. But company officials didn't mind; they were hoping lots of strangers would come. For the first time, while president and CEO Ted Rogers was speaking of share prices and revenue, a camera recorded his every move and broadcast it live via a pop-up screen on the company's Web site. While the CEO's Net image—all jagged edges and stuttered motions—might have evoked unwelcome memories of '80s digital hero Max Headroom, Internet users watching from their homes or offices could, should the occasion warrant, doze off with impunity.

Alison Bindner, who heads up Rogers' corporate Web site, says the Netcast was a last-minute decision, and with only two days of advertising, she was surprised that more than 600 viewers tuned in. The AGM remains archived on the site and still receives a steady stream of traffic. "For the public, it's the best thing next to being there with the CEO and executives. They can hear a direct voice," says Bindner.

What's good for Rogers is great for Hugh Dobbie, founder and president of Vancouver-based Interactive Netcasting Systems Inc. (INSINC), the company that produced Rogers' AGM Netcast. Just three years old, INSINC already ranks as Canada's largest provider of video and audio streaming—the technique used to reformat live or recorded video and audio into digital transmissions for the Internet. The company, which has also provided Netcasts for PriceWaterhouseCoopers and Ericsson Professional Services, has a mobile production unit of between two and 10 people it can send

out—as it did for Rogers—for Netcasts across the country. It also has a 12-person in-house production facility—complete with film school grads and Internet techies—that it uses to broadcast 15 TV and radio programs on its own Web sites, DENtv.com and DENradio.com.

While streaming has been around for a few years, INSINC is just starting to see its business take off, buoyed by the growing number of companies such as Rogers (which owns *Canadian Business*) that are beginning to understand the different ways they can use the technology. "It's all starting to come together," says Dobbie. "This first quarter we really saw more demand. Most of our business has come from the first six months of this year." INSINC is on track to do about \$1.1 million in revenue this year, and the 38-year-old Dobbie expects to do between \$8 million and \$9 million next year—enough to make INSINC a major player on the North American scene.

Until now, streaming technology has been most widely used to broadcast news and radio programs, theatre trailers and audio and video music clips (INSINC itself has provided streaming for CBS Television, the Juno Awards and the Banff Television Festival). But now a lot of companies are looking to broadcast AGMs, trade shows, company press releases, stock analyst

HERE'S LOOKING AT YOU

INSINC founder Hugh Dobbie wants to be North America's No. 1 Netcaster



INSINC

reports and IPO road shows. Even the government—INSINC does Netcasts for the Federal Department of Foreign Affairs—is starting to use streaming to broadcast speeches and conferences. Due to this multiplication in applications, and the fact that streaming is growing at twice the rate of the Internet, industry analysts expect the market to hit \$1.5 billion by 2003. “These technologies are going to create a use for video and audio in a whole new range of ways. You can expect to see new business models evolve around it,” says Jeremy Schwartz, senior analyst at Forrester Research Inc. in Cambridge, Mass.

Dobbie owes his spot on the cusp of this market to a hunch. In the early '90s, he headed Dowco Computer Systems Ltd. in Vancouver, where he sold hardware, software and eventually ISP services. But the World Wide Web caught his eye. Dobbie had been hearing about the coming one-million-channel TV universe and, when he opened INSINC in 1996, he gambled it would take hold on the Web. While he rejects any notions that the Web will obliterate TV, he believes it has huge potential in broadcasting material that TV won't touch.

Things are coming together so well that Dobbie is not only in talks to go public before year-end, but he has recently opened an office in Silicon Valley. He's eyeing Dallas-based Yahoo! Broadcast Services (formerly Broadcast.com), the North American leader of streaming technology, which drew a record two million visitors to its site when Victoria's Secret debuted its new spring collection this past February. In July, Yahoo! Inc. bought Broadcast.com for an incredible US\$5 billion in stock, despite its 1998 revenue of just US\$26 million. While that makes Yahoo! Broadcast Services a giant next to INSINC, the industry's infancy has Dobbie believing there's no reason his company can't overtake it. “It's not like it's so far ahead that no one can catch it,” he says. “We want to propel ourselves into the No. 1 position.”



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