

## DEPARTMENT OF INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS

CIIO Rahul N. Merchant's Remarks: Innovating for the Connected Home, Living Room & TV – NYC

MIT Enterprise Forum of NY, Verizon FiOS & Mashable Meetup

Tuesday, May 7, 2013

Thank you, Bob, and good evening everyone!

As Chief Information & Innovation Officer for New York City, I'm thrilled to help kick off tonight's Meetup.

Thanks to our hosts – the MIT Enterprise Forum of New York, Verizon FiOS, and Mashable – and thanks to all of you: technologists, entrepreneurs, investors, industry leaders, and many others.

As you know, the Bloomberg Administration is no stranger to meet-ups – or “hackathons,” as they're sometimes termed.

We realize that government doesn't always have the best answers by itself.

Countless New Yorkers like you have helped the City reinvent our official website, *NYC.gov*; to reinvent payphones; and to conceive uses for open data being made available from City agencies.

Through it all the lesson is clear: There is no better place to be than New York City for access to the best minds, talents, and technologies.

We are the most-tech friendly, open government in the country and no industry's growing faster than our tech sector.

Tonight's question is particularly appealing:

What can we do in a world where 100+ Mbps download speed is the norm in every home?

That speed is fast on its way to NYC.

My agency, the Department of Information Technology and Telecommunications, has led the City's efforts to make this a coming reality.

In 2008, we worked with Verizon on a citywide franchise to pass every household across the five boroughs with fiber optics by next June – that's 13 months away.

Verizon reports that FiOS is about 80% complete and we're verifying that now.

In 2011, we announced that the city's cable providers – Time Warner Cable and Cablevision, as a condition of their franchise renewals – would also work to lay fiber to underserved areas.

This includes the Brooklyn Navy Yard, which was wired with fiber for the first time last August. Now multiple tech companies access to state-of-the-art technology as they grow their businesses.

And just last month, we unveiled a new “micro-trenching” initiative that will help speed fiber deployment while decreasing the time, cost, and environmental impact traditionally associated with building this infrastructure.

All the elements are there for never before seen speeds to all corners of New York City.

That's where you come in – so let your imaginations run wild.

With 100 Mbps speed we'll have 3D television programming, we can have 3D sporting events and Super Bowl, we'll see a revolution in the gaming industry.

It can mean advanced medical imaging and tele-medicine to help New Yorkers lead healthier lives.

3D television sets and 3D cameras and trucks are already out there, as you know, so it's just a matter of the technology proliferating across households before an entire new market is opened up.

Once the technology is there, and it runs to every home and business, it's the innovators – all of you – who will move the needle.

Ten years ago I was speaking with Cisco CEO John Chambers.

We hypothesized then that traditional voice service would one day be free.

It made sense to us that as voice service became ubiquitous and commodified, consumers would not continue to pay premium prices for basic service.

And today, aside from a connection fee, you can make one local call or 100 local calls – the cost is the same. In a competitive environment the cost of usage was driven down.

This was especially true because there's only so much you can provide over copper.

Long-distance calling was a specialty, but that, too, has gotten more affordable as technology has evolved and mobile phones became the norm.

But fiber – fiber's an entirely different game.

There's not yet a limit to what we can provide over such state-of-the-art infrastructure. So it simply becomes a question of how much – and what kinds of – commerce can you conduct.

Eventually, the cost of fiber connectivity will be (and should be) nominal for all New Yorkers.

And the real opportunity for growth will be in the specialty services that can be offered.

Just like with voice, people don't want to pay – they will not pay – for a commodity. But they will pay for value-adds.

When new and different offerings are available customers will purchase them.

This means continued opportunities for innovators like all of you.

So, the more types of content, devices, and applications developed to run on that fiber backbone, the better service and choice for consumers.

It takes an investment of time and money at the outset. But it's an investment worth making as we further build New York City into a global hub for tech and innovation.

So we welcome – I welcome – your ideas about all the possibilities in an age of the 100 Mbps home. That day is coming, and the future is bright.