Broadband USA Applications Database

Applicant Name: Wham! Inc.

Project Title: Wham! Cam

Project Type: Sustainable Adoption

_____Executive Summary_____

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Problem

To drive broadband service adoption, applications are required that spur demand. Historically, applications that have spurred demand for Internet connectivity have included e-mail and web browsing. To spur demand for broadband Internet adoption and economic growth, a new application is needed that (1) has high demand, (2) requires high-speed connectivity and (3) is a catalyst for growth.

High Demand

Consumer video calling was first envisioned by George du Maurier, a British author and cartoonist in 1878. However, it was not possible due to lack of broadband infrastructure. In today's society, friends and family are more geographically distributed than ever. Thus, the demand for a high-quality, easy to use video calling system has never been higher.

High-speed Connectivity

Video is widely acknowledged as a driver for broadband adoption and speed:

"If I had to make one big bet on the future, I would bet on video," Chambers replied. "I think video is a major killer application, and the combination of video and networking will be a huge driver for how we will communicate in the future." - John Chambers: CEO - Cisco Systems

“Video, broadly speaking, is going to be the biggest driver of bandwidth and therefore network equipment over the next 10 years.” - Jason Ader: Analyst, William Bair

The proliferation of video calling systems will drive demand for broadband adoption and infrastructure upgrades.

Catalyst for Growth

In the early 1990s the killer application driving Internet connectivity was the web browser. It literally created new industries. The cost to develop a web browser was miniscule compared the number of jobs created and investment generated.

Wham! is aiming to accomplish the same for broadband adoption with consumer video calling as the driving force. Numerous applications of video calling can be envisioned including telecommuting, distance learning, and applications in the medical and hospitality industries. Adoption by all these industries will create additional demand for broadband Internet access.

Project

Wham! will bring consumer video calling to the market in 2010 via its Wham! Cam. The Wham! Cam is a device that will enable Americans to make high-definition video calls using their broadband connection and TV. Additionally, the Wham! Cam is easy to use, priced affordably and and enables free video calls.

Areas to be Serviced

The Wham! Cam will help generate sustainable broadband adoption across the entire country. All US households, approx. 119 million, are potential customers. The Wham! Cam will influence non-subscribers to subscribe, and it will influence subscribers to upgrade their service to higher speeds. Both outcomes are positive.

Qualifications of Applicant

Wham!'s team has worked together for many years, across several companies and has a long history of bringing high volume, low-cost, consumer products to market. Wham!'s team members' experience began in the Wi-Fi space. They created Wi-Fi semiconductor solutions while at Alantro Communication (later acquired by Texas Instruments). The technology became the basis for the 2nd generation of Intel's Centrino chipset and sold over 100 million units. Wham!'s team also has extensive experience in the DSL space having developed products while at Texas Instruments and Efficient Networks/Siemens. They created DSL solutions that were sold into SBC and Verizon. Wham!'s team members again worked together as early pioneers in the Ultrawideband space creating consumer products. These products were awarded the CES Innovation Award in 2008 and Intel Develop Form Technology Innovation Accelerated Award in 2006. Wham!'s team members shipped UWB product under brands such as Dell, Toshiba, Lenovo, Belkin, Dlink, Kensington.

Jobs to be saved or created

This project will save the jobs of all Wham! employees and contractors by allowing Wham! to bring its product to market and generate revenue. The project will also create and sustain jobs at Wham!'s suppliers such as Texas Instruments, Broadcom, Analog Devices, and Arrow Electronics, all American companies. The sale of Wham!'s product will benefit sales channel partners such as Amazon.com, Buy.com, Ebay.com, Best Buy and Dell.com. Broadband providers and equipment manufactures such as Verizon, AT&T, Comcast and Cisco, will also benefit from the demand created by Wham!'s product. Wham!'s enablement of video calling has the potential to create tens of thousands of jobs across multiple companies.

Overall Cost

The overall cost is $2.355 million, of which $855 thousand is requested from the BTOP. The return on the $885 thousand grant from the BTOP is enormous when considering the job creation that will occur from the Wham! ecosystem. The Wham! team's track record of bringing products to market, creates a high likelihood of success and a low risk path for sustainable broadband adoption and job creation for the BTOP.