

Cable-industry disruptor is back with new Internet service

January 27 2016, byTali Arbel



Antennae equipment, lower left, that enables wireless home Internet service, rests by a window during a demonstration at a Starry event, Wednesday, Jan. 27, 2016, in New York. Starry will be a wireless service that, unlike cellphones,

promises to be speedier than cable and designed for single locations such as homes and small businesses. (AP Photo/Tali Arbel)

Cable's pricey Internet packages may get some competition from the founder of Aereo, whose first attempt to shake up the cable industry was quashed by the Supreme Court.

Starry will be a wireless service that, unlike cellphones, promises to be speedier than cable and designed for single locations such as homes and small businesses. The service is expected to launch in Boston this summer, with plans to expand to other U.S. cities and even internationally, though no time frame was given.

In announcing the project in New York on Wednesday, its founder, Chet Kanojia, decried the lack of competition in U.S. broadband.

The U.S. government has been calling for more competition in Internet service. At the speed level it defines as "broadband," only about one-third of homes have a choice of Internet providers. The majority of American homes get their Internet from a cable company.

But it's not yet clear whether people will actually save money with Starry. Although Kanojia wouldn't say how much the service will cost, he suggested that his company is targeting a price of less than \$80 a month for speeds faster than similarly priced cable offerings. Starry says its network is capable of speeds of up to 1 gigabit for downloads and uploads, which is comparable to newer deployments such as Google Fiber, and much faster than most cable customers get.



In this Thursday, Dec. 20, 2012, file photo, Chet Kanojia, founder and CEO of Aereo, Inc., listens during a tour of the company's technology floor in New York. Cable's pricey Internet packages may get some competition from Kanojia, whose first attempt to shake up the cable industry was quashed by the Supreme Court. (AP Photo/Bebeto Matthews, File)

Comcast, the cable company in Boston, currently offers Internet service there for as low as \$35 a month, but that rises to about \$70 in two years. And as speeds go up, prices rise. In addition, many people spend far more than that, because the cable company pushes you to add TV and

phone service, too.

Comcast declined comment.

Starry will be a kind of fixed wireless, an Internet service that works well in some rural, flat areas. Kanojia says this technology is cheaper, per home, to build out than wired Internet. The company is adapting it to city life by using different kinds of spectrum, or airwaves, that it says haven't been used like this commercially before. Cellphone companies are paying billions of dollars for spectrum, but Starry says the airwaves it's using, called millimeter waves, is cheaper and available to lease and won't have problems with congestion the way cellphone networks do.

"It's a good theory. I'm sure it works in the lab, but when you get out in the real world, all sorts of crazy things that nobody thinks of happen when you get out there," Feld said.

For example, Starry is putting antennas on top of buildings to beam the signal. Feld said wind gusts on top of buildings could knock antennas out of alignment.

Kanojia says customers can install Starry themselves. It requires a small window unit and a router inside the home. That router, called Starry Station, will be available in March and retail for \$350, though it's possible the company will include it with service commitments. It'll be required for Starry Internet service, but as a fancy router, it can be used with any Internet service.

Aereo, Kanojia's previous startup, sought to offer over-the-air television channels through the Internet for a lower monthly fee than cable.

Broadcasters successfully sued on copyright grounds, as Aereo wasn't paying broadcasters as cable companies typically do. Kanojia said that he does not expect legal problems with Starry.

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Citation: Cable-industry disruptor is back with new Internet service (2016, January 27) retrieved 1 May 2024 from <https://phys.org/news/2016-01-cable-industry-disruptor-internet.html>

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