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Subject: (Embargoed) Speech by Mr Yeo Cheow Tong, 18 Apr 2000, 2pm

Singapore Government

MEDIA RELEASE

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SPEECH BY MR YEO CHEOW TONG, MINISTER FOR COMMUNICATIONS AND INFORMATION TECHNOLOGY, AT THE LAUNCH OF MEDIACORP'S INTERNET STRATEGY ON 18 APRIL 2000 AT 2PM AT THE SHERATON TOWERS.

1. Not so long ago, when I wanted information on any topic, I would have to take the time to go to a library to find the relevant books. If I wanted the previous week's news, I would read magazines like the Time and the Economist. For yesterday's news, I would read the newspapers. For today's news, there was television in the evenings and radio throughout the day. For entertainment, there was the theatre and concert halls, movies in the cinema or I made a short journey to the video store to rent a video or a LaserDisc.

2. Then came the Internet. It was revolutionary. And it used to be slow. So slow that the joke then was that WWW stood for World-Wide-Wait. And what passed for movies on the net reminded me of badly printed postage stamps. Then broadband became commercially available, and dramatically transformed the world of cyberspace communication and entertainment. With broadband, information and entertainment media have now come together on the Internet. I can now read the Time and the Economist before the print edition gets delivered to my doorstep. It is the same for local and foreign newspapers. I can watch the

CNA news, from any day in the past week, anytime I like. Music, movies, TV series, concerts, are all being squeezed through a little wire in my home – my problem, and one that is shared by many others, I'm sure, is that I do have enough time to enjoy them all!

3. What I have just described is the story of convergence. PCs masquerading as TVs, mobile phones pretending to be bank tellers, TVs interacting with the Internet. The line between one way broadcast and two-way communications has become very fuzzy indeed. Players in the telecoms, media, and IT industries will have to compete in each other's sectors, as one wire now connects everything. While AOL's purchase of Time Warner has made headlines, they are not the only example of converging companies. Mergers abound these days. AT&T has invested US\$120 billion in buying cable TV networks, which will deliver TV programmes, video-on-demand, and broadband internet services.

4. What, then, is the moral of my story? It is that we are living in a time and age when the rapid change is the name of the game. Some may even say that the dramatic stock market boom and bust of technology stocks over the past few days reflect this. Those of us who are living and operating in the real world should not get distracted by the stock market gyrations of the past few days. Technology is here to stay, and the stock market happenings are not likely to slow down the use of technology, nor the rapid pace of technological advances.

5. In times such as these, people and businesses which are quick to learn the new games, and better still invent new ones, will prosper at the expense of those who continue to cling on to the old ways. New mindsets and new skills are required to see the myriad of opportunities brought about by convergence. And these opportunities exist along the entire information and entertainment content value chain.

6. One such opportunity exists for the content owners, creators and developers. For them, convergence would bring new opportunities to develop and re-package their content for more than one distribution channel or medium. They may even go one step further and set up a totally new unit dedicated only to online media. In the past, it may have been enough to simply digitise existing content and make it available online. But as consumers become more discerning and competition heats up, content owners will have to do more to adapt their products to the special capabilities and demands of the online audience. Over in the US, there are media start-ups such as Atomfilms, playTV, and Digital Entertainment Network that are already producing original content specifically

for the online market, and with short films targetted at niche audiences.

7. Opportunity also exists for content re-packagers and distributors. Online distribution of content spawns new opportunities for audience interaction, faster delivery and simultaneous access to different markets. When you watch "Under One Roof", you may like the look of the T-shirt Ronnie is wearing, and want to buy it at a click of the mouse. Some would prefer to have the subtitles and soundtrack in Tamil – they can have their choice too. For this dream to come true, companies will need to have skills in integrating interactive and broadcast content, and localising content for different markets.

8. These are just two simple examples. I am sure those of you working in the fields of media, telecoms and IT can dream up many more interesting opportunities. I encourage you to work together towards the great future for Interactive Broadband Multimedia in Singapore. We already have in place a fully operational Singapore ONE broadband infrastructure with both cable and ADSL access options. About two weeks ago, I announced the Government's \$150 million Interactive Broadband Multimedia Package to help jumpstart the industry in Singapore. The package will stimulate both the demand and supply chain through various initiatives. Businesses can use Singapore ONE as a test-bed for new media and broadband applications. Singapore ONE can also serve as a launching pad to regional and global markets.

9. So I encourage all of you who operate in the content value chain to capitalise on this ready platform to create, develop, and deliver content. And this content should not be just for Singaporeans. It should be replicated and exported to new markets, both in the region and around the world.

10. On that note, let me congratulate MediaCorp for its initiative in developing an Internet Strategy for the converged environment. I wish you all the best in your efforts to develop Singapore as an interactive broadband multimedia hub. With that, it is now my pleasure to officially launch eastciti.com. and channelnewsasia.com