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What the Industry Reads First

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Cox's Game Plan: X1 Platform, 1-Gig Speeds and Strong Retail Presence

With a recent promotion under his belt as evp, sales & marketing, we probed **Cox's Mark Greatrex** on what's going on at Cox these days. Here are some highlights. **Cox Gigablast:** Cox's 1-gig service is available now in 10 markets, including Phoenix and Omaha. Retail stores are featuring side-by-side demos showing how much faster customers can download photos with Gigablast. We saw it in action, and you can't watch the Gigablast photo download for long without getting sick given how fast it speeds through photos. "Gigablast is really creating a great brand halo for us," Greatrex said, with Cox using it to talk about the future and creativity that gig speeds can offer. **Contour 2:** Cox is trialing the **Comcast X1** platform in San Diego market under the name Contour 2. It's still considered somewhat of a beta launch as it determines the next steps, but Greatrex sounded like he was thinking about how the platform could be integrated throughout the footprint. One area that's working very well is the recommendation search engine, according to Greatrex. Cox worked with **ThinkAnalytics** for the engine behind Contour, but as it moves to the X1 platform, Cox will be taking on Comcast's recommendation engine. Cox's findings show that network viewing has increased 20% with recommendation search, and that customers are watching 40% more shows—so they're discovering both network and content they normally wouldn't view. **Cox Homelife:** Security/home automation often focuses on the negative—a burglar breaking in, a water pipe bursting. But for the most part, home is generally a pretty nice place that consumers want to be connected to. That's why Cox changed its home security branding to "Homelife." "What's a home? It's loved ones. Pets. Kids coming home from school. We've taken what is often a service that is marketed more on fear and turned it into something that is positive and optimistic," Greatrex said. The category is showing a lot of interest, with about 10% of households in Cox's footprint saying that they're seriously looking at home security. About 60% of Homelife connects are new to the category. Cox just recently launched continuous video recording for 10 days, a feature the marketing EVP said has been in high demand. **Marketing Change-Up:** One thing different under Greatrex's leadership is Cox's move away from the mega marketing campaign to focus more on specific audiences and need states. A great example is the company's so-called "Meta Millennial" spots with **FCB Chicago**, which turn up online instead of TV (where the millennials are). It pokes a little fun at the "most studied generation in history." The 2 young men in the spot wax about Cox's advantages while millennial paraphernalia shows

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up in the background—bacon, homemade lemonade, one-gear bike, yarn art, rare pet, hammock, etc. “We think they are going to become a stalwart of the campaign. They’re friends in real life,” Greatrex said of the duo. **Cox Retail Stores:** Cox’s 118 retail stores are what Greatrex calls the “jewels in our brand crown.” With the nearest retail store to Cox’s Atlanta HQ more than 80 miles away in Macon, GA, Cox has built a retail store model in its new HQ (it recently moved down the street to share office space with parent company **Cox Enterprises**). This month Cox began showing off its “Cox Sports” offerings in store. With football season here, it’s a way to make sure customers know about the sports packages the MSO offers. “We’re finding actually that NFL Redzone has become a pretty important arrow in our quiver,” Greatrex said. Cox has started negotiations with Monster, maker of high performance headphones, speakers and HDMI cables, about possibly offering some of its products in store. About 20 stores are showcasing Flare, Cox’s nationwide subscription video game service that provides 100+ games streamed directly to the TV, starting at \$9.99/month.

Content Advocacy Group Formed: Say Hi to **The FreeWheel Council for Premium Video (FWC)**, an advocacy group organized by the advertising tech firm to “serve the interests of the premium video industry through leadership, research and advocacy for standards for the premium video economy.” The group counts some 25 major media and entertainment companies as members, including **ABC, A+E Networks, Comcast, Discovery Communications, ESPN, Fox, NBCUniversal, Turner and Univision Communications**. The group will “ensure the vitality of premium video as the industry navigates the transformation taking place while digital and linear converge,” a news release said. The council will operate as an educational and organizing resource offering best practices for premium video monetization, research and recommendations, *Jack Rotherham*, chief marketing officer at FreeWheel said in a statement.

Retrans Pact: **KSL, Bonneville International’s NBC** affil in Salt Lake City, reached a retrans agreement with **DirecTV** over the weekend, ending a nearly 3-week-long blackout. In a statement posted on KSL’s website, gm *Tanya Vea* said DirecTV agreed to “fairly compensate KSL for its valuable content. Thank you to our viewers for your patience. KSL is now back on DIRECTV.” KSL first went dark on DirecTV on Aug 21 when the parties couldn’t reach a long-term deal following several extensions. The original deal expired in June.

Liberty Global’s Latest Investment: **Liberty Global** made a strategic investment in startup **Guavus**, which provides real-time big data analytics applications for operational intelligence. *Mike LaJoie*, the former evp/CTO of **Time Warner Cable**, was appointed chmn of Guavus in Jan. The investment will be used to accelerate innovation in real time streaming analytics, among other things, founder/CEO of Guavus *Anukool Lakhina* said.

Fox Sports’ Production Initiative: **Fox Sports** launched Fox LAB, an initiative to explore technical partnerships that “give viewers a fresh perspective and ad sales teams more targeted sports integrations,” the net said Mon. The project already has conducted major tests with aerial drones and virtual reality, incorporating both into the production process for this year’s coverage of the US Open and other USGA events. The testing of 3 drones, piloted by FAA-approved **HeliVideo Productions**, and in cooperation with **Feld Motor Sports** during a Monster Energy Supercross simulation prior to an event earlier this year, led to expanded use of drones in other sports such as the 2015 FIFA Women’s World Cup and USGA golf events. The net said it has been in discussion with its league partners about the evolution of TV sports production opportunities.

Arris/Comcast Deployment: **Arris** is part of **Comcast’s** deployment of gigabit wireless service, IP video and integrated home automation and security services with the MSO’s adoption of the vendor’s TG1682 DOCSIS 3.0 gateway. The pair began collaborating on the initiative late last year. The gateway is an advanced DOCSIS 3.0 residential platform that supports better in home coverage and features a dual band 802.11ac wireless access point. The open-source software on the gateway is expected to serve as a key foundation for a new version of the RDK (Reference Design Kit) for broadband devices under development for the wider RDK community. Arris is demonstrating the gateway at IBC 2015.

TCM on Fire: **Turner Classic Movies** launches on **Amazon Fire TV** this fall, Turner’s 1st net to tap the streaming platform. Subs can access content via the Watch TCM App for Amazon Fire TV. In addition, TCM is upgrading its Watch TCM app to include on-demand access, improved clip quality and video playback, improved watchlist, search results layout.

You.i TV Closes Funding Round: **You.i TV**, a Canada-based firm that provides advanced user interfaces across video platforms, closed a \$15mln funding round led by **Kayne Partners**, the private equity group of **Kayne Anderson Capital Advisors**. The startup’s product, You. I Engine, is a cross-platform app that simplifies and accelerates multiplatform

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app development. It supports platforms including iOS, Android, Amazon Fire, Xbox, PlayStation, Roku, Smart TVs and RDK set-tops.

Smart Cities: Non-profit US Ignite won a \$6mIn grant from the National Science Foundation to build a lab of testbeds for smart gigabit applications in 15 U.S. communities. The announcement came at a White House event in support of “smart cities.” The grant will be used to expand the communities using a “smart city app store” for smart gigabit community applications.

Universal Sports Net Deals: Universal Sports Net scored deals with DirecTV, DISH, In Demand and Vubiquity to make all Rugby World Cup 2015 matches available on residential TV PPV through satellite, cable and IPTV providers nationwide. In addition to 9 televised matches on Universal Sports (and NBC), all 48 Rugby World Cup matches will be on TV and digital PPV. Individual matches start at \$27.95 per game, with packages varying per provider and both live and VOD options. Universal Sports and NBC Sports plan to broadcast the tourney from Sept 18 through Oct 31.

Rising Leaders: WICT announced the application period is open starting Mon for 180 seats in its Rising Leaders Program. Applications for all 6 2016 classes will be accepted at www.wictrlp.org and must be received no later than Nov 4.

Cablefax Daily Stockwatch

Company	09/14 Close	1-Day Ch	Company	09/14 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DISH:	57.83	(0.28)	CONVERGYS:	22.77	(0.12)
ENTRAVISION:	7.18	(0.02)	CSG SYSTEMS:	29.89	(0.09)
GRAY TELEVISION:	11.74	0.59	ECHOSTAR:	43.58	(0.06)
MEDIA GENERAL:	9.98	(0.24)	GOOGLE:	623.24	(2.53)
NEXSTAR:	42.87	0.12	HARMONIC:	6.02	(0.09)
SINCLAIR:	26.88	0.15	INTEL:	29.39	(0.08)
TEGNA:	22.97	(0.2)	INTERACTIVE CORP:	68.43	(0.29)
MSOS					
CABLE ONE:	420.08	2.51	LEVEL 3:	44.96	(0.21)
CABLEVISION:	27.94	0.14	MICROSOFT:	43.04	(0.44)
CHARTER:	184.57	0.12	NETFLIX:	95.69	(1.82)
COMCAST:	56.25	(0.16)	NIELSEN:	45.69	(0.19)
COMCAST SPCL:	57.02	(0.13)	RENTRAK:	47.22	0.08
GCI:	17.03	(0.34)	SEACHANGE:	6.24	(0.01)
LIBERTY BROADBAND:	54.19	(0.27)	SEACHANGE:	6.24	(0.01)
LIBERTY GLOBAL:	46.84	(0.49)	SONY:	25.96	(0.2)
SHAW COMM:	19.32	(0.2)	SPRINT NEXTEL:	4.78	(0.1)
SHENTEL:	39.28	(0.42)	TIVO:	9.04	(0.17)
TIME WARNER CABLE:	187.06	(0.39)	UNIVERSAL ELEC:	44.75	(0.32)
PROGRAMMING					
21ST CENTURY FOX:	26.32	(0.13)	VONAGE:	5.96	0.41
AMC NETWORKS:	72.34	(0.75)	YAHOO:	30.32	(1.11)
CBS:	43.28	(0.65)	TELCOS		
CROWN:	5.16	(0.05)	AT&T:	32.55	(0.17)
DISCOVERY:	26.57	(0.37)	CENTURYLINK:	26.07	(0.21)
DISNEY:	103.82	(0.66)	FRONTIER COMMUNICATIONS:	5.22	(0.1)
GRUPO TELEVISIA:	28.52	(0.26)	TDS:	26.31	(0.05)
HSN:	57.85	(1.02)	VERIZON:	45.65	(0.08)
LIONSGATE:	37.93	(0.41)	MARKET INDICES		
MSG:	73.64	0.61	DOW:	16370.96	(62.13)
SCRIPPS INT:	52.62	(0.54)	NASDAQ:	4805.76	(16.58)
STARZ:	38.26	(0.15)	S&P 500:	1953.03	(8.02)
TIME WARNER:	69.63	(0.38)			
VIACOM:	44.81	(0.42)			
WWE:	19.93	0.11			
TECHNOLOGY					
ADDVANTAGE:	2.38	0.06			
AMDOCS:	57.22	(0.14)			
AMPHENOL:	51.51	(0.04)			
APPLE:	115.31	1.10			
ARRIS GROUP:	27.47	0.01			
AVID TECH:	8.74	(0.16)			
BLNDER TONGUE:	0.52	(0.03)			
BROADCOM:	53.24	0.16			
CISCO:	25.70	(0.32)			
COMMSCOPE:	25.58	UNCH			
CONCURRENT:	4.98	(0.1)			

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CFX TECH by Joyce Wang

Voice Search Could Help Drive Future of TV

Roku, Amazon Fire and Android TV already have voice search capabilities, and the latest Apple TV, which won't be available until Oct, also features voice search. Voice search is becoming more and more important as service providers offer video content from many different sources and platforms. We talked to **Expect Labs** CEO/founder *Tim Tuttle*, whose company develops voice-driven applications and has focused on the next-generation voice search intelligence that will require human-like understanding of naturally spoken voice queries. Voice advancements over the past 24 months have surpassed everything that happened in the 3 or 4 decades prior, the exec said. This is partly due to the improvements in basic speech recognition accuracy, which is now almost as good as human recognition and may soon surpass human recognition, he said. Increased usage of voice-based assistants and apps have allowed large companies to improve accuracy as well as drive a virtuous cycle of further consumer adoption. According to data from large search engines, about 10% of all web searches are done using voice. Given that this number was negligible as recently as a year ago, that's a huge growth rate and it's expected to reach 50% in the next 5 years, said Tuttle. "Good speech recognition is also almost a commodity, so building basic voice apps is accessible to many companies and developers, and that is creating a growing appetite for products and services to be voice powered. So there is a rising tide across the industry," he said. And similar artificial intelligence can be used for other video service features such as content recommendation and discovery. Tuttle envisioned TV services that can "predict what you want to watch and require minimum if any user input." In addition, the voice enablement by pay-TV providers is going beyond TV services to other services to ultimately create a fully connected, smart home, he said. "We're starting to see growing market demand coupled with increased customer awareness of the need for voice

and the requirements for intelligent voice interfaces," he noted. And the recent developments from **Amazon** with its Echo product and now Apple TV are "helping companies realize that the long envisioned future for voice interfaces may actually be here, and if they wait to adopt voice, it is at their own peril," he said. The Amazon Echo connects to a cloud-based voice service to offer information, answer questions, play music, read news and provide other services.

TiVo's Future: It wasn't a pretty picture 10 years ago at **TiVo**, known as the DVR company back then. Share price had plummeted to less than \$1 by early 2005. The company's co-founder and then chmn *Mike Ramsay* stepped down. And analysts were pessimistic about the company's future. Since then, however, TiVo has basically reinvented itself, becoming a whole-home media service provider, partnering up with pay-TV ops and tapping into research and analytics. In 2Q, MSO cable subscription additions grew 56% YOY. Total TiVo subscriptions are now more than 6mln (It was below 1 million back in 2011). Tier 2 and Tier 3 pay-TV providers have been the company's sweet spot, and it recently scored a distribution deal with **NCTC**, which includes 850 mid-tier ops with a combined 10mln sub base. The deal came as NCTC is investing in a common back office integration platform, which will eventually connect the TiVo service with multiple billing systems and authentication platforms. Meanwhile, TiVo has focused on growing its research and analytics business. TiVo Research scored several deals in 2Q. Media companies including **Viacom** will work with TiVo on audience targeting and other initiatives. And digital and mobile audience intelligent platforms including **Quantcast** and **NinthDecimal** will be using TiVo's data to target TV audiences and measure effectiveness for online and mobile advertising. After all these years, TiVo might have finally found a permanent place in the living room.

Got tech news? Reach out to Cablefax Tech editor *Joyce Wang* at jwang@accessintel.com



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