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MediaPost
Connected Devices Changing Viewing Habits

Philadelphia Business Journal
Temple law prof breaks down possible directions of Comcast merger

Washington Post
Google is about to dramatically

"We don't need you to type at all because we know where you are. We know where you've been. We can more or less guess what you're thinking about … Is that over the line?" – Google Chairman Eric Schmidt

A long time ago in a galaxy far, far away there was a Galactic Empire, a beady-eyed Emperor and his heavy-breathing sidekick, Darth Vader. Ever since, we've identified the corporate villains we love to hate. We had AT&T in the 70s, IBM in the 80s, and the evil empire of the 90s was of course Microsoft and Bill "The Conqueror" Gates.

Today we have Google. Don't let the geeky façade, whimsical multicolored logo and "don't be evil" mantra fool you. Google may very well be the most sinister threat and wicked incarnation of them all. In an interview with the Atlantic almost five years ago, the search empire's dark lord himself, Eric Schmidt, said, "Google policy is to get right up to the creepy line and not cross it." He said, "I would argue that implanting things in your brain is beyond the creepy line … at least for the moment until the technology gets better."

Then things got even creepier when Schmidt said, "We don't need you to type at all because we know where you are. We know where you've been. We can more or less guess what you're thinking about." Then he paused and asked, "Is that over the line?"

Clearly, this creepy virtual line of Google's is not just a moving target but a highly subjective one. How do they know when they've crossed it? Perhaps the more appropriate question to ask is how many lines does Google have to cross before its executives realize – before we realize – that they're doing evil? It's easy to forget that Google once had a deep partnership with Apple. Then, while Steve Jobs mentored co-founders Larry Page and Sergey Brin and Schmidt sat on Apple's board of directors, Android magically transformed from a BlackBerry-like phone with a physical keyboard into an iPhone clone.

And all the while – right up until the Federal Trade Commission forced Schmidt off Apple's

[change how search works on your phone]

Pittsburgh Post-Gazette
[Ex-agent sues Attorney General Kane over sting case]

board on anticompetitive concerns – he maintained that Android did not compete with iPhone. A year later, Apple's iPad was immediately followed by Android tablets which I'm sure were not competitors either. Does that cross the line? Is that evil? Jobs certainly thought so. He was furious over the betrayal, calling Android "a stolen product" and vowing to "go thermonuclear war" on Google in Walter Isaacson's biography of Apple's iconic CEO.

Between Google Search, Gmail, Maps, Android, YouTube, Glass, Now, Books, Wallet, Chromecast, Wear, Nest and its alliance with car companies, Google now knows more about you than you do. It knows what you want, where you are, whom you're with, what you read, what you buy, even what pictures and videos you create and look at. As Infoworld's Robert X. Cringely so aptly put it, "Santa works for Google now."

While much of that is ostensibly "with your permission" and to "improve your search results," as Schmidt says repeatedly, that's just part of the story. Permissions are notoriously difficult to find and manage. And when you're logged into your Google account, rest assured that the omnipresent eyes of Google are upon you. Remember that nearly all of Google's massive profits and revenues come from search advertising. That's what funds the company's ever-expanding presence in our lives. So when Schmidt or Page talk about improving search results, they really mean improving their ability to target you with contextual ads. Not to sound paranoid or conspiratorial, but before long, those ads won't just be limited to computer screens. They'll be anywhere and everywhere Google can reach you.

And that's just for starters. The Google Empire is expanding into everything from self-driving cars and virtual reality to broadband fiber and neural networks. It's even collecting genetic and molecular information from thousands of people to map humans in a way that's eerily reminiscent of how it maps the world's streets. Page says he wants Google to be much, much larger than it is today. In a Wired interview where he talked about the dozens of disparate projects the company has going on – what they call moon shots – he said, "Imagine what we could do if we had a hundred times as many employees. Anything is scalable."

That would give the company millions of employees and make Google far and away the biggest and most powerful company in history. You would think the U.S. Justice Department or the FTC might have something to say about that. But then, you'd be wrong. Last month the Wall Street Journal obtained a 160-page report from the trade agency's bureau of competition that recommended the commission bring an antitrust suit against the search giant. It claimed Google's actions have done and will continue to do "real harm to consumers and to innovation in the online search and advertising markets."

And yet, the agency's commissioners ultimately decided against and closed the investigation. Why? Could it be that Google was the second-largest donor to President Obama's reelection campaign or that the company's executives spend so much time at the White House that the administration is thinking of redoing the Green Room in Google's multicolor scheme? Don't be silly. There's no cronyism in Washington.

Finally, European regulators last week filed an antitrust action claiming Google skews search results in favor of its own shopping network, a practice that Yelp and others have long complained about. The European Commission also added a new investigation to its ongoing efforts, this one over Google's Android operating system. Don't tell me we're going to need *Europe* to save *us* from the evil empire. How ironic can you get? – ***Fox Business***

Hey, TV networks: Two can play at this game.

That may be the not-so-subliminal message underlying Verizon Communications' move to offer subscribers smaller bundles of TV channels through its FiOS TV service. Under the new plans, customers get broadcast channels and a handful of other "base" networks.

They can then select from among channel packs organized around themes, such as children's channels, sports and news and information.

The new offering, which became available on Sunday, comes after recent moves by media networks such as Time Warner's HBO, CBS and Viacom's Nickelodeon to offer their channels directly to consumers via the Internet. Those threaten pay-TV providers' relationships with video consumers. For Verizon, giving consumers greater choice over channels—even if it isn't a full a la carte offering—may mean the difference between a customer and a cord-cutter.

The new plans may also serve as a reminder to content owners that they don't hold all the power. Companies such as Walt Disney, whose ESPN is relegated to a package with other sports channels, run the risk some subscribers won't sign up. That could undermine the conventional wisdom that ESPN's popularity means pay-TV providers have no choice but to carry it and pay its high fees.

And this may become a flash point. ESPN says its agreements specify that neither ESPN nor ESPN2 may be distributed in a separate package and that Verizon's offering isn't authorized under its contract. Verizon says the offering was designed to avoid violating agreements. How any potential disagreement between the two unfolds may be instructive in terms of how the power relationship between distributors and content providers is or isn't shifting.

And Verizon isn't purely antagonistic. Its base package includes channels from smaller companies such as AMC Networks and Scripps Networks Interactive, preserving a spot for them when subscribers may not have viewed them as must-have. The new offering, which costs $65 for two channel packs and slower broadband, may also pressure average revenue per user at FiOS. But content costs will presumably be lower because the bundles mean paying for fewer channels. Verizon's move offers the latest signal for TV's future. – ***Wall Street Journal;*** **more from *Fierce Cable***

Verizon Communications Inc. posted better-than-expected results for its first quarter as it added more of the wireless industry's most profitable customers and saw its cancellation rate edge down. Shares, up 2.9% over the past year, added 0.5% in premarket trading Tuesday.

The country's largest wireless carrier has faced intense competition in the U.S. with rivals such as T-Mobile US Inc. and Sprint Corp. offering deals and paying subscribers to switch to their services. Verizon had warned in March that wireless-service cancellations would be elevated in the first quarter. However, for the quarter ended March 31, postpaid churn edged down to 1.03% from 1.07% a year ago.

Overall, Verizon posted earnings of $4.34 billion, or $1.02 a share, compared with $5.99 billion, or $1.15 a share, a year earlier. Revenue grew 3.8% to $32 billion. Analysts polled by Thomson Reuters had forecast 95 cents a share in earnings and $32.3 billion in revenue. It added 565,000 net retail postpaid connections in the quarter, up 4.8% from a year ago. Verizon is the first big wireless carrier to report results for the first quarter.

Last week, Verizon said its FiOS service would offer new TV packages aimed at giving customers flexibility to purchase only certain groups of channels they want to watch. The move comes as pay-TV distributors such as Verizon are facing mounting pressure to give consumers more choice in how they buy TV. In the latest quarter, Verizon added a net 90,000 FiOS video subscribers, up from 57,000 a year ago. The company added a net 133,000 FiOS internet subscribers, up 35.7% from a year earlier. – ***Wall Street Journal***

H. F. "Gerry" Lenfest, owner of the Inquirer, Daily News and Philly.com, was honored Monday as the 61st Business Leader of the Year by Drexel University's LeBow College of Business. Drexel President John A. Fry, in a news release, said Lenfest's entrepreneurial

	achievements would be more than enough to make him a role model for LeBow students. "But then he and (his wife) Marguerite turned to their real work, returning the rewards of their success to society through philanthropy that spans opportunity, education, the environment, arts and culture and wherever else they see a need in our communities," he said. LeBow College Dean Frank Linnehan said, "Generations of people from Philadelphia and beyond will experience the positive impact of Lenfest giving." – ***philly.com***

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