KS&R Data to Knowledge

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This Week's Stories

BlackBerry Won't Make BlackBerrys Any More

September 28, 2016

It's the end of an era for BlackBerry.

The Canadian company, which helped usher in the smartphone race nearly 20 years ago, on Wednesday confirmed it will no longer manufacture the iconic handheld device. Instead, it will outsource hardware development to partners. BlackBerry CEO John Chen says the company will prioritize software development, including apps and security.

"We are reaching an inflection point with our strategy," Chen said in a statement. "Our financial foundation is strong, and our pivot to software is taking hold."

BlackBerry made the revelation during its second-quarter earnings report, in which its revenue of $352 million missed Wall Street forecasts compiled by S&P Global Market Intelligence. Non-GAAP earnings per share were even for the quarter, beating analyst estimates of a loss of 5 cents a share.

Second-quarter sales of the device dipped to 400,000. In its latest quarter, Apple sold 40.4 million iPhones.

Shares of BlackBerry closed at $8.31, which is up 5%.

The long, gradual decline of BlackBerry paralleled the rise of iPhone and Android phones. Once dominant with more than 50% of the global market, the signature device — a cell phone with a QWERTY keyboard and sophisticated software — was so addictive to millions of customers, including President Obama and Kim Kardashian West, many were referred to as CrackBerries.

The rise of iPhone, Google's Android platform and other touchscreen phones changed that and, over years, BlackBerry fell out of favor — its global share plunged to less than 1%. Even government employees, for years a loyal customer base, turned away. U.S. Senate staff members made the switch from BlackBerry, according to a memo from the Senate Sergeant at Arms this summer.

Like tech pioneers before it, BlackBerry was left behind. Its then-upstart iPhone and others took smartphones beyond email and messages, as BlackBerry had, to browsing and a multitude of apps, analysts say.

"BlackBerry failed to anticipate elemental changes in the market," says Charles King, principal analyst of Pund-IT. The company's descent took so long, he says, "There is an element of putting the poor thing out of its misery." The company, once valued as high as $83 billion, is now worth about $4.1 billion.

It wasn't for a lack of effort that BlackBerry faded away. It attempted a comeback in 2013 with the launch of a touchscreen-only smartphone as well as its BlackBerry 10 operating software. However, poor sales pushed the company to consider a potential sale later that year. BlackBerry eventually dropped the sales bid and replaced CEO Thorsten Heins with Chen.

BlackBerry has since made multiple efforts to revive its smartphone business, including the August launch of the Android-powered DTEK50, which the company claimed was the most secure smartphone in the world. A good deal of the device's appeal was security: Chen told USA TODAY last year that BlackBerry relied on the heads of state and government in developed countries to stay loyal to the phone because of its security features.

A shift to software has been part of Chen's strategy since he took over. The move to software gives BlackBerry the chance to improve its margins and generate recurring revenue, says BGC Partners analyst Colin Gillis.

"The decision to outsource the last bit of smartphone manufacturing is just the final nail in to their hardware business," Gillis says. "It’s long been a business in decline, and their future is in software."

usatoday.com

CSO Imran Khan Explains Snapchat's Rebrand To Snap Inc.

September 26, 2016

Under the newly created Snap Inc. corporate name, chief strategy officer Imran Khan revealed a couple of notable stats during his pitch today for advertisers at Advertising Week.

The CSO said that over 60 million of Snapchat's more than 150 million daily users come from the U.S. and Canada. Speaking at Dmexco earlier this month, Khan said that 50 million of the company's users are in Europe, meaning that the U.S., Canada and Europe represent 110 million daily active users. More than two-thirds of those folks actually create daily content within the app, with the average person spending 25 to 30 minutes in it.

"We rebranded our company to Snap Inc. because we are bigger than just one app," Khan said. "Snap Inc. is a camera company—we believe that reinventing the camera represents our greatest opportunity to improve the way people live and communicate."

To Khan's point, the first product outside of Snapchat for Snap Inc. is a pair of sunglasses called Spectacles that have a built-in camera that syncs with the app to share and save photos. Unlike Snapchat's focus on vertical-oriented video, Spectacles shoots circular-shaped videos, which could give brands a new way to create videos that are both vertical and horizontal.

He also explained how Snapchat Stories work, which stitches three types of pictures and videos together: Live Stories that are collected for events and holidays; user-generated stories that users send to their friends; and Discover, the hub of professionally created content from media brands like Vice, Cosmopolitan and CNN.

To further drive home the idea that Snapchat is getting attention from big brands, Khan sat down with Ann Simonds, chief marketing officer at General Mills, to talk about the food company's work on the app.

Unsurprisingly, Simonds gave Snapchat the stamp of approval for a handful of its brands that have worked with the app including Cinnamon Toast Crunch, Totino's and Lucky Charms.

"Food is always on and prevalent in daily life, as taking pictures," Simonds said. "I approach all of these mediums as a place of play. While the mechanism and the machine is changing all the time, what has to remain front and center in all cases is the magic of the quality of the story. No amount of changes in all this technology or how we measure will make up for a bad idea."

adweek.com

Products & Services

Shazam Is Finally Profitable After A Billion Downloads

September 29, 2016

Shazam, the mobile and desktop app that acts as a digital ear and song identifier, crossed the 1 billion download mark recently, according to a report from Billboard on Thursday.

The London-based company, Shazam Entertainment Ltd., also announced that it has achieved profitability, at long last, thanks to a new focus on advertising sales, alongside revenue from commissions on digital music sales and traffic referrals to streaming music sites.

Shazam's CEO told the Wall Street Journal that the company is still sending 1 million clicks daily to streaming services like Spotify, Apple Music and others who do pay it for the traffic and conversions when they make a purchase. But advertising revenue now is greater for Shazam than other sources.

Ads on Shazam are displayed while app users scan their environment to identify a song or other media like TV shows. The ads on display often have nothing to do with music.

As TechCrunch reported then, Shazam raised $30 million in equity funding early last year at which point the company's valuation had surpassed $1 billion.

The company has been embarking on partnerships with other app makers and social media platforms in a quest to drive up engagement and keep winning over users.

Competition has increased over the roughly 15 years of Shazam's existence. Competitors now range from iOS and Android apps like SoundHound and MusixMatch, to audio recognition technology from the likes of Google, Facebook and Amazon.

For example, Amazon's Echo allows users to identify songs that are playing on integrated streaming media services like Spotify by asking questions like "What song is playing?" or "Who is this artist?"

techcrunch.com

YouTube Go Brings Data-Light Video To A Phone Near You

September 27, 2016

"It comes with the ability to preview videos before committing to download, set data limits and resolution before watching and sharing clips with nearby friends, and all without using up data limits. It's safe to say YouTube Go has a much wider appeal."

Want your hit of YouTube videos without the massive data bill?

Unveiled in India earlier this week, YouTube Go is a new app designed to solve a particular problem for a big subset of users. Billed as a way of "bringing YouTube to the next generation of viewers" by YouTube's VP of product management Johanna Wright, it's a low-data, low-connectivity way to get YouTube in the hands of millions of users in emerging mobile markets.

The new app has been designed from the ground up and field tested with hundreds of users in 15 cities across India. It's designed to work with little-to-no connectivity, use less data and serve up better recommendations and social experiences.

It's a natural extension of YouTube's previous offline modes. It comes with the ability to preview videos before committing to download, set data limits and resolution before watching and sharing clips with nearby friends, and all without using up data limits. It's safe to say YouTube Go has a much wider appeal.

YouTube Go will be released to more users over the coming months, before a wide release in early 2017. You can sign up now if you want to hear as soon as it's available near you.

cnet.com

Emerging Technology

NASA-Inspired Indoor Gardens May Make At-Home Farming Easier And Healthier

September 30, 2016

Farming ain't easy. It takes care, plenty of space, and no shortage of hard work. That makes homegrown produce a luxury for even the wealthiest city dwellers.

But a company called Click & Grow wants to make farming at home as easy as pressing a button. After successfully launching the personal Smart Herb Garden last year, it has now announced a new line of fully-automated, NASA-inspired "Wall Farms," which the firm says can grow fresh produce in a matter of weeks with minimal effort.

Related: The SproutsIO soil-free smart garden is looking to turn everyone's thumb green

Click & Grow's goal was to make its farms as low maintenance as possible. To make their growing substrate extra fertile, the company developed a proprietary "Smart Soil" that maintains an optimal amount of oxygen, water, pH, and nutritional matter for the plant.

No sunlight? No problem. Shining down on each shelf are ultra-efficient grow lights. Targeted irrigation conserves up to 95 percent more water than conventional farming methods, so this system may be ideal for drought-stricken areas.

"Our technology is all about saving water and lessening food miles while increasing efficiency and reducing the environmental impacts of plant production practices," Click & Grow writes on its website.

With its specialized substrate, Click & Grow claims its Wall Farms help plants grow 30 percent faster than those planted in regular soil while packing them with 600 percent more vitamins.

At $799, the standard-sized Wall Farm has the capacity to grow 57 plants and can be monitored and controlled via a Click & Grow app.

With a $199 launch price and $299 retail price, the Wall Farm Mini can grow 38 plants but lacks connectivity. Both versions come without the plants but with adequate substrate pods for one harvest. Regardless, consumers should plan to tack on another $60 monthly subscription for soil refills.

digitaltrends.com

This Crazy New Wearable Promises To Measure Your Hydration Level And Heart Rate In Real Time

September 25, 2016

"The LVL is a simple wearable band with a full-color touchscreen, physical buttons, a Bluetooth antenna, an accelerometer, and a battery that lasts four hours on a charge."

You probably heard this biological factoid in fifth grade health class: two-thirds of the human body is made of water. What you probably weren't told, though, is just how drastically water could impact your morning, daily, and nightly routine. Your physical fitness depends on hydration, as does the quality of your sleep. Even the clarity of your thoughts and the stability of your moods are affected, in part, by your body's water content at any given moment.

But measuring your body's hydration is no cakewalk. "Smart" water bottles can tell you how many ounces of liquid you've consumed in the course of a few hours, but not how much your body has actually absorbed — that level of granularity usually requires a trip to a medical lab or emergency room. But that's poised to change. Recently, health startup BSX Technologies debuted the LVL, a wearable that promises to measure hydration in real time.

It's the first of its kind, BSX Technologies Chief Executive Officer Dr. Dustin Freckleton explained in a phone interview with Digital Trends. Most fitness trackers on the market rely on phyotoplethysmography (PPG) to measure everyday vitals like heart rate and blood oxygen level — basically, tiny sensors that emit green light toward and through the upper layers of your skin. Because blood is red and absorbs green light, they're able to roughly gauge flow through your veins. Between heart beats, there's less absorption of green light, and during heart beats, there's more.

The LVL, by contrast, packs an infrared sensor that penetrates far beneath the surface of the skin — up to ten times as deep compared to sort of green light sensors found in, say, the new Apple Watch or latest Fitbit. That depth allows the LVL to capture spectroscopic images — what Freckleton calls "direct measurements" — of blood from which it can derive the percentage of water content and heart rate. Perhaps more importantly, though, infrared lets it do so more accurately than your average wearable. While most trackers deviate anywhere between 14 to 40 beats per minute from your actual heart rate, the LVL's measurements are accurate to within 3.

The impetus for the LVL was a traumatic experience Freckleton had in medical school. As a physician in training, he hit the books hard — sometimes studying for as many as 16 to 18 hours without rest. His mental toil began to take a toll: one day, Freckleton awoke with a pounding headache. "I was in the bathroom, staring at myself in my bathroom's vanity mirror," he said, when he noticed something alarming: he'd begun standing inexplicably crookedly. Then, the unthinkable happened. "I righted myself, looked back at the mirror, and the strength began draining out of my body." In 45 seconds, Freckleton was completely paralyzed on his left side.

He was rushed to the emergency room. Physicians gave him the sobering diagnosis: a stroke. He was a 24. "I exercised regularly and had no preexisting conditions to speak of," he said. "It was a shock." Acute dehydration was pegged as the underlying cause, a diagnosis that Freckleton took to heart. "It pivoted the focus of my entire career," he said.

Freckleton sought an easy, reliable method of measuring the water content in blood, but found most consumer products weren't up to the task. "The technologies weren't able to measure hydration in real time," he said. "There weren't any commercially available solutions that could've prevented my situation." And so he bootstrapped, recruiting a team of engineers and medical practitioners to develop a solution of his own: a "smart band" that could measure hydration on the fly.

Freckleton embarked on an intensive cycle of research and development, recruiting "hundreds" of test subjects over a five-year period to run gauntlets in what Freckleton called the "Sweat Lab": a super-hot, low-moisture environment designed to purposefully dehydrate. They provided the baseline for LVL's algorithms. Today, hydration levels are within 0.32 off actual values measured in the lab, a level of accuracy which he said exceeds military and first-responder standards.

It's frighteningly easy to become dehydrated. "We've evolved as human beings, but we haven't accounted for those changes in our habits. It used to be that we consumed food and water all day, but now we're not drinking nearly enough." Most people become dehydrated when they least expect it, he said — like when they're sleeping. "You're passively dehydrating for eight hours. You wake up feeling crappy, and it's usually because you're clinically dehydrated."

And that's where Freckleton's wearable the LVL and its companion app come in.

The LVL is a simple wearable band with a full-color touchscreen, physical buttons, a Bluetooth antenna, an accelerometer, and a battery that lasts four hours on a charge. The little display sits in a leather or silicon band, which has a simple clasp. It looks a lot like the Misfit Ray or a Fitbit.

The LVL syncs up to a companion app on your phone, which packs algorithms that learn your habits over time. As the band learns, the LVL will re-calibrate accordingly. It might instruct you to drink six ounces of water before a workout, or 12 ounces before you hit the hay for the evening. It's predictive, too. The wearable can project how well you'll perform at, say, basketball in several hours based on how much water you've consumed.

The goal isn't just to expose data points like hydration level and heart rate, Freckleton said, but to extract actionable insights from it. "Hydration alone is an interesting metric, but more interesting is how it's affecting you on a daily basis." In that sense, LVL's real value is its perspicacity.

"With a single tap, you can see how you're feeling," Freckleton said. "It can show you how much better you feel when you're hydrated, and show you how to do better."

It's a neat idea that we've never seen before, and we'll be interested to see how well it does with the crowdfunding campaign. The LVL recently launched on Kickstarter for $200. If you're interested, you can back the project on Kickstarter right now.

digitaltrends.com

Mergers and Acquisitions

Avast CEO On Why It's Just Spent $1.4BN To Absorb Security Rival AVG

September 30, 2016

"The deal will see Avast's customer base nearly double — swelling from 230 million to more than 400 million in total, 160M of whom are mobile users."

Security firm Avast has today confirmed the completion of a $1.4 billion acquisition of fellow Czech-based antivirus company AVG.

The deal will see Avast's customer base nearly double — swelling from 230 million to more than 400 million in total, 160M of whom are mobile users.

The acquisition was announced back in July, with scale and geographical breadth touted as the driving forces, along with a plan to expand product offerings including in the Internet of Things space.

Avast says the new combined entity reaches one-third of the world's PC users outside of China. Both the Avast and AVG brands are likely to continue to operate, depending on relative market strengths.

There will be job cuts, based on eliminating duplicate roles, but Avast is not confirming how many or where they will come at this stage.

The purchase price values AVG at $25 per share, for a total price-tag of $1.3BN, but Avast CEO Vince Steckler said there was also around $100M of AVG debt to pay off — bumping the total paid to $1.4BN.

The acquisition has been completed within the originally slated timeframe.

Speaking to TechCrunch ahead of the deal closing, Steckler said the two companies have been circling each other for decades, given their shared industry and business location. And finally the summer Avast convinced AVG they were better off as one.

“This was, I think, the fourth attempt we have made in the last two or two and a half years to buy AVG,” he said. “We approached them, we got kind of tired of being constantly turned down — so we approached them kind of one last time and told them hey we’ll pay this amount, no higher, no negotiations, tell us yes or no. And they said yes.

“That came together very, very quick — within a matter of days, really.”

But while competitive spirit kept them apart for years — a combination of “pride and arrogance” on both sides, reckons Steckler — larger forces reshaping the computing landscape and the security market are evidently driving them together now.

“There’s a better long term future for a combined entity, than two smaller, standalone entities.”

One very big motivator Steckler mentions for the acquisition is machine learning technology now being used to power many security solutions. And AI’s need for data, lots and lots of data.

“Security these days — for the top companies — is very much a big data thing. We’re not into the classic signatures and checksums. These are big data machine learning products, and they rely on having a massive number of end-points to collect data from, to process, to determine what’s good and what isn’t,” he said.

“Getting hold of AVG’s 160M end points, to add to our 240M, it adds a lot more end points into our data analysis — which improves the security results and allows us to stay ahead of others.”

“All the top flight ‘antivirus products’ are all extraordinarily sophisticated, and many of them — such as ours — exist mostly in the cloud. And they run mostly on machine learning and AI,” he added.

The other trend squeezing veteran security players and driving consolidation is of course the decline of traditional AV revenues, especially on the consumer side where free/freemium antivirus products now dominate. The old paid antivirus cash-cow is not what it once was, with PC shipment slowdowns and the shift to mobile computing another factor driving change there.

“The security industry is obviously really maturing, and — at least on the consumer side — the market has heavily shifted to free and freemium,” noted Steckler. “So there’s a pretty rapidly declining marketshare for companies like Norton and McAfee and Kaspersky.”

But he asserted that Avast and AVG have complementary footprints — with AVG doing well in the English-speaking world and Avast in the non-English speaking world — making the pair a good fit to ride out tougher times together.

“The fact that we have such a large geographic spread allows us to ride much better through the market ups and downs,” he said.

“For example, the English language markets are hurt a lot more by the slowdown in PC shipments than the non-English markets. But the English markets monetize much better than the non-English markets, so we have kind of complementary strengths and weaknesses.”

Discussing the shift to mobile computing, Steckler said there are a different set of concerns Avast can (and is) addressing here, via mobile products that focus more on privacy and parental concerns than on traditional malware security threats.

“People use their mobile devices for a lot of different things. You’ve got photos on there, some are sensitive, some are embarrassing, you’ve got children who are using phones while they are driving — you’ve got corporations where phones are being used by employees, sometimes for company use. Sometimes for personal use. So the mobile security market is actually pretty big,” he said.

“It’s not the classic AV but there’s lots of other types of security and privacy products. And this is absolutely one of the reasons why we wanted to buy AVG — because AVG have a really good security product that’s not installed on the phones but is installed at the carrier.”

Running security products directly on phones themselves is pretty limiting, he said — given they are just another siloed app and can be disabled by the user. Which makes working with carriers Avast’s preferred route.

“If you install on the carrier infrastructure you’ve got a lot of things now. For example you can implement a family safety product or geofences so that if your child is driving they can’t text message, or if they’re at school they can’t be using the phone. Or you can control how much data they’re using or what they’re really doing on the mobile device,” he added.

“That’s been a very successful business in the US. It’s in the four US carriers and what we want to do is to move that out of the US and frankly that’s going to be the core of a lot of our mobile business.”

Discussing the company’s strategy for the Internet of Things, he noted Avast already has a security product here, focusing on securing IoT devices via the router.

Meanwhile AVG was exploring a different strategy — meaning, again, Steckler sees benefits to combining their different efforts.

But at the end of the day he couches IoT as a fairly simply security nut to crack — given most devices connect to the Internet via a router or network gateway.

“I suspect that most of the security for IoT is going to end up at the cloud or at the network level and not really in the device itself,” he said. “If you think about it, why does your Fitbit need to run security software? It doesn’t talk to the Internet, it talks to the router, so you get the router to protect the Fitbit.”

“Very few of the things actually directly connect to the Internet. Most everything connects to the router, which connects to the Internet. So you don’t need to necessarily protect each device because most of the devices are fairly simplistic. What you need to do is protect the devices from being broken into and the easiest point of doing that is at the network or gateway level. Which is where we do it.”

techcrunch.com

Qualcomm In Talks To Acquire NXP Semiconductors

September 29, 2016

"NXP Chief Executive Richard Clemmer said in a recent interview that he expects the company to play a bigger role in the evolution of vehicles by adding technology from Freescale Semiconductor Ltd., which it bought last year for $12 billion."

Qualcomm Inc. is in talks to acquire NXP Semiconductors NV a deal that likely would cost more than $30 billion and accelerate a consolidation rush in the semiconductor industry.

The companies could strike an agreement in the next two to three months, according to people familiar with the matter. As always, it is possible there won't be one, and some of the people said Qualcomm is simultaneously exploring other deal options.

Shares of NXP, which is based in the Netherlands and trades on Nasdaq, surged Thursday after The Wall Street Journal reported on the talks. They rose 17%, giving the company a market value of $33 billion. Qualcomm stock jumped too, in a sign its shareholders approve of the San Diego company potentially joining the consolidation fray. Its shares rose 6.3% and the company's market value now stands at $100 billion.

Several forces are driving consolidation among chips makers, which have announced more than $200 billion in deals since the beginning of 2015.

As with all deals, one goal is to slash costs and create more efficiency. But a more significant factor, industry executives say, is the rising cost of internal product development, as miniaturization makes chips more risky and expensive to design. Acquiring established products allows companies to expand without wasting money trying to design chips that don't turn into hits, said Lincoln Clark, a partner who heads KPMG's LLP's semiconductor practice.

That point was echoed recently by Keith Jackson, chief executive of ON Semiconductor Corp., which recently completed the $2.4 billion purchase of industry pioneer Fairchild Semiconductor Corp. "It is a lot easier to add to your portfolio through acquisitions," he said in an interview last week.

Becoming broader also allows chip makers to be more valuable suppliers to major customers and thereby more difficult to displace by rivals.

NXP Chief Executive Richard Clemmer said in a recent interview that he expects the company to play a bigger role in the evolution of vehicles by adding technology from Freescale Semiconductor Ltd., which it bought last year for $12 billion.

Semiconductor M&A hit an all-time high in 2015 as companies such as Intel Corp., Avago Technologies Ltd. and NXP made major acquisitions.

There have been chip deals totaling more than $75 billion this year, helping make technology the busiest sector for M&A—with more than $463 billion of transactions, according to Dealogic.

Just a couple months ago, Japan's SoftBank agreed to buy U.K.-based microprocessor designer ARM Holdings PLC in a $32 billion deal.

An acquisition of NXP would be one of the largest in another strong overall year for mergers and acquisitions.

It radically would reshape Qualcomm, a company that rose to prominence by supplying wireless chips. Qualcomm has an unusual business model: While it derives most of its revenue from designing and selling chips, the company earns more than half of its profits from licensing its wireless patents to nearly all makers of mobile phones.

That has helped Qualcomm generate outsize profits for most of its history. The company held $31 billion in cash and securities on its balance sheet at the end of June, almost all of it offshore—another incentive to buy a foreign company such as NXP.

Buying the Dutch company would expand Qualcomm's chip business from dozens of major product lines to hundreds spanning many industries outside mobile devices. It would instantly become the No. 1 supplier of chips used in cars—one of the hottest target markets for semiconductor makers—hoping to benefit as automobiles add greater computing power and self-driving models develop.

The possibility of an NXP tie-up has been long-speculated given the complementary nature of the companies and its ability to significantly boost Qualcomm's earnings.

Indeed, before the Journal report on Thursday, Sanford C. Bernstein analysts put out a note on the possibility. NXP's large size makes it potentially attractive to Qualcomm, they wrote, as does the company's exposure to the automotive, security and mobile-payments industries.

The deal could add 30% to Qualcomm's earnings before any cost savings, they estimate. They also noted it would face "considerable integration/execution risks."

If a deal were to be struck, it would be the largest in Qualcomm's history, and would come after activist investor Jana Partners LLC exited its investment in the company earlier this year. Last year, Jana pressed the company to consider splitting its chip unit from its patent business. Qualcomm evaluated a split but ultimately decided against it.

Based in Eindhoven in the Netherlands, NXP reported $6.1 billion in revenue and $1.5 billion in profit last year. The company was founded more than 60 years ago as a division of Royal Philips NV. It was sold to a private-equity consortium in 2006 and became a public company in 2010

wsj.com

Industry Reports

Amid Pressure, FCC Updates Wireless Emergency Alerts

September 30, 2016

"The passage of the new rules comes amid pressure from lawmakers and officials…."

The FCC on Thursday took action to pass a proposal that will strengthen the Wireless Emergency Alert (WEA) system amid pressure from lawmakers, police groups and emergency responders.

The new rules expand the maximum number of characters permitted in WEA messages from 90 to 360 on 4G LTE and next generation networks; require support for embedded phone numbers and URLs in all WEA messages; require the delivery of messages in more granular geographic areas; require providers to support the transmission of Spanish-language alerts; and make it easier for state and local authorities to test the system, train personnel and raise public awareness of the system.

Additionally, the FCC's rules create a new, fourth class of alerts – dubbed Public Safety Messages – to convey "essential, recommended actions that can save loves or property." Some examples of Public Safety Messages include emergency shelter locations or boil water advisories, the FCC said. The WEA system formerly only allowed three types of messages: alerts issued by the president, alerts related to imminent threats to life or safety and Amber Alerts.

The passage of the new rules comes amid pressure from lawmakers and officials including U.S. Senator Charles Schumer, New York City Police Commissioner James O'Neil, the New York City Emergency Management Department and New York City Mayor Bill de Blasio as well as emergency management officials from San Francisco, Los Angeles, Houston, NOAA and the National Weather

Service, who reached out in the wake of recent bombings in New York and New Jersey asking the FCC to update the system. The New York officials in particular argued an upgraded system that supported picture messages would have helped them share more details about the suspected bomber's appearance.

The new rules, though, don't yet include that capability.

The FCC did not include a requirement for support picture messages in its new rules, but did note the public safety benefits of such a feature. The Commission put out a fresh Further Notice of Proposed Rulemaking to seek comment on how to achieve this feature in Public Safety Messages in particular. In the meantime, the FCC said the use of embedded links will allow the public to click through to see images and additional information from alerts.

The WEA system was launched in 2012, but the technical and procedural requirements for the system were adopted in 2008. The FCC said the latest rules will adapt the system to reflect its real-world use and technical advancements made since its inception.

“The system works – and now it will work better,” FCC Chairman Tom Wheeler said in a statement. “With these new rules, we are taking action to make this life-saving service even more useful by incorporating lessons learned from the first four years of service and by levering technological advances.”

wirelessweek.com

T-Mobile Grabs Most Net Adds In New Forecast, Verizon Falters

September 28, 2016

As the end of the third quarter nears, T-Mobile and Sprint appear to be maintaining their subscriber momentum, while Verizon and AT&T are in worse shape than previously thought.

That's the conclusion of UBS Global Research, which on Wednesday issued its revised estimates of third-quarter wireless financials.

UBS now expects T-Mobile to add 820,000 net postpaid phone subscribers in the quarter, a 120,000 boost over its previous estimate of 700,000. And it forecast Sprint to gain 235,000 subscribers, a slight boost over the previous 219,000 estimate.

Meanwhile, Verizon's forecast is far dimmer than expected: Just 92,000 net adds, down from the previous estimate of 360,000. AT&T will lose more subscribers than originally thought as well: 230,000 net losses instead of 190,000.

Partially driving these changes are the “competitive intensity” of the free iPhone 7 promotions, which T-Mobile and AT&T ended on Sunday but Verizon and Sprint are still offering. “We are updating our wireless estimates to reflect stronger 2H upgrade activity and lower equipment revenues due to competitive trade-in offers,” UBS analysts wrote in the forecast.

Even though Verizon's promo is still ongoing, UBS said the carrier is still suffering from too-low churn. “We estimate postpaid churn remains low for Verizon but gross adds slowed given competition, leading to lower overall net adds.”

Meanwhile, the analysts noted that T-Mobile replaced its promo with other attractive offers, and thus they didn't expect the carrier's otherwise strong subscriber growth to be affected.

In addition to the subscriber changes, the forecast also expected the promotions to affect the carrier's profit margin expansions – since they mean the carrier is paying significantly more per user device than otherwise.

Interestingly, however, the forecast estimated the same revenue impact to all four carriers from the promotions, not taking into account recent reports that Sprint's promotion is more profitable than expected. Thus, it's possible Sprint's revenue will take less of a hit than the forecast.

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