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This Week's Stories

Twitter Launches Its Biggest Redesign In Years

June 15, 2017

Say hello to rounded profile photos and live engagement updates.

Ever since Twitter decided it was more of a place to find out what's going on in the world rather than just another social network, it's made quite a few changes. It invested more in live video, opened up its Moments feature to all users, ramped up its safety efforts, removed @names from replies and got rid of those egg avatars. Some of these changes have received mixed reactions, to say the least.

Now, the company is ready to make another set of adjustments, and this time, the focus is on design. iOS users, especially, will get a whole new look on their Twitter app.

The main change for those on iOS is that there'll be fewer navigation tabs -- instead of five, there'll now be four. By default, those four tabs are for Home (your timeline), Search, Notifications (or Mentions) and Direct Messages. To access your profile, lists, settings and other accounts, simply swipe right to see a new side navigation menu. Those on Android are likely already familiar with this, as they saw this design change last year. But now iOS users get to enjoy it too.

Another change to the iOS app is that links to articles and websites will now open in Safari's viewer rather than the in-app web viewer.

According to a Twitter spokesperson, this is so you can easily access accounts on websites you're already signed into, like if you have a New York Times subscription for example. Using the Safari view also gives you the option of using Safari Reader and you can get to use private browsing mode too if you wish.

There'll also be design changes that go beyond just the iOS app. For one thing, the reply icon has been changed from a curved arrow to a speech bubble. Apparently this is because some people thought the curved arrow meant "delete" or "go back to a previous page." The icons underneath each tweet are lighter as well.

Typography will be more consistent, headlines will be bolder and profile photos will now be rounded instead of square. The reason for the round profile photos is to better distinguish them from in-line images in tweets. These design changes will be on the iOS app, Twitter.com, Twitter Lite, the Android app, as well as TweetDeck.

A particularly interesting change is that reply, retweet and like counts underneath tweets will now update in real-time right in front of your eyes. So if a tweet goes particularly viral, you'll see the retweet and like count on it go up rapidly without you having to refresh your timeline. This particular design change will only be on TweetDeck and the mobile apps; it won't be on Twitter.com or Twitter Lite.

Twitter says it'll listen to feedback on these changes and it'll have more design updates soon. In the meantime, we'll continue to hold our breath for that much-requested edit button.

engadget.com

Verizon Closes Yahoo, Many Changes Ahead For Its Consolidated Media Services Subsidiary

June 13, 2017

Verizon Communications announced today that it closed its acquisition of Yahoo for nearly \$4.5B. It also closed the door on Marissa Mayer as she departs from the beleaguered internet company that she led since mid-2012.

Two Storied Brands Come Together

With the addition of Yahoo, Verizon is planning to consolidate its other holding of AOL acquired 2 years ago. Yahoo has languished behind rivals like Google, struggling to manage data breaches and declining revenue. Its former CEO was also divisive at times, creating a recent controversy around eliminating telecommuting for her employees.

AOL has had similar challenges on its road to reinvention. Best known as an internet dial-up service provider in the early days, it has transformed into a media company through strategic acquisitions. In 2009, Tim Armstrong joined as CEO from Google, and by early 2013 he had turned the company around with its first quarterly revenue growth in 8 years. Flash forward to 2015, and AOL made news most notably with the announcement of taking over Microsoft's digital advertising business.

Will A Phoenix Emerge?

The combination of Yahoo and AOL will result in the formation a new Verizon subsidiary called Oath. Oath is positioned as a media and telematics company focused on digital media, online advertising, online services and software.

Former AOL CEO Tim Armstrong has been tapped to lead the new organization as Ms. Mayer leaves with a published net worth of \$430 million.

It will be a bumpy path as the companies consolidate. Verizon plans to shed about 2,000 jobs representing a 15% reduction of workforce of the combined AOL and Yahoo units. Mr. Armstrong has proved his capability in the past, but can Oath deliver accretive revenue and profitability as Verizon struggles with its core wireless business? How compatible and healthy are the Yahoo and AOL cultures? Ms. Mayer didn't help bolster morale at Yahoo given her management style. Many challenges lay ahead for the new Oath organization.

What's The Value Impact For Verizon Shareholders?

As the US carriers add end user content to their stables, what is the ultimate impact to Verizon's bottom line with Oath? AT&T T -0.26% will close its acquisition of Time Warner TWX -0.14% in short order and Sprint Nextel S -0.74% is bolstering its content play with an investment in the streaming music service Tidal.

Content creates stickiness in the wireless telco space and is a great retention tactic to reduce subscription churn. Oath doesn't appear on the surface to do the same thing, but it consolidates some powerful and far reaching digital media and online advertising services under a proven turnaround leader in Mr. Armstrong. It will be interesting to see how all of this unfolds for Verizon over the long haul.

forbes.com

As Uber Endures Scandals, Lyft Capitalizes On An Opportunity

June 12, 2017

Lyft announced Monday a \$25 million investment from Jaguar Land Rover, which will work with Lyft to test new mobility services such as self-driving cars. It's the latest in a flurry of news this year from the ride-hailing company. Lyft has expanded to 150 new cities this year and seen ridership skyrocket.

In the first three months of 2017, the number of Lyft rides hit 70.4 million, a 240% increase from the same period in 2016, according to the company. Lyft saw a 60% increase in passengers taking their first ride after #deleteuber trended earlier this year.

It's also struck autonomous vehicle partnerships with General Motors (GM), Waymo (Google's (GOOGL, Tech30) self-driving car company) and nuTonomy. Unlike Uber, Lyft hasn't sought to develop self-driving software independently. Instead, it's made nice with some of the strongest and most experienced players in the fiercely competitive world of autonomous vehicles.

"When Lyft gets all three of these companies out there executing, they are going to have three different views on the technology," Gartner research director Michael Ramsey told CNN Tech. "And they're going to have a really good insight into whose stuff works best."

Meanwhile, Uber's self-driving car program has been plagued by a lawsuit from Waymo, which led to the firing of Uber's top self-driving car engineer in May.

And that's far from the only high-ranking departure from Uber. In the past three months, its president, chief financial officer, head of communications and chief business officer have all exited.

Uber still has a commanding lead over Lyft. It spread faster to more cities and achieved broader name recognition. But Uber's mistakes have opened the door for Lyft, which has been better at general operations than Uber for awhile, according to Ramsey. Lyft drivers make more money and are more satisfied than Uber drivers, according to research from The RideShare Guy. UberPool, for example, has been unpopular with Uber drivers.

The Land Rover investment is part of the \$600 million Lyft raised in April, valuing the company at \$7.5 billion. Uber, in contrast, has raised \$12.5 billion and is valued at \$68 billion. While Lyft may never overtake Uber, these last few months have shown that it definitely isn't going away.

[cnn.com](#)

Products & Services

Musical.ly Gets Into Original Content With New Shows From Viacom, NBCU & Hearst

June 15, 2017

Lip-syncing social network Musical.ly is getting into original content, thanks to new deals with Viacom, NBCU and Hearst, which will bring short-form video series to the app. However, unlike the original videos found on Snapchat – an app that's often the next step up for the tween-age Musical.ly audience – these shows are designed to be interactive.

That is, the shows encourage Musical.ly's users – a group who's already comfortable making and producing videos to share with friends – to post their own personal responses to the shows using hashtags.

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"Musical.ly is something of an under-hyped social network, given its size and scale."

The news was first reported by Variety, which also notes the new show will be free to watch, and don't initially include any ads or other forms of monetization. Instead, they're designed to test the waters for original content across the social network – and Musical.ly hasn't paid its partners to produce the shows, either, the report says.

Musical.ly is something of an under-hyped social network, given its size and scale. The Shanghai-headquartered startup was valued at around \$500 million last summer, when raising a \$100 million round. Its app has been downloaded around 200 million times, and it said in December, 2016 that it has over 40 million monthly active users.

Those are sizable numbers for a social network whose user base is almost entirely kids. (In fact, its appeal with children has it operating in a gray area when it comes to the Children's Online Privacy Protection Rule – aka COPPA. Kids can be reached on the app, and are often under 13 because parents install it for them.)

The first two of the new original shows launched on Musical.ly today, where they'll be shown at the top of the app's "Trending" section for 24 hours.

One is a shortened version of Viacom/MTV's "Nick Cannon's Wild 'N Out" comedy show, while the other is Seventeen's "Fashion to DIY For." The next two, MTV's "Greatest Party Story Ever" and Seventeen's "Seventeen in the City," will hit on Saturday.

NBCUniversal, meanwhile, is planning an E! show "Crush," focused on celebrity crushes. It also has plans for other shows from NBC Entertainment and Telemundo.

The shows, which will be only 2 to 4 minutes long, will also be available for Musical.ly users to respond to after their initial posting on the media companies' own Musical.ly profiles. To respond, users can record their own reaction videos which will be linked to own a hashtag page in the app.

Separately, the company announced today a partnership between its live-streaming app Live.ly and Sweet High, a digital media company aimed at Gen Z girls. Sweet High is also launching video content – a series called "After the Bell" – in the Live.ly app. The series launched into beta in February, and now has an audience of 300K-400K weekly viewers, the company says.

Beyond original content and video series, the company has been quietly experimenting in other areas, as well, hoping to bring its growing user base to more social applications. Earlier this year, Musical.ly launched a video messaging app called Ping Pong on the App Store, which had followed a third video chat app called Squad.

techcrunch.com

Google To Let Users Back Up Entire Computer To Cloud

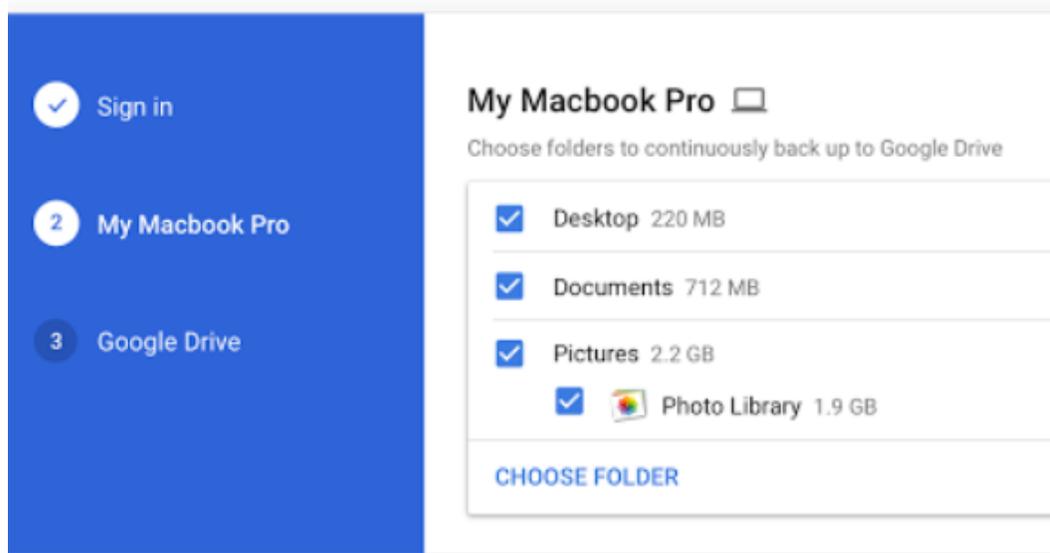
June 14, 2017

Backing up your PC or Mac is one of the most important things a computer owner can do.

But whether it's the inconvenience of plugging in an external hard drive or the cost of cloud storage, people don't back up as frequently as they should.

Google's new Drive update may help solve that problem. Revealed Wednesday in a post on the company's enterprise-focused G Suite apps blog, Google is preparing an update that adds a feature called Backup and Sync.

The update, which will go live on June 28, will allow consumer users of Drive to back up full folders of their computer to the cloud. This means that instead of putting individual files or photos from your computer's Desktop folder into the Google Drive folder, you can automatically have Google Drive back up the entire Desktop folder and everything within it. Google will also continuously back up the folder to ensure your files are up to date.



Google says it does not scan the files stored in Drive for advertising purposes.

The area of cloud backups is a fairly crowded space, with a variety of other options available including iDrive, Mozy Home, CrashPlan and Carbonite. That said, Google's new offering could be an interesting choice given the simplicity and speed of Google Drive — though if you do decide to backup to Google's service you'll likely want some additional storage beyond 15GB the search giant gives away for free. The company sells higher options, with 100GB available for \$1.99 per month (\$19.99 for a year) and 1TB available for \$9.99 per month (\$99.99 per year).

Whatever platform or service you use, now is a good time to remind you to make sure to back up that computer.

usatoday.com

Review: The New iPad Pro Is Apple's Best Laptop Replacement Yet

June 12, 2017

For the most part, Apple has long kept its desktop and mobile experiences distinct from one another. Contrast that with Microsoft, whose Windows 10 software now runs across all manner of devices, from desktop computers to funky 2-in-1 hybrids.

But ever since it launched the gargantuan 12.9-inch iPad Pro in 2015, Apple has shown signs it's willing to somewhat rethink that strategy. With the launch of its new iPad Pro, Apple has a tablet that's more likely than ever to replace some of the functions of your laptop. Thanks to improved specs, a reworked form factor, and new software launching later this year, this is an iPad that's more capable than its predecessors. The new iPad Pro models have a faster processor, a more responsive and brighter, more colorful screen with a higher refresh rate than their predecessors. The camera is

"The new iPad Pro models have a faster processor, a more responsive and brighter, more colorful screen with a higher refresh rate than their predecessors."

taken straight from the iPhone 7. And the new iOS 11 software, which will be available in the fall, adds useful new multitasking features that mimic working on a "real" computer.

After spending several days using the 10.5-inch iPad Pro, which starts at \$649 and begins shipping this week, I'm convinced this is the best tablet for productivity Apple has made so far. I appreciated the speed and power that came in the original 12.9-inch model, but it was way too cumbersome to use with one hand or stash in my bag. For those reasons, I was willing to sacrifice that extra screen space for the portability that the 9.7-inch version offered. But the new 10.5-inch Pro provides the perfect middle ground.

The difference between 9.7 inches and 10.5 inches doesn't sound like much on paper, but it goes a long way in practice. The new iPad Pro's screen is about 20% larger than the last, while the tablet itself is only slightly bigger. Apple achieved this by reducing the size of the borders around the display, a tactic companies like Samsung and LG have used to offer more spacious screens on their latest smartphones without making their devices bulkier.

The design tweak is a much-needed change that not only makes web browsing and multitasking more enjoyable, but also gives the iPad a more sleek and modern look. Viewing apps in split-screen mode is also more comfortable on a 10.5-inch screen, as the extra surface area makes it easier to read text in apps that only occupy half of the screen.

The zippier A10X Fusion chip inside the new iPad Pro came to life during processor-intensive tasks like editing photos and using Touch ID. The 10.5-inch Pro smoked the 9.7 model when applying special effects to photos through the app Prisma, for example, and its fingerprint sensor was more responsive when unlocking the tablet. But don't expect to see dramatic changes in speed with simple tasks like launching apps, taking notes, and managing email.

The screen's higher refresh rate, which is now at 120GHz, subtly improves the overall iPad experience. Jumping between home screens to browse through my apps only required a swipe so slight it felt like little more than a tap, showing virtually no latency. Apple also says the new iPad Pro automatically adjusts its refresh rate depending on the task at hand to avoid depleting the tablet's battery too quickly.

Speaking of battery life, Apple is claiming about 10 hours here, which was about right based on my testing. After using the new Pro for a bit over three and a half hours, I had about 75% of battery remaining, which means it should be capable of breezing past 10 hours of usage. That number will vary depending on how you use the Pro. I mostly used it for writing this review, playing games, watching Netflix, and doing some light photo editing. If you're exporting 4K video or cranking up the screen brightness, you'll probably see the battery drain more quickly.

Still, as impressive as the new iPad Pro's hardware may be, many of the tablet's improvements lie on the software side. The upcoming version of Apple's iPhone and iPad software, iOS 11, adds features like multitasking improvements, a bigger dock for pinning apps, and a file management system. But iOS 11 will also be available for older and less expensive iPads, making it tough to justify the cost of the new iPad Pro unless you truly need the horsepower it provides. Additionally, Microsoft's pricier Surface Pro and other Windows 10 tablets still offer some advantages over Apple's high-end tablet, like more ports for accessories and hardware customization options — and they work with mice, making them feel even more like actual computers. But if you're committed to Apple, and you're looking for a tablet that can replace your MacBook for certain uses, the new iPad Pro can do the job. Between its high-performance new tablets and the multitasking-focused iOS 11, it's clear that Apple is finally serious about making the iPad a viable PC alternative. Now it just has to execute on that vision.

time.com

Emerging Technology

Nokia's New FP4 Silicon Powers Market's Fastest IP Routers

June 16, 2017

Nokia is reaching beyond its traditional operator clients to webscale companies with a new petabit-class IP router based on what it called its "breakthrough" FP4 silicon chipset.

The new lineup includes Nokia's 7750 Service Router (SR)-s series, which the company said provides the industry's highest-density routing platform that can support a 144 Tbps configuration in a single shelf. But the star of the show is the Nokia 7950 Extensible Routing System (XRS)-XC, a petabit-class router capable of scaling to 576 Tbps in a single system through chassis extension, without requiring separate switching shelves.

Nokia said the platforms achieve an industry first with their ability to deliver terabit IP flows – a feat it said represents a 10x improvement over existing 100 Gbps links in the internet backbone.

The new routers are based on the company's new FP4 silicon chipsets, which come with 2.4 Tbps of network processing power. Steve Vogelsang, CTO for Nokia's IP and optical business, told Wireless Week the company was able to cost-effectively deliver the capacity increase within the chip's space constraints by borrowing a novel packaging technique used in the gaming industry: taking multiple chips and stacking them into a single package.

"We were able to leverage that packaging technology and silicon technology but then apply it to the challenges of IP networking," Vogelsang said.

For the FP4 silicon, Vogelsang also noted Nokia skipped a few design generations to jump from 40 nm process directly to a 16 nm process. The reason behind the shift was that Nokia "just didn't see the incremental generations providing a big enough improvement" for what the company was looking for. Nokia also took on the challenge of designing its own high-speed intelligent memories to deliver fine-grain analytics and traffic control on the system, he said.

Vogelsang indicated the new routers are aimed both at Nokia's traditional service provider clients and beyond them to large content providers and webscale companies. That's because both are now involved in building the massive backbones the internet runs on, he said.

"Webscale operators are building bigger networks to connect resources across the globe and bring data centers closer to users for the highest performance," ACG Research CEO and Principal Analyst Ray Mota explained. "Nokia has managed to combine the raw horsepower required to run historic amounts of traffic between data centers with intelligent, secure, and adaptable capabilities necessary for a cloud-connected environment."

But Vogelsang said the new routers will also aid operator efforts to transition to software-defined networking (SDN) and network function virtualization (NFV). That's because where current SDN control layers offer the ability to monitor bulk traffic flows across the network, the new chip and routers can supplement that with much more detailed information from the network. Vogelsang said Deepfield, a real-time analytics company Nokia recently acquired, can then take that network information, combine it with other data, and offer a complete picture of what applications are running and how they're performing.

"We can now assess what is the performance of the video that you're watching. Are you getting high quality or low quality?" Vogelsang said. "Then, through the SDN control layer, we can take that information and drive configuration topology changes and fine-grain traffic control back into the

network to ensure all of the applications and workloads are getting maximum quality and performance possible.”

Michael Howard, IHS Markit’s senior research director for Carrier Networks said these features are likely to be a draw for operators who are adopting big data analytics and software-driven automation.

“Operators are looking for a very high-performance network that provides not just the requisite jacked-up power and capacity, but they also need intelligence and extensibility to meet their goals of automation and service agility,” Howard noted. “Operators will want to examine the new Nokia FP4 silicon and the systems that use it – as it delivers against this triplet of critical network capabilities – to support their offered services in this cloud age with IoT, 5G, and machine communications, where networks must become bigger, more adaptable, and more secure than any we've seen to date.”

The new products are scheduled to begin shipping at the end of this year, Vogelsang said.

wirelessweek.com

New Wireless Charging Technique Could Power Electric Cars While They're Moving

June 14, 2017

Imagine an electric car that charges up as it’s zooming along the highway. The road is the charger, able to wirelessly transmit power to a vehicle while it’s in motion.

This vision could be a step closer thanks to work by Stanford University researchers, who have come up with a new way to transfer power to an appliance even as it moves away from the source. The team, led by Shanhui Fan, showed that they could provide continuous wireless power to an LED light bulb while they moved it away from the power source, up to a distance of about one meter. They published their results in Nature.

Fan explains that most existing wireless charging systems require the object being charged to stay in a specific position. If you take two similar coils of wire and excite one with a source of radio waves, the other will couple with it and the two will act like a single circuit, with the first transferring power to the second. But the frequency of the radio waves has to be carefully tweaked for this to work well with any given distance between the coils.

“For stationary charging this is not an issue, because you know the distance and you can always tune the circuit to the optimum condition,” Fan told WIRED. “But if you are thinking about dynamic charging, when the distance constantly varies, then you need to continuously tune the circuit in order to maintain the efficiency.” If you were charging your phone this way, for instance, you’d need to place it in just the right spot near the charger.

So Fan and his colleagues developed a new technique, drawing on ideas from quantum mechanics. Their system automatically adapts to the optimum conditions for power transfer as the coils move closer and further away. To do this, they use what is called a “parity-time symmetric circuit”. Where the first coil would usually be driven by a source of radio waves, they get rid of that and instead put an amplifier directly into the coil – so it’s essentially creating the waves it needs itself.

Geoffroy Lerosey, a research scientist at the Institut Langevin in Paris who wrote a commentary to accompany the Nature article, compares the effect to audio feedback from an electric guitar placed at a certain distance from a speaker. “There’s a huge sound that auto-creates in the system due to

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“...there are plenty lower-power applications that could benefit from the technique...”

the fact you have an amplifier,” he says. “The system is picking up one frequency, and this frequency is amplified and amplified and amplified to create this huge sound.”

Lerosey says this is a really novel way of thinking about wireless power transfer, and describes it as an “ingenious strategy”. For now, the researchers have only experimentally tested their system with an LED bulb – which requires a lot less power than a car. Higher power levels could pose issues of practicality, and the system would have to be able to adapt quickly enough to accommodate fast speeds. But if limitations can be overcome, the idea is that an array of coils on the road could transfer power to a coil in a vehicle as it passes over them. Meanwhile, Fan says there are plenty lower-power applications that could benefit from the technique - it could be used to wirelessly charge implantable medical devices, for example.

And for Fan, it’s nice to see a new application for a fundamental concept in quantum mechanics. “I always find it fascinating how a very basic concept can show up in application somewhere unexpectedly,” he says.

wired.com

Mergers and Acquisitions

Amazon To Buy Whole Foods In \$13.4 Billion Deal

June 16, 2017

Amazon said on Friday that it had agreed to buy the upscale grocery chain Whole Foods for \$13.4 billion, as the online retailer looks to conquer new territory in the supermarket aisle.

For Amazon, the deal marks an ambitious push into the mammoth grocery business, an industry that in the United States accounts for around \$700 to \$800 billion in annual sales.

Amazon is also amplifying the competition with Walmart, which has been struggling to play catch-up to the online juggernaut.

For Whole Foods, the deal represents a chance to fend off pressure from activists investors frustrated by a sluggish stock price. Whole Foods last month unveiled a sweeping overhaul of its board, replacing five directors, naming a new chairwoman and bringing in a new chief financial officer. It also laid out plans to improve operations and cut costs.

With Amazon, Whole Foods gets a deep-pocketed owner with significant technological expertise and a willingness to invest aggressively in a quest for dominance.

Amazon has designs on expanding beyond online retail into physical stores. The company is slowly building a fleet of outlets, and much attention has been focused on its supermarket dreams. It has already made an initial push through AmazonFresh, its grocery delivery service.

The e-commerce giant has been testing a variety of other retail concepts. It has opened a convenience store that does not need cashiers, and has explored another grocery store concept that could serve walk-in customers and act as a hub for home deliveries.

Under the terms of the proposed deal, Amazon would pay \$42 a share for Whole Foods, a 27 percent premium to Thursday’s closing price.

After the deal was announced, shares of Amazon rose as much as 3.3 percent while other major retailers, including Target, Walmart and Costco Wholesale fell sharply.

Whole Foods, which was founded in 1978 in Austin, Tex., is best known for its organic foods. The company built its brand on healthy eating and staked its reputation on fresh, local produce, albeit with a high price tag.

But the company has increasingly faced fierce competition from rival supermarkets. National retailers like Costco, Safeway and Walmart have begun offering organic produce and kitchen staples, forcing Whole Foods to slash prices..

nytimes.com

Walmart To Buy Bonobos For \$310M As It Doubles Down On Fashion

June 16, 2017

“The deal is part of a bigger strategy at Walmart, the world’s largest physical retailer, to grow its e-commerce business, partly to offset competition from Amazon.”

Walmart today doubled down on its efforts to continue building out a online retail fashion business in its bid to outpace Amazon in the wider world of commerce and specifically e-commerce. Today it announced that it would acquire menswear site Bonobos for \$310 million in cash.

The deal is part of a bigger strategy at Walmart, the world’s largest physical retailer, to grow its e-commerce business, partly to offset competition from Amazon. But — perhaps in a very intentional bit of timing — almost at the same time that Walmart announced its Bonobos acquisition, Amazon announced it would be buying Whole Foods for \$13.7 billion, giving it a very, very significant leg up in its budding food retail business. That underscores even more how important it is for Walmart to continue expanding into new areas.

In fashion specifically both have been making several acquisitions and launching labels to expand their customer bases.

Walmart’s Bonobos deal follows and complements several other acquisitions that the retail giant has made in the area of online fashion. They include Modcloth in March 2017, outdoor retailer Moosejaw for \$51 million in February 2017, Hayneedle in March 2016, and Zappos-style shoe retailer ShoeBuy for \$70 million from IAC. Many of these have been fuelled by its acquisition of Jet.com, which it purchased in 2016 for \$3 billion.

Rumors had been circulating of the deal between Bonobos and Walmart for a while, and as predicted, this in part is a way to bring Andy Dunn, who had founded and was leading Bonobos, into a wider leadership role at Walmart running all of its fashion and related lifestyle operations. He will be reporting to Marc Lore, president and CEO of Walmart U.S. eCommerce (who joined with the Jet.com acquisition).

“We began Bonobos ten years ago to give men a completely different product and shopping experience: better fitting, higher quality clothing, in new and imaginative ways. That will always remain our mission,” Dunn, who will oversee Walmart’s collection of “digitally-native vertical brands,” said in a statement. “We are excited about applying all that we have learned to help shepherd in the next era of retail.”

Walmart, the world’s biggest physical retailer, has been looking for more ways to grow its e-commerce business in competition with Amazon, and it sees fashion and targeting younger users as a key part of that strategy.

Walmart said that in the last quarter its e-commerce sales were up 63 percent, with “the majority coming from organic growth in Walmart.com” — meaning it has yet to prove that its big acquisition play to buy into “digitally native” brands has or will pay off.

“We’re seeing momentum in the business as we expand our value proposition with customers and it’s incredible to see how fast we’re moving,” said Lore in a statement. “Adding innovators like Andy will continue to help us shape the future of Walmart, and the future of retail. I’m thrilled to welcome Andy and the entire Bonobos team. They’ve created an amazing product and customer experience, and that will not change. In fact, Andy will be a great influence on the company, especially in leading our collection of exclusive brands offered online.”

Bonobos had raised just under \$128 million, with the last round in 2014, and had always said it had its sights set on an IPO. The fact that this deal happened, and that Bonobos hadn’t raised any more money in the last three years, speaks to how those plans may not have been materializing as it had hoped.

One of the big issues is that to win in e-commerce, you need economies of scale, and in that regard it may have proven to be too much of a challenge for the company. What’s interesting is that one of Bonobos’ specialties has been building a connection between online and offline shopping, which is something that Walmart may be interested in tapping.

There is another interesting parallel between Walmart and Amazon in its acquisition strategies: both are very much taking a page from Apple’s playbook of aiming at premium customers. Whole Foods is sometimes known as “Whole Paycheck” for being so expensive to shop in. Bonobos and other fashion purchases that Walmart has made, meanwhile, are not known for cut-price goods. In both cases, Amazon and Walmart have built reputations on being super competitive (read: cheap) on pricing, but they both appear to be turning a new leaf with their new waves of business.

techcrunch.com

Industry Reports

Netflix Is Now Bigger Than Cable TV

June 13, 2017

Netflix has, for the first time, surpassed cable in total subscribers according to Leichtman Research. US cable companies have 48.61 million subscribers while Netflix has just hit 50.85 million. The numbers don't count minor cable networks, which could in themselves amount to 5% of total cable customers.

For many this won't be a surprise. Let's be honest, with Netflix having doubled its subscriber base - adding 27 million subs - over the last five years there was always going to come a time when it beat other services.

And the good news for cable is that this isn't having a massively detrimental effect on their numbers either. While cable subs are down by 4 million in the same five years that Netflix has seen huge growth, that's not a massive drop off. It's also worth bearing in mind that cable TV makes up only 50% of total TV viewership in pay TV. That said, Q1 2017 shows a net loss in subscriptions while Q1 2016 saw cable grow a little.

Satellite TV is doing okay, with around 38 million subscribers. Dish Network added 318,000 customers in Q1 with Direct TV stalling with gains that didn't outpace customer loses. Satellite is still growing faster than cable though.

Faster still though are the internet-delivered services like Sling TV and Direct TV now which have added 350,000 in Q1. These services now have 1.7 million customers between them, and it's likely that this segment will continue to see growth as customers move away from cable TV.

In total there are 93,319,187 subscribers to cable, satellite and internet streaming services in the US, which account for 95% of pay TV viewers.

Netflix certainly isn't going to hit 100m US subscriptions anytime soon, and it's likely that it will hit a wall of some sort eventually. But if the service continues to improve and offer diverse programming it's likely that customers will feel as I do - that it's worth the modest monthly fee to have access to a library of great content.

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GE Unveils Big Data Tools For Industry Amid Software Shift

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General Electric Co. is unveiling software for boosting its machines' productivity and streamlining repairs, alongside deals with Danish shipping line Maersk Corp. and French energy producer Dalkia SA.

GE announced new software for power plants, drilling platforms and wind farms at an event in Berlin Tuesday. The showcase for GE's IT know-how comes a day after the Boston industrial giant said longtime Chief Executive Officer Jeffrey Immelt would step down Aug. 1 in favor of health-care chief John Flannery, after a transition to "a high-tech industrial company" that's increasingly selling software in addition to heavy gear.

Immelt, CEO since 2001, built up GE's capabilities in outfitting its turbines, jet engines, wind farms and medical equipment with data-collecting sensors and a software platform called Predix to analyze it all.

The software push by GE is part of a broad movement by industrial producers to create factories, energy plants and vehicles that can sense their own performance and surroundings, cut costs or create new businesses based on that data. Competitors including Germany's Siemens AG, Switzerland's ABB Ltd. and France's Schneider Electric have also been adding software and data-analysis capabilities to their machinery.

Technology companies including IBM, Google, Microsoft, and Amazon.com are also applying their software to manufacturing and transportation applications, opening new rivalries.

GE has about 20,000 software engineers working on its software in the energy, aviation, healthcare equipment, and oil and gas industries. Instead of simply trying to sell service contracts with an offshore wind turbine for example, GE can now offer customers a digital model of the turbines it sells so their buyers can manage fleets based on location, performance, and weather conditions, Mark Hutchinson, GE's CEO for Europe, said in a recent interview.

Bill Ruh, the CEO of GE Digital, the company's software and industrial internet division, said digitizing industrial operations would constitute a \$200 billion market by 2020. "As the price of their product declines, companies are looking for efficiency," he said in an interview.

Software Push To Continue

GE doesn't plan to scale back its software push under its new CEO, vice chair Beth Comstock said in Berlin.

"Investors have been patient," she said in a meeting with reporters. "They've been with us the last six years as we've been making investments."

"Technology companies including IBM, Google, Microsoft, and Amazon.com are also applying their software to manufacturing and transportation applications, opening new rivalries."

"I don't know how you don't go digital as an industrial company," she said. "John Flannery knows this first hand. He's very aware of what's happening in other businesses. He's not in isolation."

GE plans later this year to introduce a combination of its software tools for monitoring machines' performance with the ServiceMax field service software it acquired this year. GE Ventures, the company's investment and intellectual property licensing arm, is launching a company called Avitas Systems to combine GE's Predix platform with data analysis, robotics and AI technology for inspecting machines in the drilling, energy and transportation industries.

Maersk Drilling and GE have started a year-long pilot to increase a drilling platform's productivity by monitoring machinery on board and predicting its maintenance schedule. GE will also work with Dalkia to predict gas engine repair schedules.

GE is estimating \$1 billion in Predix orders this year, and Ruh said he's seeing more "intensity of demand" in Europe" compared with other regions. In Germany especially a set of government programs and private investment, known as Industry 4.0, is attempting to speed up investments in digitizing production.

GE last year spent \$4 billion to develop its analytical software and another \$2 billion on industrial 3-D printing acquisitions and development.

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