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This Week's Stories

Apple Is On The Hunt For Original TV Shows

August 16, 2017

Apple is finally getting serious about original TV programming.

Two Apple executives have been meeting with Hollywood agents and producers to hear pitches about possible shows for Apple to buy, according to two producers who have met with them.

The execs, Jamie Erlicht and Zack Van Amburg, were hired from Sony Pictures Television in June to oversee Apple's video programming.

These pitch meetings have placed Apple in direct competition with Netflix, HBO and other distributors.

Some producers are eager to work with Apple, sensing a first-mover advantage. Others have a lot of questions about how Apple will distribute its shows. When "House of Cards" debuted on Netflix, marking the streaming service's entrance into original programming, the service already had a large catalog of licensed programming.

Apple doesn't have that -- but it does have iPhones in hundreds of millions of hands.

The meetings were first reported by The Wall Street Journal on Wednesday. Apple is said to be budgeting about \$1 billion to acquire and produce original TV shows over the next year, according to the Journal.

Apple declined to comment.

Apple has tiptoed into original content in recent months with mixed results. Its reality show, Planet of the Apps, has been widely panned. The company is also producing a scripted TV series starring Dr. Dre.

"We have put our toe in the water with doing some original content for Apple Music," Tim Cook, Apple's CEO, said on an earnings call in January. "We're learning a lot about the original content business and thinking about ways that we could play at that."

With a \$1 billion commitment and TV execs on staff, Apple stands to be a bigger presence in Hollywood. But even that budget is no match for potential rivals like Netflix, which has committed \$6 billion for original content this year.

Apple's move into original programming is part of a broader shift in the industry. Tech companies are looking to differentiate their products, sell subscriptions and potentially attract lucrative TV ad dollars.

Facebook, Snapchat, GoPro and Google's YouTube have all started investing in original shows. Netflix and Amazon are the furthest along in this effort.

money.cnn.com



Facebook Is Building A New \$750 Million Data Center In Ohio

August 16, 2017

Facebook will build its next data center in Ohio.

On Tuesday, the company announced that it will invest \$750 million to build a new facility in New Albany, just outside Columbus.

The data center will employ 100 permanent workers when it's finished in 2019.

Ohio Governor John Kasich said the project reflects the state's desire to diversify the kinds of jobs are available to its citizens.

"Ohio, as we know, has a heavy reliance on manufacturing, and we're for that. But we also believe that manufacturing in and of itself doesn't get the job done," Kasich, a Republican, said in a speech to the press.

Facebook will receive an estimated \$37.1 million in state tax incentives to support the project, according to the Ohio Development Services Agency.

Kasich said Ohio is also still pitching Foxconn, the Taiwanese electronics manufacturer, to build an additional plant in the state. Foxconn recently said it will invest \$10 billion in a new Wisconsin plant that will create between 3,000 and 13,000 jobs.

"We hope they will make something here," he said. "We don't know if they'll make something here."

Facebook's existing U.S. data centers are in Oregon, North Carolina and Iowa. Centers in Fort Worth, Texas and Los Lunas, New Mexico are currently under construction, and Facebook announced plans for another site in Papillon, Nebraska in April.

The company's sales growth may be starting to slow down, but its massive user base requires significant physical infrastructure.

Facebook hit 2 billion monthly users in June.

"We're thrilled to have found a home in Ohio and to embark on this exciting partnership," said Erin Egan, Facebook's vice president of U.S. public policy.

The facility will be powered entirely by renewable energy, Egan said.

"Facebook will receive an estimated \$37.1 million in state tax incentives to support the project, according to the Ohio Development Services Agency."



Facebook's rendering of its data center in New Albany, Ohio, which it expects to go live in 2019.

money.cnn.com

Products & Services

New Apple, Samsung Smartphone Challenger Is Finally Available For Pre-Order

August 17, 2017

Apple and Samsung have a new challenger to their dominant smartphones.

Essential, co-founded by Andy Rubin, who helped create the Android operating system, is now taking pre-orders for its much-anticipated Essential smartphone.

People can buy the phone either through Essential's website or Sprint and Best Buy. Sprint is the only wireless carrier selling the phone, although Essential said the phone works with every major carrier.

Essential's smartphone costs \$700, while a camera attachment that can film 360-degree video temporarily costs an extra \$50 if bought together (it costs \$200 if purchased separately). Sprint is giving customers the option of an 18-month leasing plan that saves \$260 off the list price.

The phone is powered by Google's Android operating system, has a 5.71 inch high-definition display screen, and has 128 GB of storage. The phone competes with high-end smartphones like the Apple iPhone 7 Plus, which sells for \$770, and the Samsung Galaxy S8, which costs \$750.

Rubin wrote in a blog post that Essential customers would "get guaranteed Android OS updates for 2 years and will get monthly security updates for 3 years, so your phone will always be secure and have the latest features."

fortune.com

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"Essential's smartphone costs \$700, while a camera attachment that can film 360-degree video temporarily costs an extra \$50 if bought together (it costs \$200 if purchased separately)."

YouTube TV Now Available To 50% Of U.S. Households

August 17, 2017

Following July's expansion which tripled its footprint, Google today announced that YouTube TV is now available to 50 percent of U.S. households, thanks to a rollout to 14 new markets. The company is also pre-announcing its plans to move into 17 more major metros in the weeks ahead, as it continues its rapid march towards nationwide coverage.

YouTube TV is one of many "skinny bundles" for streaming live TV over the internet, which today includes rivals like Hulu Live TV, Sling TV, PlayStation Vue, fuboTV, and AT&T's DirecTV Now. The service costs \$35 per month, and includes access to nearly 50 networks, including broadcast networks, cable TV, and, in select markets, local sports.

However, YouTube TV has aimed to differentiate itself from competitors by focusing on providing access to the major broadcast stations, like ABC, NBC, CBS and FOX in the markets where it goes live. While not every market offers all four stations, most do. YouTube says that its service now has the most live, local broadcast stations, as compared with other over-the-top streaming competitors in the markets where it operates.

Along with its affordable pricing, YouTube TV includes a DVR with unlimited recording, and support for up to six accounts per household, each with their own recommendations and DVR storage space. Three people can stream at the same time across desktop, tablet, mobile or TV via Chromecast or AirPlay.

Today, YouTube TV's service is officially available in the new markets of Baltimore, Boston, Cincinnati, Columbus, OH, Jacksonville-Brunswick, Las Vegas, Louisville, Memphis, Nashville, Pittsburgh, San Antonio, Seattle-Tacoma, Tampa-St. Petersburg-Sarasota and West Palm Beach-Ft. Pierce.

It will soon coming to the following greater metros, as well: Austin, Birmingham, Cleveland-Akron, Denver, Grand Rapids-Kalamazoo-Battle Creek, Greensboro-High Point-Winston Salem, Harrisburg-Lancaster-Lebanon-York, Hartford-New Haven, Indianapolis, Kansas City, Milwaukee, Norfolk-Portsmouth-Newport News, Oklahoma City, Raleigh-Durham, Salt Lake City, San Diego and St. Louis.

Before the expansion, the service was available in New York, Los Angeles, San Francisco Bay Area, Chicago, Philadelphia, Washington, DC, Houston, Atlanta, Phoenix, Detroit, Minneapolis-St. Paul, Miami-Ft. Lauderdale, Orlando-Daytona Beach-Melbourne, Charlotte and Dallas-Fort Worth.

In addition to its broader reach, YouTube announced also it's adding two more networks to its channel line-up: the national news network Newsy and the Tennis Channel – the latter just ahead of the 2017 US Open. Plus, YouTube TV subscribers in Boston will be able to watch the Red Sox on NESN for no additional charge.

techcrunch.com

Apple, Aetna Hold Secret Meetings To Bring Apple Watch To Millions Of Aetna Customers

August 14, 2017

Apple and Aetna held a series of secret discussions last week to bring Apple's health and fitness-tracking smartwatch to millions more people connected to Aetna, according to three people familiar with the matter.

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"As CNBC previously reported, Apple is quietly developing new health sensors that would make its devices a "must have" for millions of people with chronic disease."

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The insurer, which covers 23 million people, offers an Apple Watch to its 50,000 employees as part of its corporate wellness program. Now, Aetna is negotiating with Apple on a plan to offer a free or discounted Apple Watch, Apple's wearable device, as a perk to its members.

The invitation-only meetings took place in Southern California late last week, according to the people. Those in attendance included executives from Aetna and Apple, as well as hospital chief medical information officers across the country.

Apple's Myoung Cha, who has the title "special projects, health," led the discussions, said one of the people. The move by Aetna is part of its push to increase customer interest in a healthier lifestyle and a better tracking of diet, said one of the people.

The move could be a boon in sales for Apple Watch, which now offers health and fitness-tracking as its primary usage. Apple Watch recently overtook Fitbit as the top-selling wearable tracker, with shipments reaching 22 million for the first three months of 2017, according to research firm Strategy Analytics. The next version will reportedly have a new design and wireless connectivity, allowing it to connect to the Internet without a nearby iPhone.

As CNBC previously reported, Apple is quietly developing new health sensors that would make its devices a "must have" for millions of people with chronic disease. It has a secret team working on adding continuous and noninvasive blood sugar monitoring to its hardware, which would be a game-changer for diabetics.

One of the people said Aetna's proposed timeline is slated for early next year.

Apple's rival Fitbit has sold its fitness trackers to companies for years in a bid to improve health outcomes and lower costs. Bloomberg initially reported that Aetna would be the first insurer to offer Apple Watch to its employees in 2016.

"This is a logical step for Apple's broader distribution of their watch, and this type of partnership has been on their radar from the beginning," said Tim Bajarin, president of Creative Strategies, an advisory firm that specializes in technology.

Apple and Aetna declined to comment.

usatoday.com

Emerging Technology

AI Is Taking Over The Cloud

August 17, 2017

Cloud storage company Box is using Google's vision technology to make its service considerably smarter.

The cloud is getting smarter by the minute. In fact, it will soon know more about the photos you've uploaded than you do.

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"It removes the need to manually annotate thousands of images, and it will make it possible to search through older files in ways that might not have occurred to anyone during tagging."

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Cloud storage company Box announced today that it is adding computer-vision technology from Google to its platform. Users will be able to search through photos, images, and other documents using their visual components, instead of by file name or tag. "As more and more data goes into the cloud, we're seeing they need more powerful ways to organize and understand their content," says CEO Aaron Levie.

Computer-vision technology has improved remarkably over the past few years thanks to a machine-learning approach known as deep learning. A deep neural network—loosely inspired by the way neurons process and store information—can learn to recognize categories of objects, such as a "red sweater" or a "pickup truck." Ongoing research, including work from Google's researchers, is improving the ability of algorithms to describe what's happening in images.

Box's computer-vision feature could be a good way for companies to dip their toes into AI and machine learning. It removes the need to manually annotate thousands of images, and it will make it possible to search through older files in ways that might not have occurred to anyone during tagging. Levie says one company testing the technology is using it to search images for particular people.

The announcement is the latest sign that cloud computing is being reinvented through machine learning and artificial intelligence. AI is already the weapon of choice in the battle to dominate cloud computing, with companies that offer on-demand computing—Google, Amazon, and Microsoft among them—all increasingly touting added machine-learning features.

Fei-Fei Li, chief scientist of Google Cloud and a professor at Stanford University who specializes in computer vision and machine learning, said in a statement that the announcement shows how broadly available AI technology is becoming. "Ultimately it will democratize AI for more people and businesses," Li said.

Levie says his company is looking at adding machine learning for other types of content. This could include audio and video, but also text, for which an algorithm could add semantic analysis, making it possible to search by the meaning of a document rather than specific keywords.

It's also significant that Box is relying on computer vision from Google, rather than technology developed in-house. This reflects the fact that a few big players have come to dominate the more fundamental aspects of AI like computer vision, voice recognition, and natural-language processing. "If you think about the strength that Google has in image recognition, it would just be strategically unwise for us to try to compete with them," Levie says. He says his company's researchers are exploring ways of applying machine learning to the behavior of its customers. This process might reveal ways to optimize the Box service, or help identify tasks that could be ripe for automation, Levie says.

Google's Cloud Vision API can recognize many thousands of everyday objects in images. However, some customers might need the ability to recognize and search through specific types of images, for example medical or architectural images. So Box's researchers are exploring ways for customers to train their own vision systems if necessary.

technologyreview.com

Motorola Designed A Phone Screen That Repairs Itself

August 16, 2017

Motorola doesn't just want to make phone screens that are shatter-resistant... if it has its way, what cracks that do show up could be fixed on the spot. It recently applied for a patent on a phone screen

whose shape memory polymer heals damage when you subject it to rapid changes in heat. The phone itself could produce the heat (Motorola even envisions an app that tells the phone where to start repairs), but your body heat, a dock or a plug-in panel might also work.

This seems like a dream for anyone who's ever smashed a phone screen. However, there are bound to be a few caveats. First, of course, is that this is a patent application -- there's no guarantee that Motorola or parent company Lenovo has something in the cards. And just like Motorola's anti-shatter screens, this may be an exercise in compromise. A polymer screen probably won't feel as nice to the touch as glass, and the technology never completely restores the screen's strength. If you're a butterfingers type, you might still have to take your phone in after enough abuse. This beats having to pay through the nose for a single fix, though, and it could easily make sense for rugged devices where drops are virtually expected.

engadget.com

Mergers and Acquisitions

Qualcomm Buys AI Company Scyfer, Continues Focus On End Devices

August 16, 2017

Qualcomm Technologies announced the acquisition of Scyfer B.V., a company affiliated with the University of Amsterdam that has built artificial intelligence (AI) solutions for companies worldwide and in a number of different industries.

While a lot of companies focus on the execution of AI workloads in the cloud, Qualcomm says it's focused on the implementation of AI on end devices, i.e., smartphones, cars, robotics and the like—to ensure that processing can be done with or without a network or Wi-Fi connection. The benefits of on-device AI include immediate response, enhanced reliability, increased privacy protection and efficient use of network bandwidth, the company says.

In July, Qualcomm made available the Qualcomm Snapdragon Neural Processing Engine software development kit for developers from multiple industries—mobile, automotive, healthcare, security and imaging—to get the tools they need to deliver on-device neural network-driven user experiences.

Qualcomm's experience with machine learning goes back to 2007, when it started exploring spiking neuron approaches to machine learning for computer vision and motion-control applications. It later expanded the scope of the research to look not just at biologically inspired approaches but also artificial neural networks, primarily deep learning.

"We started fundamental research a decade ago, and our current products now support many AI use cases from computer vision and natural language processing to malware detection on a variety of devices—such as smartphones and cars—and we are researching broader topics, such as AI for wireless connectivity, power management and photography," said Matt Grob, executive vice president of technology at Qualcomm, in a press release.

Qualcomm said it looks forward to adding Scyfer's team to its roster. Scyfer's founder, Max Welling, will continue in his role as a professor at the University of Amsterdam, and the rest of the Scyfer team will continue to be based in Amsterdam. Scyfer has built AI solutions for companies worldwide and in a number of different industries, including manufacturing, healthcare and finance.

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"The benefits of on-device AI include immediate response, enhanced reliability, increased privacy protection and efficient use of network bandwidth, the company says."

In 2015, Qualcomm Technologies and the University of Amsterdam also established QUVA, a joint research lab focused on advancing cutting-edge machine-learning techniques for mobile and computer vision. That work is expected to continue.

Last month, San Diego-based Brain Corp., a Qualcomm Ventures-backed company, announced that it had raised a \$114 million series C funding round led by the SoftBank Vision Fund. Qualcomm was also an investor in that round.

Brain has developed AI and self-driving technology to enable robots to perceive their environment, learn to control their motion and navigate using visual cues and landmarks while avoiding people and obstacles. SoftBank Chairman and CEO Masayoshi Son said at the time that Brain's team is at the forefront of creating the future and a more convenient way of life through technology.

Qualcomm's executive chairman, Paul Jacobs, holds a Ph.D. in robotics.

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Sprint Involvement Could Woo Charter To Consider Altice Deal

August 14, 2017

Altice could be prepping a bid as high as \$185 billion for Charter Communications—but getting Charter to the table could require the services of Sprint, Comcast and possibly T-Mobile, in a mega partnership that would lift all boats, according to analysts.

Altice has a market cap of around \$23 billion plus \$22.6 billion in debt, while Charter is worth \$180 billion (including debt, excluding any takeover premium). This casts doubt on whether the European conglomerate has the balance sheet needed to entice shareholders at No. 2 U.S. cable company to consider a deal. The most concerned of those shareholders is likely to be Charter's biggest investor, Liberty Broadband and its chief, John Malone.

A New Street Research investor memo noted that Altice could fix this by teaming up with strategic investors—specifically, Tier 1 players in the communications sector. Or rather, several of them.

“We think the prospects of a transaction depend entirely on whether Altice can field an offer that would make sense for Malone,” New Street Research explained. “[Altice CEO] Patrick Drahi would have voting control, despite potentially having less than a third of the shares. An offer Malone believes is worth at around \$600 per share, paid in an equity that compounds at a similar rate to his Charter equity could be compelling enough for Malone to cede control. Altice would need to fund a significant portion of the offer to public shareholders in cash for it to be accretive to them. This would likely require them to bring in a partner. The most compelling would be a strategic partner like Softbank or Comcast.”

The firm noted that in addition to funding (through the Vision Fund), Sprint and its parent SoftBank could bring access to Sprint's infrastructure in a network sharing arrangement.

Sprint is an “interesting partner because of the complementarity of their 2.5GHz spectrum with cable's infrastructure (the spectrum is very valuable; you need access to its fiber infrastructure to unlock its value),” the analysts noted. For Sprint, whose owners are looking for a strategic deal for it, there's plenty of upside. New Street said that Sprint has roughly 13% market share today, and this isn't growing much. Armed with an industry leading product and a lower cost structure, this could easily double.

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“The firm noted that in addition to funding (through the Vision Fund), Sprint and its parent SoftBank could bring access to Sprint's infrastructure in a network sharing arrangement.”

“We could imagine a transaction where Altiq acquires Charter; SoftBank provides funding to help get the deal done, taking an equity stake in the combined company in the process, and; Sprint and the cable companies agree to a network-sharing deal that would give both access to the other’s networks at compelling economics...The value creation opportunity should get everyone’s attention.”

Those compelling economics would become even more so, they added, if the rumored T-Mobile-Sprint tie-up goes forward.

“In fact, the killer finale would be a combination of Sprint and T-Mobile USA,” they said. This is obviously good for Sprint and TMUS, but it would be good for the cable partners too by giving them access to a better network faster (they could leverage both Sprint and TMUS’ networks in Google Fi fashion until they are properly integrated). The network sharing deal with cable would improve the odds of Sprint / TMUS being approved because it would establish cable as a permanent and well-positioned new entrant with sustainable economics.”

But that’s not all: New Street envisions Comcast playing a role too, which would make the network sharing agreement far more valuable for all involved if Comcast participates.

“Comcast is transforming itself into a company focused on innovation with development teams working to create new products and a better content experience for consumers,” New Street said. “Imagine what they could create if they had access to a differentiated wireless network, with control over the product and experience at the network level, with owners’ economics.”

In short, a multipronged investment/megamerger could create immense value and deliver things that all involved would want, the analysts concluded. But it remains to be seen if Charter would be interested—Sprint and SoftBank recently approached it about an acquisition, which it solidly rebuffed.

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Industry Reports

Editor’s Corner – The U.S. Smartphone Market Is Going To get A Lot More Interesting This Fall

August 17, 2017

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“Indeed, most analysts expect Apple will dominate the fall smartphone battle.”

It’s that time of year: The leaves are changing, the weather is getting colder, and Apple, Samsung and others are gearing up to release a bunch of new phones. Except the annual “fall smartphone battle” in the U.S. ought to be a lot more interesting this time around because of several new factors:

- An expected iPhone redesign with augmented reality functions.
- A refreshed Motorola with new phones and new carrier partners.
- A smartphone backed by the creator of Android.
- New Pixel phones from Google.
- And Samsung, recovering from the Note 7 disaster, with something to prove.

“The smartphone market has always been competitive, but this fall is definitely shaping up to be more interesting than many in the past,” Avi Greengart, research director for consumer platforms and devices for GlobalData, told FierceWireless.

"I agree there is lots of interesting stuff going on," added CCS Insight research chief Ben Wood.

Handset analysts aren't the only ones gearing up for a busy fall.

"We look forward to iconic device launches to continue to drive higher upgrade rates amongst our customer base," noted Sprint CEO Marcelo Claure on the carrier's recent second-quarter earnings conference call, according to a Seeking Alpha transcript of the event. "Obviously, it's going to be dependent on what competitors' offers are at this time when there's new iconic devices being launched."

In his own carrier's quarterly conference call, AT&T CFO John Stephens acknowledged that the operator's handset sales have been sluggish this year, but added that "I would expect a pickup in the second half of the year as new devices come out."

"In terms of the impact of any new devices coming along, look, we assume that we'll see something later in the year," agreed Verizon's CFO, Matthew Ellis, according to a Seeking Alpha transcript of Verizon's call. "We typically have very strong results when we have new devices come out because when customers get a new device with new functions, they want it on the best network, but we'll see what happens there. And certainly would expect that to be accretive to the overall revenue story."

So exactly what can the U.S. wireless industry expect this fall?

- Apple is widely expected to release a new, redesigned iPhone sporting a proportionally bigger OLED screen, wireless charging and other features. The company will also likely offer additional apps and services based on the ARKit developer tools for augmented reality it released earlier this year.
- Samsung has already earned traction with its Galaxy S8—according to Counterpoint, Samsung's U.S. business grew 20% in the second quarter—and the company is widely expected to release its large-screen Note 8 device at an event in New York on Wednesday. The device represents Samsung's chance to move beyond both corporate leadership scandals as well as its explosion-prone Note 7 from last year.
- Google is widely expected to release its Pixel 2 Android smartphone, which likely will sport even more refinements than the well-received Pixel last year. An open question though is how much marketing muscle Google will put behind its expected phone, and whether it will continue to tie the device exclusively to Verizon.
- Motorola recently released new devices sporting its various Moto Mod smartphone attachments while concurrently expanding sales to all of the nation's major carriers, having previously tied much of its business to Verizon.
- Essential boasts Android creator Andy Rubin behind the wheel, but the Essential phone itself—which only features carrier support from Sprint—doesn't sport many obvious differentiators and has suffered from shipping delays. (The phone goes on sale today.)

Of course there are other players in the U.S. market worth noting, such as LG, ZTE, Alcatel and Asus—and potentially Huawei—but none is expected to make much of a dent this year. Indeed, most analysts expect Apple will dominate the fall smartphone battle.

"Apple certainly seems to have a vice-like grip on the market," CCS' Wood said, explaining that it will be Apple's game to lose based on the leverage the company's iOS ecosystem holds over customers as well as shoppers' pent-up demand for a new, redesigned iPhone.

"We're all making the assumption now that Apple will knock it out of the park," Wood said. "The rest of these guys are going to be competing for the crumbs that are left."

Cliff Maldonado at handset research firm BayStreet Research said Apple's ARKit could help create "one of the biggest mobile computing moves in a long time." He pointed out that ARKit is backward-compatible to 2015's iPhone 6S, creating a significant base of addressable devices that AR developers could target.

"That's what we're going to be watching very carefully in the fall," he said, adding that "it all comes down to how quickly the utility of AR apps can ramp." He said that, if Apple's ARKit is successful, Google's Android AR effort, dubbed Tango, will have a difficult time competing due to the fractured nature of Android hardware.

"Apple's ARKit has enormous potential to reinforce the iPhone ecosystem today, and position Apple for success in wearable AR solutions in the future," agreed GlobalData's Greengart.

Of course, Samsung will look for any opening it can get to steal share from Apple, but analysts noted that Samsung's products don't necessarily benefit from a cohesive ecosystem—for example, Apple's smartwatch plugs directly into its iOS platform whereas Samsung's Gear S3 runs Tizen rather than Android.

As Counterpoint noted, Apple and Samsung together grew their share of the U.S. smartphone market by 1 percentage point to 60% in the second quarter. That leaves Motorola, Google, Essential and others to battle for the second tier of the market.

"We're going to see if Apple and Samsung reinforce their dominance [during the fall], or, as the smartphone market matures, can other vendors carve out sustainable niches?" GlobalData's Greengart said.

BayStreet's Maldonado predicted Google's Pixel 2 would rise to the top of that struggle among the companies vying for the market sitting below Apple and Samsung—if Google is able to generate sufficient demand.

"Everything I'm hearing about Pixel 2 is that it's an extremely well-designed device," CCS' Wood agreed. "The real question there is how much cash Google is willing to put behind it."

Wood added that Google must also toe a fine line between generating interest in its devices—as Microsoft has done with its Surface laptops—without burning existing Android supporters like Samsung.

But really, Google's share can only go up—Counterpoint reported the company's Pixel now owns around 0.3% of the U.S. market.

And what of Motorola? "I still say it's tough for them," Wood said, noting that the company's Moto Mods accessories do help set Motorola apart from the pack. "That looks like a very crowded space in that sort of high-tier Android space."

"Motorola's volumes dropped 2% YoY," Counterpoint wrote this week. "However, the launch of the Z Force 2 across carriers will help. The major carriers are promoting 'Moto Mods' (modular battery, speaker, projector accessories) at launch. The flagship launch could provide a halo effect for its entry devices, which have been successful selling in open channels."

Finally, apart from the coming fall smartphone battle, analyst Mark Lowenstein argued that the real struggle lies beyond the devices themselves.

“The phones will all have a nice 'evolution,' from a hardware standpoint, but I think a lot of the action will be in the software, and what apps take best advantage of the software,” said Lowenstein, managing director of Mobile Ecosystem and a FierceWireless contributor. “For example, the race between Siri, Google Assistant, Bixby, etc. The next stage of this is the ecosystem of apps that leverage these capabilities.”

A 5G iPhone?

From my standpoint, I'm particularly interested in how the nation's carriers navigate the annual fall smartphone battle. Will they all pick one device like the Note 8 to feature in their discounts and promotions? Or will they each back a different phone?

For example, Verizon might use its exclusive on Google's Pixel to try to gain share, while AT&T might reiterate how its DirecTV Now service can be streamed through a 70-inch projection via the combination of the Moto Insta-Share Projector Moto Mod and the Moto Z2 Force Edition.

Just as importantly, will Apple's new iPhone play favorites? Will it support Sprint's new HSPA+ network technology as well as T-Mobile's new 600 MHz spectrum? Will AT&T be able to sell an iPhone that supports all of its new spectrum bands, from 700 MHz to WCS to AWS-3? Indeed, might one of these carriers turn that kind of support into a “5G iPhone” marketing campaign? (I'm looking at you AT&T.)

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Verizon, Apple, Google Want Supreme Court To Update Privacy Rules Around Cellular Data

August 16, 2017

Tech titans Apple and Google, companies behind the major two smartphone operating systems, urged the Supreme Court this week to update its interpretation of Fourth Amendment privacy protections for the digital age.

In a briefing filed Monday night, the companies, alongside the likes of Cisco, Facebook, Microsoft, Verizon's Oath, and Tier-1 U.S. wireless carrier Verizon itself, asked the Court to “refine the application of certain Fourth Amendment doctrines to ensure that the law realistically engages with internet-based technologies and with people's expectations of privacy in their digital data.”

According to the companies, the transmission of “highly personal information” is an inherent feature of how internet-connected and networked devices worked. Since these devices have become so ubiquitous, Fourth Amendment privacy protections “must adapt to this new reality,” they said.

The comments come in the context of the Supreme Court's decision to hear a case – *Carpenter v. United States* – about law enforcement's ability to obtain cellular location data without a warrant.

“The analog-era notion that transmission of data to a third party is necessarily 'voluntary' conduct that precludes Fourth Amendment protection should not apply in a world where devices and applications constantly transmit data to third parties by dint of their mere operation,” the companies wrote. “No constitutional doctrine should presume that consumers assume the risk of warrantless government surveillance simply by using technologies that are beneficial and increasingly integrated into modern life. Similarly, the fact that certain digitally transmitted information might have been traditionally classified as 'non-content' should not unconditionally bar Fourth Amendment protection, as this data can often be highly revealing of the intimate details of a user's life.”

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“The tech giants are instead advocating for the Court to adopt a more flexible approach that focuses on the sensitivity of the data at issue and the circumstances of its transmission to third parties.”

The tech giants are instead advocating for the Court to adopt a more flexible approach that focuses on “the sensitivity of the data at issue and the circumstances of its transmission to third parties.”

The reality of the Digital Age has been legally recognized by at least one state. California in 2015 passed a law requiring police to get a court order before they can search messages, photos and other digital data stored on phones or company servers. More on that here.

According to the American Civil Liberties Union (ACLU), which is representing Timothy Carpenter in the case and posted the brief, the Supreme Court case is scheduled to be heard in the fall.

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Data to Knowledge

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