

Search CNET

Reviews

News

Video

How To

Deals

US Edition

CNET > Tech Industry > Giant stakes in cable

Giant stakes in cable

Microsoft stands to gain a lot from investments in the cable industry and may be laying the groundwork for a foray into the satellite industry as well.

Earn up to \$200 with the

Tech Industry

November 5, 1997
1:40 PM PST

Microsoft(MSFT) has a long list of things it stands to gain from investments in the cable industry, and the software giant may be getting ready to lay the groundwork for a hedge bet with the satellite industry as well.

Microsoft has identified cable operators as the most likely vehicle for the fast delivery of information to American homes. This high-speed delivery, Microsoft's executives believe, will lead consumers to adopt a "Web lifestyle," and Microsoft wants to be at the forefront of this potentially huge new market for software development.

So today's **report** that Microsoft may be planning a \$1 billion investment in **US West's** cable operations comes as no surprise, even as previous reports had the Redmond, Washington, company ready to make a similar investment in **Tele-Communications Incorporated**.

An investment in either cable company would build on Microsoft's \$1 billion stake in **Comcast** in June and its purchase of **WebTV**, which delivers Internet access to TVs via set-top boxes.

Microsoft also is looking for new platforms for its operating systems, particularly its slimmed-down version of Windows, Windows CE. Moreover, the software giant is searching for more venues for its broad content offerings, such as **MSNBC** and **Slate** magazine.

If its recent business deals are any indication, Microsoft apparently is unfazed by the fact that the **Justice Department** is charging the company with antitrust-related violations. The software giant continues to look for new markets in which to expand its already highly profitable business. **(See related coverage)**

What Microsoft hopes to gain from spurring the development of broadband cable networks is influence over the operating systems these networks will have to adopt, analysts said.

But entering the traditionally independent cable operator market has proven more difficult than anticipated. Even Brian Roberts, president of Comcast, found himself reassuring fellow cable operators after Microsoft invested in his company. "We are



CenturyLink® High-Speed Internet
up to 40 Mbps

with a 1-year contract. AutoPay and Paperless Billing required. May not be available in your area.

LEARN MORE

CenturyLink®

Details



neither legally nor morally committed to having only the Microsoft set-top product," he said at a cable industry trade show last month. "We want an open system."

Tom Aust, global telecommunications analyst at **Citicorp Securities**, believes that Microsoft will benefit from electronic commerce once the high-speed connections are in place. The software company already has positioned itself on the Internet by



way of its **Expedia** travel site and **CarPoint** auto site, as well as its **Sidewalk** city

guides.

But will Microsoft be able to influence the standards for the next-generation set-top boxes through its investments in Comcast and possibly US West? Microsoft is betting that it can, and the decision to invest in Comcast and US West, rather than TCI, may be an indication of the company's confidence.

Comcast was in need of Microsoft's cash and is a small enough company for Microsoft to gain real influence in exchange for its \$1 billion investment. The cable operator also had invested significantly in broadband networks before Microsoft's involvement.

TCI, although technologically advanced, is significantly larger, and Microsoft CEO **Bill Gates** would gain much less influence for his \$1 billion. "Trying to have influence on TCI is more difficult," Aust said. "Its chairman, John Malone, is too determined and wily to let Gates in."

On the other hand, US West's cable concern, **MediaOne**, has developed a modern network and a technologically adept management. It also needs the money and is small enough for Microsoft to be a significant shareholder.

But if Gates's wagers that the future lies in cable broadband fails, those bets are hedged with WebTV. If cable operators don't move forward with high-speed networks, Microsoft can pursue WebTV across a number of different platforms, according to Aust.

If they do move forward quickly, Microsoft will be able to foist the evolving WebTV standards onto cable operators. WebTV will be a platform for influencing the outcome, Aust said.

Moreover, if cable turns out to be a bust, digital broadcast satellite is another area where Microsoft has done some hedging. Last year, the software giant became a digital satellite service licensee with **DirecTV** and Thomson Consumer Electronics. At a developers' conference earlier this year, DirecTV said it wanted to be the first direct broadcast satellite company to deliver video, audio, and data via the PC or TV.

Participants at the conference received the tools required to develop content for the new platform, which included a software development kit for Microsoft's broadcast architecture.


Tags: Tech Industry



GET FAST INTERNET.
CenturyLink® High-Speed Internet

UP TO **40 MBPS** \$29⁹⁵ /mo

With a 1-year contract. AutoPay and Paperless Billing required. Speed may not be available in your area.

[LEARN MORE](#)  CenturyLink®

Details

Sponsored Links by Taboola

Are More of Your Risks Upstream, In-Plant, or Downstream?

Travelers Insurance

Forget The iPhone 7. Next Apple Sensation Leaked

The Motley Fool

We Tried Blue Apron: Here's What Happened

Popdust for Blue Apron

This game will keep you up all night!
Pirates: Free Online Game

DISCUSS: GIANT STAKES IN CABLE

No Comments

Log In

Show Comments

Featured Video

Paid Content

This bot will
texters

By Iyaz Akhtar

noying

Sharpen your IT
skills and
knowledge

Paid Content promoted by
SolarWinds



Lenovo Yoga 900 review

A hybrid laptop with some serious muscle

Sponsored by Intel

CNET Editors' Rating
★★★★★
EXCELLENT

LOW PRICE: **\$1,049.00**

Review Date: 11/11/15

CNET > Gaming > Pokemon Go -- away: Players are ticked off at world's most popular game

Pokemon Go -- away: Players are ticked off at world's most popular game

An update to Pokemon Go changes the game so much that people are in revolt.

Gaming

August 2, 2016
5:00 AM PDT



by Ian Sherr
@iansherr

Good news, Leslie Jones: The internet has found something to seethe about **other than your role in**



"Ghostbusters."

And it has nothing to do with the presidential campaign.

Instead, people are in a snit about a change made to Pokemon Go, the hottest mobile game since -- ever.



Pokemon Go may be a certified hit, but can it keep players happy?

Josh Miller/CNET

To recap: Pokemon Go, released July 6 in the US, encourages you to walk around in the real world with your phone and find mythical creatures called Pokemon. When you do, they leap onto your screen, where they appear to be sitting on a stoop or standing in the middle of the street in the real world. Just swipe on the screen to throw a ball to "catch" and collect them all.

How much do people love playing Pokemon Go? Well, in less than a month, Pokemon Go has shattered download records, been used more than Twitter or Facebook and been pegged as the next techie trend. Pokemon Go has become a hit on a scale not seen since FarmVille, Candy Crush Saga or Angry Birds.

It's now been released in other places including Japan, England, Hong Kong and Australia, making it official that Pokemon Go fever has spread across the globe.

But then last weekend and with no warning, Pokemon Go developer Niantic removed a key feature that helps you track how close Pokemon are to your location. As if that wasn't enough of a burn to people who liked getting the help, Niantic reportedly told other app makers to shut down apps designed to help people identify Pokemon in their neighborhood. (Niantic was staying mum on whether it did this). That's apps like Poke Radar, which help you more easily find special monsters hanging out near you in your quest to "catch 'em all."

To say people are ticked off is an understatement.



Yang
@Yang0111

Follow

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.