Roku adds headphones to latest online video player

MICHAEL LIEDTKE - AP Technology Writer - Associated Press

Roku is plugging headphones and several other new features into its latest set-top box for streaming Internet video to TVs, a move that amplifies its effort to upstage Apple's better-selling player.

The Roku 3 box going on sale Wednesday also includes a more powerful search engine to find movies, TV shows and music more quickly and new menu for perusing the more than 750 online services available through the device. The new model will be sold for $100, initially only at Roku's website and Amazon.com. Next month, it will expand into other retail outlets, including Costco and Best Buy stores. Prices for older Roku models with less horsepower start at $50.

The new player is the first update to Roku's line of set-top boxes since July 2011. In the interim, Roku last year introduced a finger-shaped device that plugs directly into high-definition ports, much like a flash drive fits into a personal computer's USB drive.

The ability to listen to video and music on headphones will probably be the Roku 3's biggest attraction, especially for households that already own one of the company's earlier boxes. Ear buds are included with the Roku 3, although any pair of headphones can be plugged into a jack on the side of the device's remote control. Just as with the set-top box itself, a Wi-Fi connection is required for the headphones to work. It's a feature unavailable on the Apple TV player that poses the main competition to Roku's streaming devices.

The Roku 3 introduces new navigation tools that will be automatically sent to previous versions of the box in a software update later this year. The redesign

displays more information by stacking the channels vertically in rows of three instead of in single, horizontal row in the middle of the screen. The makeover means nine channel choices can be seen at a time instead of just five under the old format.

The new box also boasts a faster processor than previous models, an upgrade likely to appeal to people who want to use the device to play online video games on their TVs.

Although it's still a small company, Roku Inc. has emerged as a significant player in the steadily growing market for Internet video since it introduced its first set-top box nearly five years ago. Originally conceived within Netflix Inc. as a cheap and easy way to get Internet video on to flat-panel TVs, Roku now offers a wide array of entertainment options. Besides Netflix's Internet video subscription service, Roku boxes also connect to alternatives from Amazon.com and Hulu.com, as well as a variety of online music stations.

Most of the top Internet video services can also be seen through Apple TV, a set-top box that's similar to Roku's device. But Apple TV is better known, largely because it's made and sold by a technology powerhouse that operates more than 400 stores scattered throughout the world while the Roku players are made by a small, privately held company.

Although Apple Inc. doesn't provide precise figures, CEO Tim Cook has indicated to analysts that the company has sold more than 10 million of its streaming boxes. That includes more than 2 million Apple TV players sold during the final three months last year, up from about 1.4 million at the same time in 2011, Cook told analysts during a January conference call.

Roku will only say it expects to sell the five millionth device in its history by the end of this month. The company, which is based in Saratoga, California, said its annual revenue was about $150 million in 2011. Management declined to provide a revenue figure for last year.

Apple's revenue topped $156 billion during its last fiscal year ending in September, with most of the sales rolling in from its line-up of iPhones, iPods, iPads and Mac computers. Company co-founder Steve Jobs considered Apple TV to be a "hobby," a description that Cook has echoed. Before he died in October 2011, Jobs told his biographer Walter Isaacson that he had finally figured out how to build a TV that "would be seamlessly synced with all of your devices."

Those words have spurred recurring speculation that Apple intends to sell its own big-screen TV that would connect to the Internet and run on the same software as its iPhones and IPads.

Cook also hinted during his January discussion with analysts that the company may be ready to move beyond the Apple TV boxes. "I tend to believe that there's a lot we can contribute in this space," Cook said then. "And so we continue to pull the string and see where it leads us."

Source URL (retrieved on *09/16/2014 - 7:57am*):
http://www.ecnmag.com/news/2013/03/roku-adds-headphones-latest-online-video-player?qt-video_of_the_day=0