

Searching for Realistic Expectations – Consumer Electronics Show Letdowns

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A full weekend has passed since Larry Page made the last of what was assumed to be three major speeches from the heads of the three major search engines at the 2006 CES convention in Las Vegas. Page's lackluster announcements on Google Pack and Google Video followed similar underwhelming performances by Yahoo's Terry Semel and Microsoft's Bill Gates. Perhaps expectations had been placed too high by the press. Scheduled fresh on the heels of the Christmas-New Year's slump, commentators and observers wrote highly speculative pieces, mostly about Google. By Friday afternoon however, what might have been, simply was not.

CES is supposed to be about consumer electronics, the sort of things we find in our kitchens, living rooms and offices. The sort of things Google and Yahoo have never made, manufactured or marketed (aside from search-servers). MSN's parent company Microsoft has a well-earned place on the podium but Google and Yahoo are services, not manufacturers, both relying on software running on hardware created and compiled by other firms. Last week, commentators were speculating Google was going to announce the development of a low-cost personal computer that directly threatened more than a few of Microsoft's near monopolies.

That, of course, never happened. As a matter of fact, the search engine marketplace is not very different this week than it was last week, just a bit more competitive. Unfortunately for anyone expecting a defining moment, last week did not provide it. What was announced isn't bad, just not very big. Each of the Big3 had something to say and each relied on A-list celebrities to help them say it. Going into the conference, the highest expectations were placed on Google.

Google

For sheer performance power, Google did not disappoint. Using the talents of Robin Williams to humour the audience and shield Page from difficult questions, the Google presentation scored high however some of William's material included riffs on Chinese and European accents and a few dreary jokes about the French. Luckily for Williams, the Adult Entertainment Expo running next door provided extra ammunition to make juvenile jokes that, while racy, did not always devolve into racism. The pokes at Chinese accented English and Europeans were discouraging as was the use of Williams' acerbic tongue to belittle those who lobbed difficult questions towards Page. Google is supposed to be better than that. So is Robin Williams.

Page used his speech to announce and debut a bundle of free software known as Google Pack. According to a new story spun by Marissa Mayer, Google's Vice President of Search Products and User Experience, Google Pack was developed after founders Larry Page and Sergey Brin spent the better part of an afternoon adding software to a new computer purchased for their office. The want for a faster solution led to the creation of Google Pack, a case of necessity being the brother of branded bundling. Most of the components offered in the bundle are made up of proprietary Google software but there are a few interesting items made by other firms.

Google Pack revolves around the Google Updater, which downloads, installs and automatically updates components included in the Pack, or prompts when updates become available. The following pieces of software are available in the bundle:

Google Software Included:

- Google Earth – (3D satellite images of virtually anyplace on Earth)
- Google Desktop – (Desktop workspace organizer)
- Picasa – (Google’s photo and image editor/organizer/sharing space)
- Google IE Toolbar – (Search toolbar made for Internet Explorer w/auto-fill features, pop-up blocking)
- Google Pack Screensaver (takes photos from Picasa collection and converts them to screensavers)

Additional Software Included:

- Mozilla Firefox with Google Toolbar – (Alternative web browser with Google Toolbar built-in)
- Ad-Aware SE Personal – (Lavasoft’s free antispysware utility)
- Adobe Reader 7 – (PDF reader for Acrobat documents)
- Norton Antivirus 2005 Special Edition (with six month subscription to critical updates)

The install page offers the option to add or remove any of the nine pieces of software included in the bundle. A Google press release issued on Friday Jan. 6 stated Real Player and Trillian would also be included in the download but as of today (Jan 9), neither is mentioned on the [Google Pack homepage](#) or on the download page. Curiously, both are noted in [support documents](#) accessed via the “help” button in the top right of the GP homepage. RealNetworks, the maker of RealPlayer is also mentioned in the Terms and Conditions license agreement. After spending twenty minutes downloading and installing the bundle, we did not find either Trillian or RealPlayer software. When revisiting the Google Pack homepage, we were redirected to a prompt to download Trillian, RealPlayer, GoogleTalk and GalleryPlayer. In other words, these pieces of software are included in Google Pack, just not in the initial download.

Page also used his speech to announce the development of the Google Video Store, in the process issuing an indirect challenge to Yahoo. According to the [press release](#), Google is launching a “Video Marketplace”. Google Video Store will allow users to “buy and rent a wide range of video content from a major television network, a professional sports league, cable programmers, independent producers and film makers.”

Google claims its Video Store will be available soon. When it is, it will contain classic and contemporary TV content, feature NBA games, music from Sony BMG, feature length indy-films from Greencine.com, ITN historic, news and educational footage, classic cartoons, CLEARVUE children’s programming, short clips from the Getty Archives, and interviews by the ubiquitous Charley Rose. Contemporary content will include shows from the CSI franchise, NCIS, Survivor and the Amazing Race.

“There will be thousands of titles for sale in the Google Video Store with more titles added everyday. The list of content producers will also include a broad range of entertainment and educational partners including among others, BlueHighways TV, CareTALK, Fashion TV, Here! TV, HDNet, HilariousDownloads.com, Image Entertainment, iWatchNow.com, Kantola Productions, MediaZone, Plum TV, Porchlight Entertainment, SOFA Entertainment, Teen Kids, Trinity Broadcasting Network, WGBH, Wheels TV, and Wilderness Film India Ltd.” (source: [Google press release](#))

Google wants to create an open marketplace for video and music content producers. Earlier today, Marketwatch.com released a [short interview](#) with Jennifer Feikin, Director of Google Video about the Video Store. Gary Price from Search Engine Watch captured a few quotes from the video,

"It's actually quite a different model. It's the first open video marketplace where content owners of any sort can have their content owners store and can decide how they want to sell it, for what price, and also gives users a very wide variety of content..." and,

"We really wanted this to be an open marketplace. So, different content owners are going to decide on different prices and they're also going to figure out different models of different genres of content. What we really felt is that we're in the first minute of a 24 hour day of video content online and content owners should be able to experiment with different prices, different type of business models for different genres of content..."

Though Google Video Store isn't actually ready-for-prime time and is not yet available for public or even beta release, the timing of the announcement to coincide with the end of the CES makes sense as a move in the endless game of one-ups-manship between the major search engines. Google has a habit of stealing the fire from its competitors. The Google Video Store announcement came less than 24-hours after Yahoo's Terry Semel made his keynote speech to the Consumer Electronics Show.

Yahoo

Yahoo's Terry Semel used his speech at CES to announce Yahoo Go, a suite of products and services designed to allow users to access personalized image, music and broadcast information via their PCs, mobile devices and televisions. Basically another series of bundled services, Yahoo Go will be pre-installed in Nokia Series 60 phones and is immediately available for download in 10 major countries. In the US, customers of Cingular and AT&T can sign up immediately.

[Yahoo Go Mobile](#) includes Yahoo Mail, Yahoo Messenger, photo sharing, a calendar, address book, Yahoo web and image search, Yahoo news, sports and finances (as well as the ability to personalize information sources).

[Yahoo Go Desktop](#) is another set of bundled software and services made for the PC. Designed to act as a desktop dashboard, Go Desktop provides instant access to Yahoo web search, Yahoo news, Yahoo Flickr image files, Yahoo messenger, Yahoo address book and calendar. It also offers access to and updates from blogs, photo files and other social network items included in the Yahoo 360 network.

[Yahoo Go TV](#), which is scheduled for release by the end of March, is designed to work with PC enabled (or connected) TVs, basically allowing content on the PC to be displayed on the larger TV screen. This is likely the first stage of Yahoo's plan to capitalize on the distribution transition in broadcasting media.

Yahoo pulled on the star power of Ellen DeGeneres and Tom Cruise, both of whom delivered well-rehearsed examples of technical difficulties. DeGeneres delivered the opening monologue and Cruise was introduced to save the day when the Internet connection to Semel's presentation mysteriously failed for a short time.

In his remarks, Semel noted, "We think the Internet isn't a Web page anymore, it's a vehicle for delivering ... it's about connecting the devices that all of you are manufacturing." (source: [engadget](#)

[blog](#) coverage of CES). Yahoo is targeting convergence of delivery vehicles, trying to make search services available for the three primary information devices people use, cell phones, television and PCs.

Microsoft

Bill Gates was the opening speaker at CES. Calling the 20s the decade of the digital lifestyle and workstyle, Gates used his time to re-introduce the long-awaited Vista operating system and to show how Microsoft does not consider Google any form of competition. Last week, I wrote a longer piece on [Gate's CES presentation](#).

To paraphrase Chairman Bill, Microsoft is not irrelevant. Microsoft is primarily a software maker and the "magic" of good software will never go out of style. Gates gently reminded the audience he was the first to start talking about convergence over a decade ago while strongly suggesting Microsoft Vista will substantially raise the bar on operating systems. Gates said he sees IBM as a much more frightening competitor than Google.

All in all, the three major speeches from the heads of the three major search engines, while high in pre-event expectation, were light on major announcements. The landscape has not changed in any noticeable way though Google might have gotten yet another leg up over its competition by speaking last and presenting the Google Video Store announcement.

Google is clearly ahead of the pack in grass roots, direct to consumer services. Yahoo clearly demonstrated it understands where the various media are heading and is providing crossover software to enable user's ease of access. Clearly, Microsoft might have created the best operating system ever, or it might not have. Actually, that one is still rather murky. We'll have to wait almost another year to find out.