Intel Working on TV Set-Top Box to Replace Cable

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Intel Corp. said Tuesday that it will sell a set-top box that brings Internet-delivered movies and shows to a TV set this year.

Erik Huggers, general manager of Intel Media, said the company plans to sell a box that will offer "a vastly superior experience" to today's cable boxes.

There are various boxes today that bring Internet content to TV sets, with popular ones made by Roku and Apple. But Intel wants to go further and make its box and streaming service a replacement for cable.

Rumors of an Intel set-top box and video service emerged last year. Huggers didn't say what the box and service would cost, or when this year such a device would come out. He said Intel's goal is to provide quality rather than undercutting cable pricing.

The video service would also be available on non-TV devices such as the iPad, Huggers said. Cable companies have been making some content available on smartphone and tablet computers as part of their TV Everywhere initiative, but the selection of programs and channels is limited.

Intel is the world's largest chipmaker, but has little direct contact with consumers. Its chief business, making processors for PCs, is stagnating as PC sales are declining and consumers are moving to tablets and smartphones, most of which don't run Intel chips. Huggers said the company was motivated to get into the consumer business after realizing that it needed to control every aspect of the service, from chips to software, to get it right.

Shares of the Santa Clara, Calif., company rose 16 cents, or 0.8 percent, to $21.19 in afternoon trading, as other technology stocks declined.

Apple CEO Steve Jobs told his biographer before his death in 2011 that he wanted to revolutionize the TV, but Apple so far hasn't revealed anything about those plans. A big obstacle is believed to be that movie studios and TV networks like the current cable model, under which TV customers can't choose to pay channel by channel, but have their choices limited to certain packages. It's a profitable model for them, and they've been reluctant to open up to more flexible programming models.

But Huggers said media companies were showing some flexibility.

"I think we can bring an incredible TV experience via the Internet, to consumers, and that is a great opportunity for programmers," he said at the "D: Dive Into Media" conference in Dana Point, Calif.

One of the features of the Intel box would be the ability to identify, through a camera, which family member is watching and offer him or her personalized recommendations, Huggers said.

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