

Paul Cook and Harry Printz of Agile TV discuss their latest technology, a voice-activated remote control

CNBC News Transcripts Kudlow & Cramer (5:00 PM ET) - CNBC

May 13, 2004 Thursday

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Section: Interview

Length: 1158 words

Body

LARRY KUDLOW, co-host:

Do you remember when had you to get off the couch and walk over to the TV just to change the channel? Heaven forbid. Well, now you can just tell it what you want to do. This is Paul Cook, CEO, and Harry Printz, vice president of speech and language technology, at **Agile** TV, which makes the new gadget we have right here.

Mr. Cook, you want to start? Tell us about your new gadget. How does this thing work? We tried to get this thing to go live...

JIM CRAMER, co-host:

Right. I worked it earlier in the studio.

KUDLOW: I know. It absolutely works.

CRAMER: And I was able to actually speak into the darn thing and call up whatever the heck I wanted.

KUDLOW: What'd you want when you call...

CRAMER: **KUDLOW & CRAMER.**

KUDLOW: And it worked.

CRAMER: It worked. Yeah.

KUDLOW: So that's a plus. Anyway, the floor is yours, sir.

Mr. PAUL COOK (**Agile** TV CEO): Well, the idea behind **Agile** TV is to take advantage of the technology of speech recognition to control the television set, to access the hundreds of digital channels and the thousands of video-on-demand content just by asking for what you want. A very simple concept, a very sophisticated, difficult development. We're four years old. We've spent \$40 million so far developing the system. We're about ready to go commercial, in 2005. And we think we've got a big market, 68 million subscribers out there, 30 million of whom are now digital, and we're rushing to marketplace as fast as we can go. You heard what **Brian Roberts** said last week about it, and **Comcast** is one of the companies that we're working closely with.

CRAMER: OK, Harry Printz, just kind of do the mock of what we did when it looked--explain how easy it is and why it works, because you're a speech recognition PhD. How come it works?

Dr. HARRY PRINTZ (**Agile** TV VP, Speech & Language Technology): It works because we've done an excellent job of engineering every stage of the system, from the physical acoustics through the transmission, through the speech recognition back end. This is a standard digital remote. We've added two key features to it: a microphone here at the top and big talk button in the center. When you operate the system, you push the button, you say your command and you let go; the system responds.

KUDLOW: Show it. Put it up so we get...

CRAMER: Yeah.

KUDLOW: ...a--clear on the monitor. Show where the--where's the microphone?

Dr. PRINTZ: Here's the microphone. Here's the talk button right in the center. We feel that ultimately, all the other buttons are going to go away and you'll only have this talk button when you...

KUDLOW: Right. It won't work precisely. Just go through a dry run. How do you do it? Go ahead and do it...

Dr. PRINTZ: Sure.

KUDLOW: ...as though...

Dr. PRINTZ: Well, in this case, I would say 'Watch TV.' I believe we have some tape of this. Then we go to a screen that shows live TV playing. Then I could say the name of a channel, ESPN or Discovery Channel. I could move around by channel name, but even more convenient, I could simply say the name of the program that I want to watch, which, of course, would be **KUDLOW & CRAMER**.

CRAMER: Oh, Harry's a good trouper. Excellent.

Dr. PRINTZ: Plus, the real power of the system is its ability to search and explore these hundreds of digital channels that are available to the subscriber.

CRAMER: All right. So let's say I wanted to--say I am a huge fan of all the movies that Brad Pitt has made. What do I do?

Dr. PRINTZ: You would say 'Find movies with Brad Pitt,' and bam, you'd get a list of movies on screen.

KUDLOW: I want to watch whatever tennis tournament is going on.

Dr. PRINTZ: Then you would say 'Scan tennis' and any tennis shows that are available right now, the system will scan through, stopping at each one for four seconds, and then when you see the one that you want to watch, you give another command, which is 'stop,' and the system responds immediately.

KUDLOW: This...

CRAMER: Now why would anyone ever use another clicker again, honestly?

Dr. PRINTZ: That's our feeling. We're puzzled about that, Jim, actually.

KUDLOW: Mr. Cook, let's pursue this...

CRAMER: Right? Right?

KUDLOW: ...on the business plan side. This integrates beautifully with cable. It does not, as I understand it, integrate with satellite TV and it does not, as I understand it, integrate with the Internet.

Mr. COOK: It can interface with the Internet and that is in our future plans. However, to do it on satellite, you need a two-way real-time path, and that doesn't exist today. Could it be done in the future? Probably. But that's many years away.

CRAMER: See, now I felt this is one of the reasons why I said I've been buying the cable stocks.

KUDLOW: Right.

CRAMER: Because I saw this...

KUDLOW: Right.

CRAMER: ...device and I said, 'Who the heck would want satellite?' Because the big fight in my house--Harry, maybe it's the same thing in your house--is which clicker? Which clicker? What do I do? What do I do? Who knows what channel it's on? My cable provider changes the darn channels every six months. Isn't this the antidote?

Dr. PRINTZ: That's exactly the point. In fact, you no longer have to know what number corresponds to what channel. You just say the name of the channel.

CRAMER: Isn't that great?

KUDLOW: It's unbelievable. It's unbelievable.

Dr. PRINTZ: Or you say the name of the content that you're interested in.

CRAMER: Right. CNBC has changed twice in my town in the last year, OK? You know, I could just say 'Go CNBC.' I don't have to say 47--no, 15--no, 59, right?

Dr. PRINTZ: Exactly.

KUDLOW: It's so amazing in my lifetime--I mean, I saw the TV develop. I saw the first color TV, but had you to get up from your seat and change it.

CRAMER: Right.

KUDLOW: Now that all ended, we became couch potatoes. Now we don't even have to do this anymore. I can just talk into it. I mean, it's really a kind of interesting thing as we get on.

CRAMER: But now people are going to say two things: One, how can I buy shares in **Agile**? You're not public yet.

Mr. COOK: No, we're a private company, and we're not available to the public market.

CRAMER: And you're not going to sell this directly. It's not going to be in retail stores, so to speak. You've got to go your cable provider.

Mr. COOK: No. Our customer is the cable company, and how they price it to the consumer is up to them, but...

KUDLOW: And you're hooked into all the major systems right now, is that right?

Mr. COOK: Yes, we are. Now one thing that we know is that the consumer...

CRAMER: Well...

Mr. COOK: ...through exhaustive research...

CRAMER: All right.

Mr. COOK: ...loves this.

CRAMER: Absolutely. Mr. Cook, we have to wrap it up...

Mr. COOK: And they're willing to pay several bucks a month...

CRAMER: ...Mr. Printz--Dr. Printz, really.

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Load-Date: May 14, 2004

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