Another company is giving up on AR. This time, it's Bose.

The audio company says its ambitious AR initiative "didn't become what we envisioned."



Bose's retreat from AR has been unfolding quietly over several months. | Photo: Courtesy of Bose

Janko Roettgers

June 16, 2020

Bose has become the latest company to throw in the towel on immersive computing, shutting down its ambitious Bose AR program. Key Bose AR employees have left the company, and partners have been informed that their apps will stop working in the coming weeks.

"Bose AR didn't become what we envisioned," a Bose spokesperson told Protocol. "It's not the first time our technology couldn't be commercialized the way we planned, but components of it will be used to help Bose owners in a different way. We're good with that. Because our research is for them, not us." Bose's change of heart comes as augmented reality startups have struggled across the board. Augmented reality startup Meta AR gave up on plans to replace desktop computing with dedicated AR headsets in late 2018. Last year, both ODG and Daqri shut down. And in April, Magic Leap announced that it was exiting the consumer AR business, laying off 1,000 employees in the process.

Bose had been pursuing a unique approach to augmented reality: Instead of superimposing images over a view of the real world, Bose AR was based on audio alone and provided walking directions, audio-based fitness instructions and games via compatible headphones. The company even built its line of sunglasses with integrated headphones and AR sensors. It now wants to utilize these sensors to simplify the usage of those headphones and glasses.

Bose AR apps will stop working within 30 days

Bose's retreat from AR has been unfolding quietly over several months. Bose SVP John Gordon, who had championed AR in his role as the head of the company's consumer electronics division, left last summer. Most of the team members working on AR departed or were let go this spring, according to an insider who declined to be named for this story.

In April, Bose <u>closed its public AR SDK</u>, making it impossible for new developers to build apps for the program. Around that time, Bose also started to remove mentions of AR from its website, including from product descriptions for its glasses and AR-compatible headphones. In the last couple of days, developers were informed that apps based on Bose AR would stop working.

"We learned a lot — mostly, that our work in AR delivered compelling customer experiences based on specific interests and specific use cases, not for broad, daily use," Bose's spokesperson said. "So, we decided to stop working on third-party developer apps and won't be supporting them beyond mid-July."

The decision to end the program comes as the privately held company faces financial turmoil. Earlier this year, Bose announced that it would <u>close all its retail stores</u> in North America, Europe, Australia and Japan in response to mounting pressure from ecommerce. The closures, which affected 119 stores altogether, resulted in hundreds of layoffs. And in March, <u>news broke</u> that Bose CEO Phil Hess had departed at the beginning of the year. The company has

since been led by former CFO Jim Scammon, who assumed the title of president and COO as part of the transition.

A \$50 million fund and a 'Star Wars' collaboration

Bose first introduced its AR initiative at SXSW in 2018. Back then, Bose AR was envisioned as a platform for both software and hardware developers, with the company suggesting that hardware partners would be integrating the technology into their own "headphones, glasses and helmets" as well.

The company first began selling dedicated glasses with integrated AR capabilities in early 2019 and also integrated Bose AR into some of its headphone models. Bose AR devices connected to phones via Bluetooth to gather location data and made use of dedicated sensors integrated into the headsets to detect head movements and orientation. This enabled developers to figure out where consumers were, know which direction they were looking, and integrate novel interaction models — think nodding in response to a question.

In 2018, Bose <u>unveiled a \$50 million fund</u> to kickstart app development for its AR platform. The company <u>invested in workout app Aaptiv</u>, <u>acquired walking tour startup Detour</u> and struck a high-profile partnership with Disney to add Bose AR support to the "Star Wars" app.

Bose also partnered with Playcrafting, a New York-based game developer community that held events in five cities to get developers excited about Bose AR. This ultimately resulted in the release of 32 titles, ranging from music games to audio adventures. Playcrafting developers were informed earlier this month that their games would lose AR support in the coming weeks, rendering most of them useless.