



Cox Edge Q&A: How a cable company created an edge platform

In this article, we interviewed Ron Lev, General Manager of Cox Edge and Executive Director, New Growth of Cox Communications, and Naren Muthiah, Strategy and Business Design Lead at Cox Communications, to talk about Cox's new venture in the edge space and to understand their perspective on what's next in the market.

Patrick Montague-Jones, Senior Consultant

Introduction

In recent years, interest in edge computing and its applications has burgeoned amongst operators and end customers alike. As devices and sensors generate increasing amounts of data to be processed, it has become key to process some workloads as close to source as possible. Centralised cloud locations play a huge part in customer networks, but edge computing locations are becoming equally crucial to support intelligent networks that can deliver on desired business outcomes.

Cox Communications is a US multi service operator that offers a range of services, from cable television to managed enterprise telecommunications. Theyga publicly launched Cox Edge last month ago to serve developers and enterprises in bringing cloud resources even closer to minimise application latency.

We interviewed Ron Lev, General Manager of Cox Edge and Executive Director, New Growth of Cox Communications, and Naren Muthiah, Strategy and Business Design Lead at Cox Edge, to talk about Cox's new venture in the edge space and to understand their perspective on what's next in the market.

Q&A

What does edge computing mean to you at Cox?

Conversations around edge started a few years ago. It is such a broad space with so many possibilities. Depending on who you are in the market, it means something different. For us at Cox Edge, it is about solving customer pain points effectively by unlocking the value of the infrastructure advantage we hold, and therefore monetising those assets. The possibility of providing cloud services even closer to customers, driven by more powerful and compact networks, has generated demand for low latency connections. This has given rise to innovation and helped us to put a value on assets and space that most people forget we own. The new unit, Cox Edge, is evidence of the definitive steps we have taken to commercialise an edge offering, launch a business around it and focus on as frictionless a customer experience as possible. This starts with an accessible self-service purchase journey to accelerate the business, similar to what we saw from AWS when they arrived in the public cloud market.

The Cox Edge proposition

The infographic consists of three light blue rounded rectangular boxes arranged horizontally. Each box contains an icon, a bold title, and a short paragraph of text.

- Ultra-Low Latency:** The icon shows a globe with a green dashed line and a green arrow pointing towards a server rack. The text below states: "Processing data closer to where it is created can unlock new levels of performance to drive innovation, boosts application performance and enhances customer experience."
- Reduced Cloud Spend:** The icon shows a bar chart with four bars of increasing height, a dollar sign, and a document icon. The text below states: "Cloud lock-in and cloud transport costs increase traditional cloud spend. Processing at the Edge reduces the amount of data you send to the cloud to help reduce application TCO."
- Improved Resiliency:** The icon shows a computer monitor with a green line graph, a globe, and a location pin. The text below states: "Help reduce security risks, enhance performance consistency and overall stability, delivering a seamless end user experience with distributed edge native compute."

Why is Cox well positioned to be a provider of edge services?

We have a strategic market advantage due to our ownership of and continued high investment in infrastructure. We are an ISP and a communications provider, but we do not act as a mobile operator or own a mobile network on a large scale. This positioning allows us to concentrate on network locations and latency, without having to solve for 5G. From there, we only need to focus on our desired compute mix to enable which services at the edge. In the US, there is only one other player like us.

Cox Edge platform services

CONTENT DELIVERY	EDGE COMPUTE	NOSQL DATABASE	STREAMS
 CDN	 Edge Bare Metal	 KV	 PUB/SUB
 Edge Logic	 Virtual Machine	 Documents	 Stream Workers
 DNS	 Containers	 Dynamo	EDGE CONTAINER HUB
 WAF	 Managed Kubernetes	 Graphs	
 Serverless		 Query Workers	 Containers

You have taken the decision to create an entirely new business unit, Cox Edge. Why is that?

We wanted to create a strong balance between a) the expertise and assets held in the much larger cable business and b) the agility and entrepreneurialism possible within a new venture. We have various 'themes' – Edge, Connected Healthcare, Commercial IoT etc. - each of which is following a similar model to us. Having a new unit and the budget to look at an adjacent area to the traditional cable business gives us the charter to innovate. We know that a platform play in this space holds a certain amount of risk, but it means that we will have a solution that has a broad enough reach to avoid building bespoke for each customer.

We are conscious that, in many cases, strategy teams do the work to understand the market for a given initiative or product but the logical next step is hard to take. This is because it is difficult to find a senior sponsor in the wider business, and the common question is "What's in it for me?". Often the response is not compelling enough to an executive. Promises of more people or revenue don't sell the idea well and a brick wall goes up against the initiative. We have spent three years exploring the edge market landscape and

'learning to do', which entails integrating strategy with product and engineering teams. This has involved rationalising how we can build a scalable business around this, rather than how we launch a product. Since going live a month ago, we have been 'doing to learn', putting the strategy into action, commercialising and scaling. We have ideas about where we can create the most value next and we are de-risking them as we go. Where things don't work out, we are failing fast and injecting learnings back into the business.

Our primary customer focus has been to go after the single developer and enterprise community that can really leverage the edge framework from a digital transformation perspective, rather than internal network efficiency which will naturally be worked on. As the market is relatively nascent, everything to date has been a custom deployment and highly fragmented in architecture and provider terms. We are prioritising solving for pain points of existing Cox Business customers and other verticals that are well positioned to adopt edge without bespoke implementations.

Which use cases are you seeing traction from for edge computing?

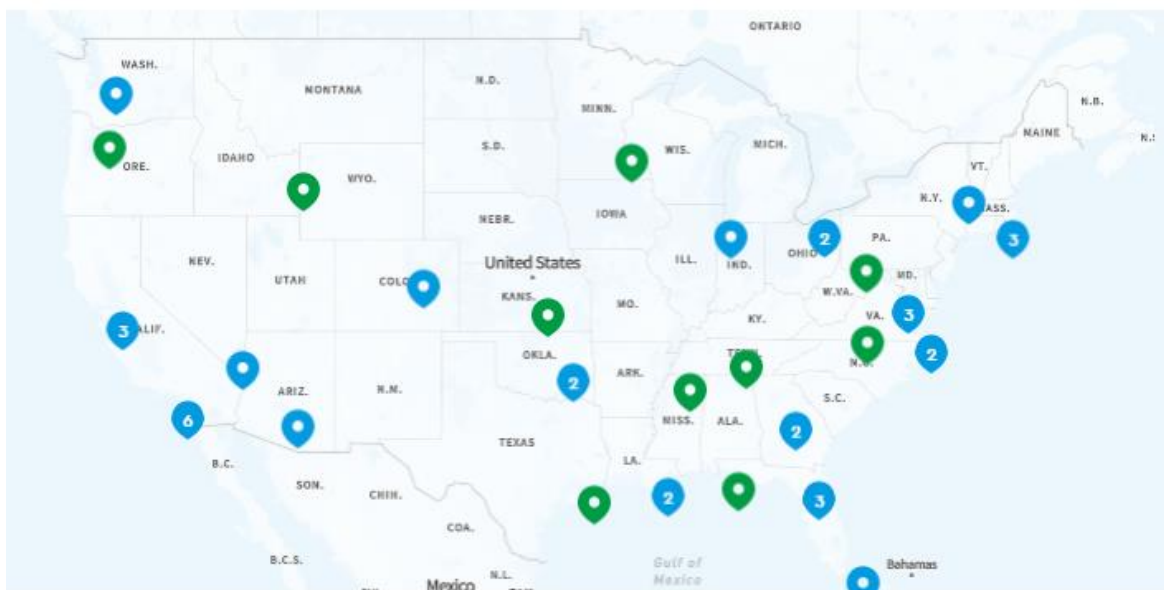
People often talk about use cases, but this is not the lens we see things through. Providers do not think often enough about the business design to inform desirability and feasibility of a product or a suite of products in the long run. We see it as key to understand what the scaled-out approach is to build a business. If you do not build in an efficient way, the more products you launch, the more complex your problems become.

More specifically on use cases, Gaming, Media and Healthcare have interesting applications of edge, but the issues are very similar across the board. It boils down to a combination of speed and access to data, analytics and localisation for reduced latency. Our customers want to transport large amounts of data in a cost-effective manner without backhauling it too far and overburdening centralised cloud resource. They also want to reduce their time to insight when using analytics. While the outcomes of solving this will translate differently across verticals, the fundamental issues are the same.

Cox Edge's locations

Available now in 15 locations globally [View List](#)

Coming to 30+ locations [View List](#)



Have you seen interest from specific industries in your edge services yet?

Yes, absolutely – agriculture, for example. Interest has come from verticals where there is a high density of IoT sensors or where regulation requires data geocaches, limiting data transit to within set geographic limits. Given that we have a wide-reaching cable network and we also backhaul all mobile networks in the US, all sorts of customers can access our platform. A lot of developers are coming to us, for example agro-tech providers, and asking how we can help them because we have presence in the area that they want to launch services. We are extremely excited to move up the value chain by bringing public cloud to the last mile. This positions us uniquely to serve a range of customers.

So, what's your perspective on partnerships in the space?

We believe in the power of true collaboration. Partnership is often used as a code word for vendorship. However, we believe partnership is working closely together to create a great solution and continued collaboration, including during sales conversations. Selling should not be a one-sided problem.

We are open to collaborate with companies across the ecosystem, with no specific boundary line drawn. Go to market and technology collaborators are our where we are directing our attention to most, for now. For example, we are working with StackPath to deliver orchestration. This collaboration aims to address a customer need, rather than thinking immediately about revenue upside. We want to ensure that developers can seamlessly deploy their applications across Cox Edge or StackPath, increasing accessibility to and reducing friction in getting the cloud resources they need.

What about collaboration with other cable providers? Are you open to exploring the idea of “federation”, as we have seen in the mobile world?

On our own, we have a limited reach, but together we have much wider footprint. We have come up with the technology stack to enable an open source, cloud agnostic platform. If other cable providers wanted to syndicate, they can connect to StackPath and orchestrate across networks. In cable, we already have used syndication as a method of scaling technologies developed by our peers, for example Comcast's X1 platform for TV and video.

That said, it has not been possible to date to create a consortium to accommodate commercial customers with a product wrapper. It has been tricky to get agreement once you arrive at the legal implications. Our hypothesis, however, is that we have now created a platform well-equipped for syndication, so who knows what the possibilities might be?

Special thanks to Ron Lev & Naren Muthiah for this interview:

Ron Lev

GM @ Cox Edge
Executive Director, New Growth @ Cox Communications
ron.lev@cox.com

Naren Muthiah

Strategy & Business Design Lead @ Cox Communications
naren.muthiah@cox.com

Patrick Montague-Jones is a Senior Consultant at STL Partners, specialising in a range of topics across the telecommunications value chain, with particular experience in B2B global services.

Get in touch with the author to learn more

patrick.montague-jones@stlpartners.com

Or visit STL Partners' Edge Hub

www.stlpartners.com/edge-computing