



July 7, 2014

**Mr. Russell G. Golden,**  
**Chairman**  
Financial Accounting Standards Board  
401 Merritt 7  
P.O. Box 5116  
Norwalk, Connecticut 06856-5116

Subject: Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606)

My name is Sanjay Kalra and I am the Corporate Controller of TiVo Inc. I have a request for your consideration as set out below.

In May 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606) which provides guidance for revenue recognition. The standard's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. In doing so, companies will need to use more judgment and make more estimates than under today's guidance. We generally believe the new standard is an improvement to current guidance and will improve quality for financial reporting under US GAAP. However, we think that additional time is required to adopt Topic 606, as such we request the Board to defer the effective date by at least one to two years.

The standard will be effective for TiVo starting February 1, 2017 (i.e., in the first quarter of our fiscal 2018). We expect that the new standard will have a significant impact on TiVo's revenue recognition. We are currently beginning our assessment of the changes to our current revenue recognition policies for our various revenue streams. We have already identified areas that we believe will take significant time and effort to interpret and assess the appropriate application to our specific revenue arrangements for which we currently apply industry-specific accounting guidance that will either change or be superseded (e.g., elimination of contingent revenue provisions, removal of policy election for ratable recognition of licensing of intellectual property, changes to model for former "SOP 81-1" arrangements, etc.). Also, until we can complete that analysis, we cannot even begin to determine the impact to our accounting systems and internal controls over financial reporting.

We respectfully submit the FASB consider deferring the effective date of the new revenue recognition standard by at least one to two years so that the Company has sufficient time to (1) appropriately analyze and interpret the guidance and its application to our numerous revenue streams, and (2) implement new systems and internal controls that will enable recording and reporting revenue transactions under the new guidance. We also note that until we complete (1) above, we will likely not be able to determine the method by which we plan to adopt the standard (i.e., retrospective or modified perspective) as we would



need to understand the extent of changes that will be required. After we understand the expected changes, we would also need time to educate our investors as to the changes which may also impact our determination of the method of adoption.

Regards

*Sanjay Kalra*  
Sanjay Kalra (Jul, 2014)

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