



New Products: *What Will Be Different in The Next 10 Years*

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The Next Tech-ade

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Agenda

- About CEA
- Industry Overview
- How We Got Here
- The Past is the Future
- The Crystal Ball
- Presentation URL / Contact Info

NOTE: All 2006 figures are estimates, all 2007 and beyond are projected



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- **More than 2,100 members**
- **Top 20 Trade Association**
- **Represents entire range of consumer technologies**
- **More than \$140 billion in annual U.S. sales**
- **CEA Market Research**
 - **250+ consumer research studies**
 - **MARA sales data and forecasting program**
 - **Research Library / Economic Insights**



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Industry Overview

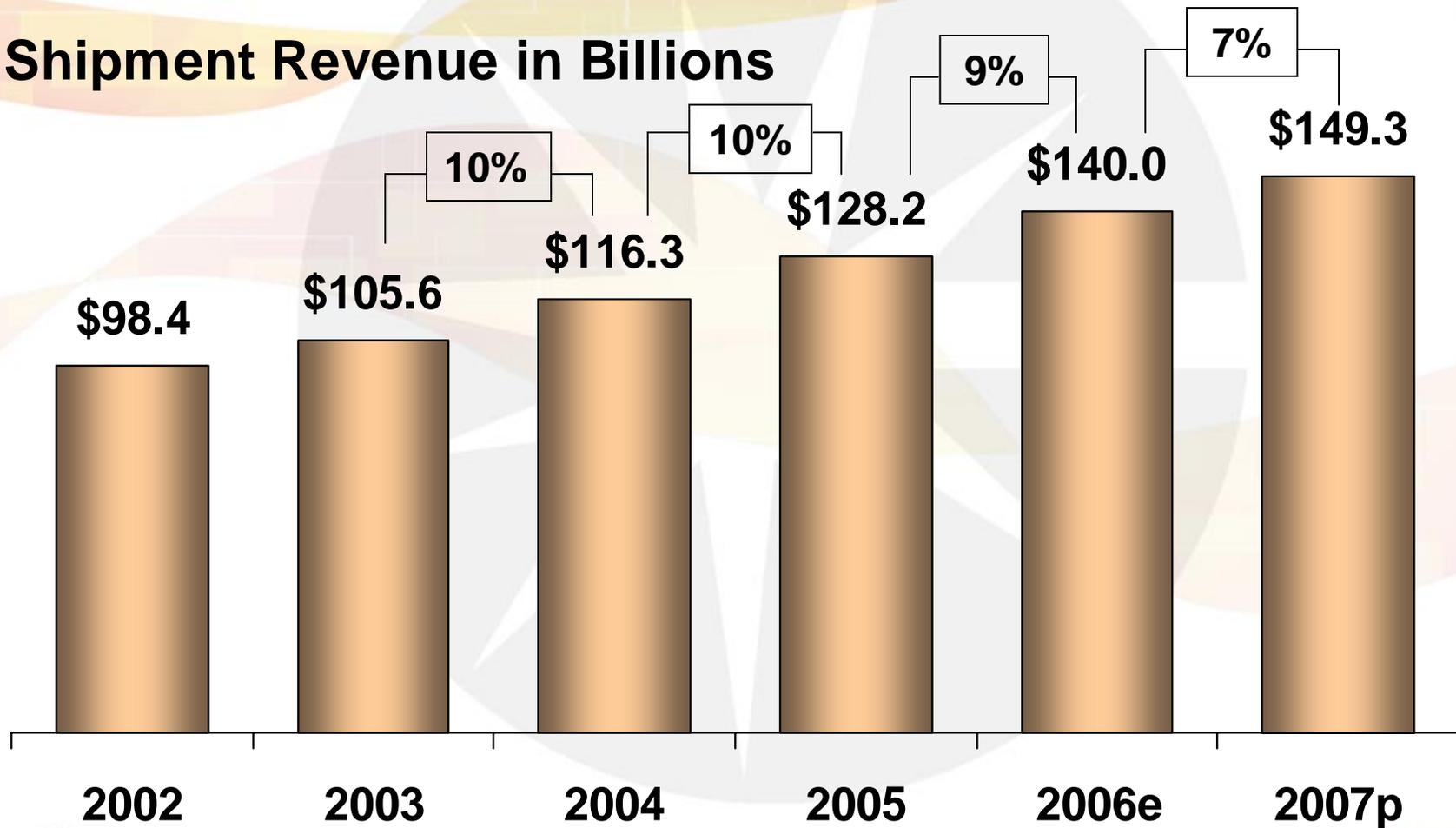


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CE Industry Growth

Shipment Revenue in Billions



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How We Got Here



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Consumer Electronics Technologies Pre-1990

- Commercial radio – 1920
- Commercial television – 1928
- VCR – 1970
- Personal computer – 1970s
- Portable music player – 1979
- Camcorder – 1981
- CD player – 1981
- Cell phone – 1983



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Consumer Electronics Technologies 1990 - Present

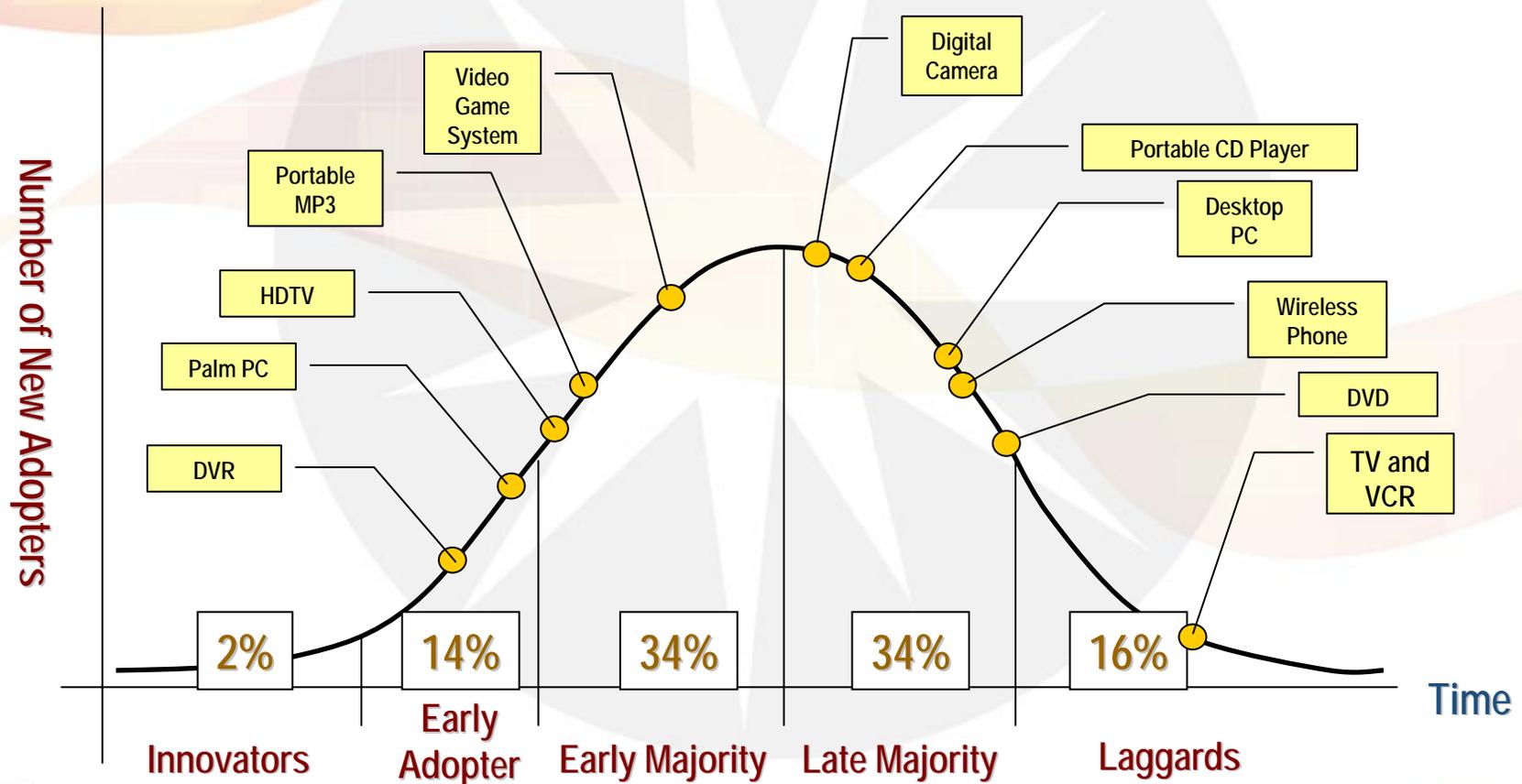
- Digital audio technology – 1990
- Satellite TV – 1994
- DVD player – 1996
- High-definition television – 1998
- Digital video recorder – 1999
- Satellite radio – 2000
- Microsoft Xbox – 2001
- Plasma TV – 2001
- Home media server – 2002
- High-definition recording – 2003
- Digital terrestrial radio – 2004
- Internet TV - 2005



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Product Lifecycle Curve



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The Past Is The Future



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2005 Fastest Growing Products

(Based on Shipment Revenues)

1. Portable MP3 Players	224%
2. Standalone Monitors (in-car)	143%
3. Satellite Radio Tuners (aftermarket)	130%
4. DVD Recorders	125%
5. Portable DVD Players	124%
6. LCD TV	99%
7. 5+ Mega-Pixel Digital Cameras	63%
8. In-Ceiling Speakers	60%
9. Plasma TV	59%
10. Digital Video Recorders	57%



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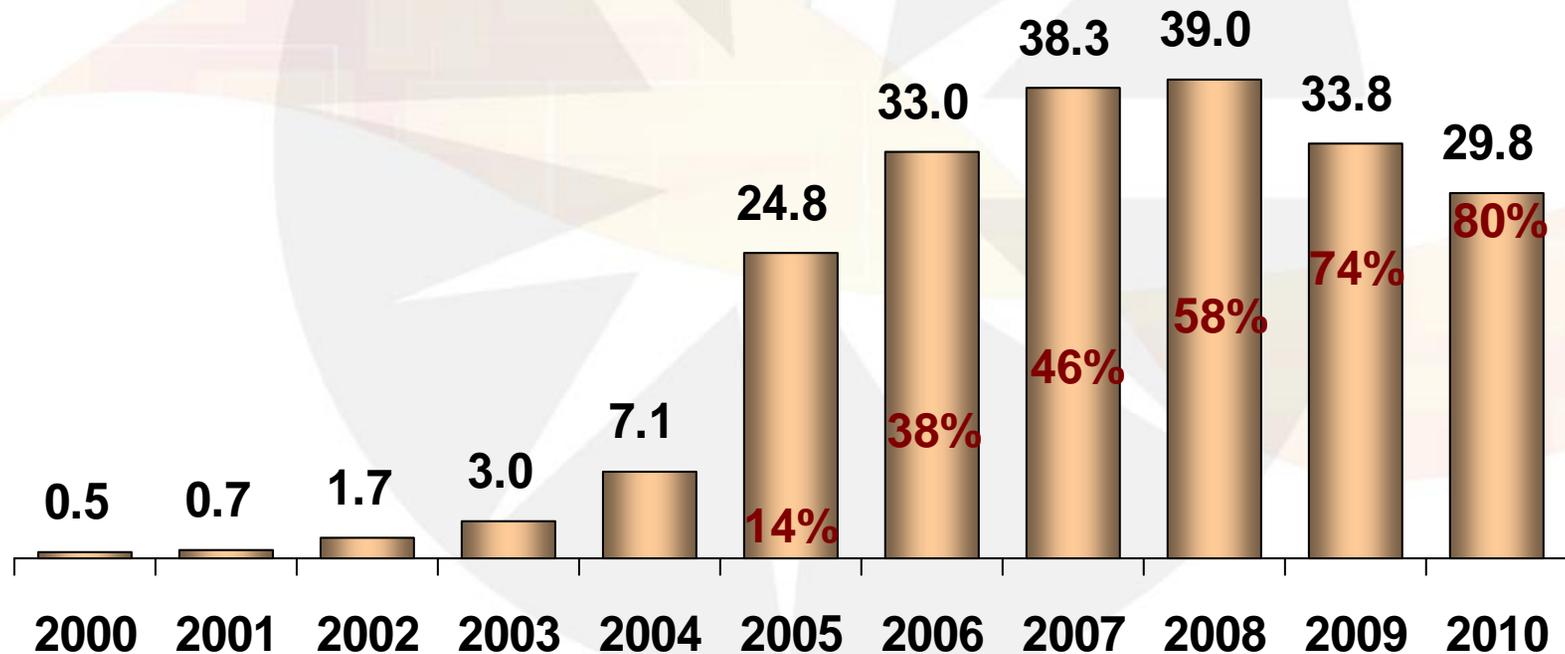


Source: CEA Shipment Data Reports

Portable MP3 Growth

Flash and HDD-Based

Millions of Unit Shipments
w/ Percent Video Playback

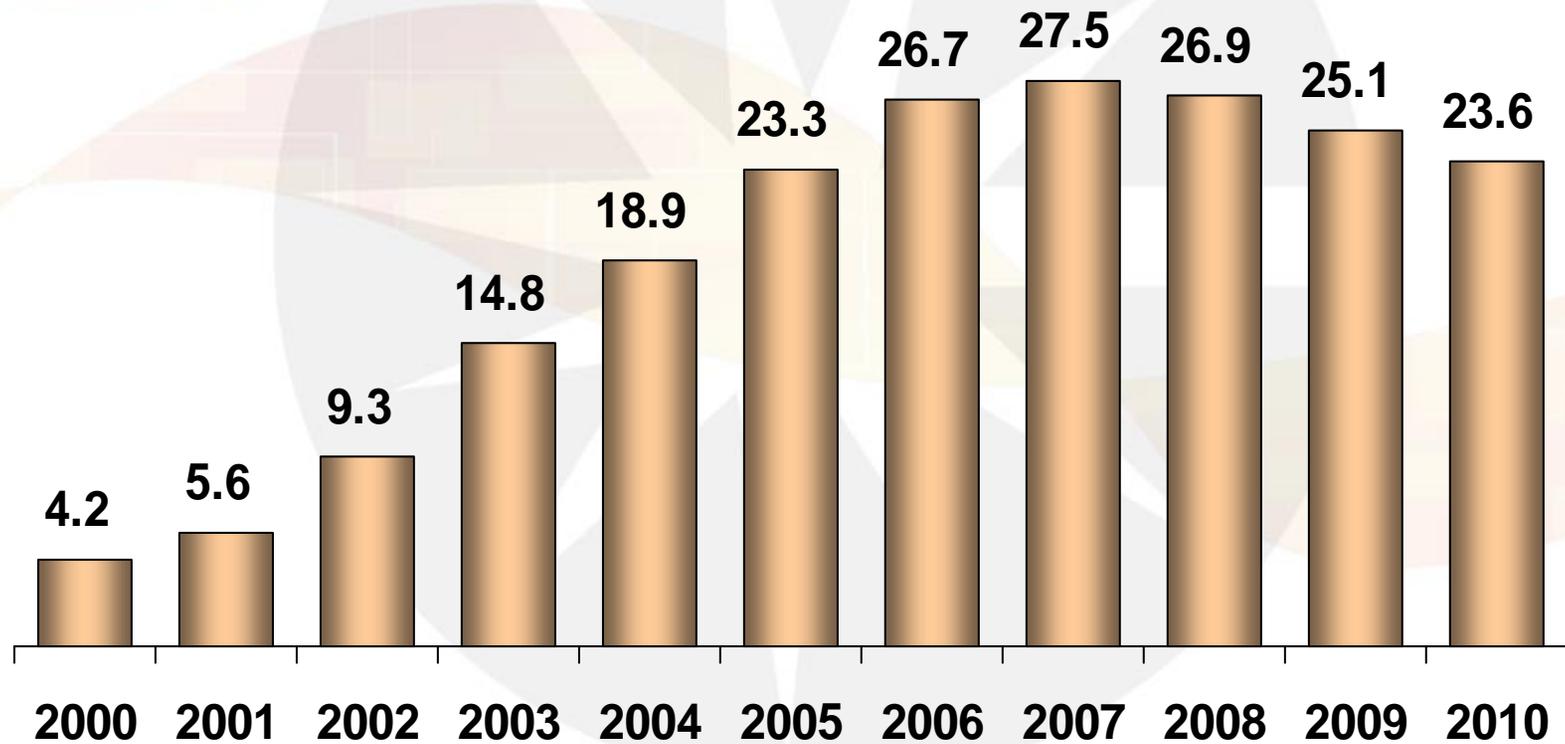


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Digital Cameras

Millions of Unit Shipments

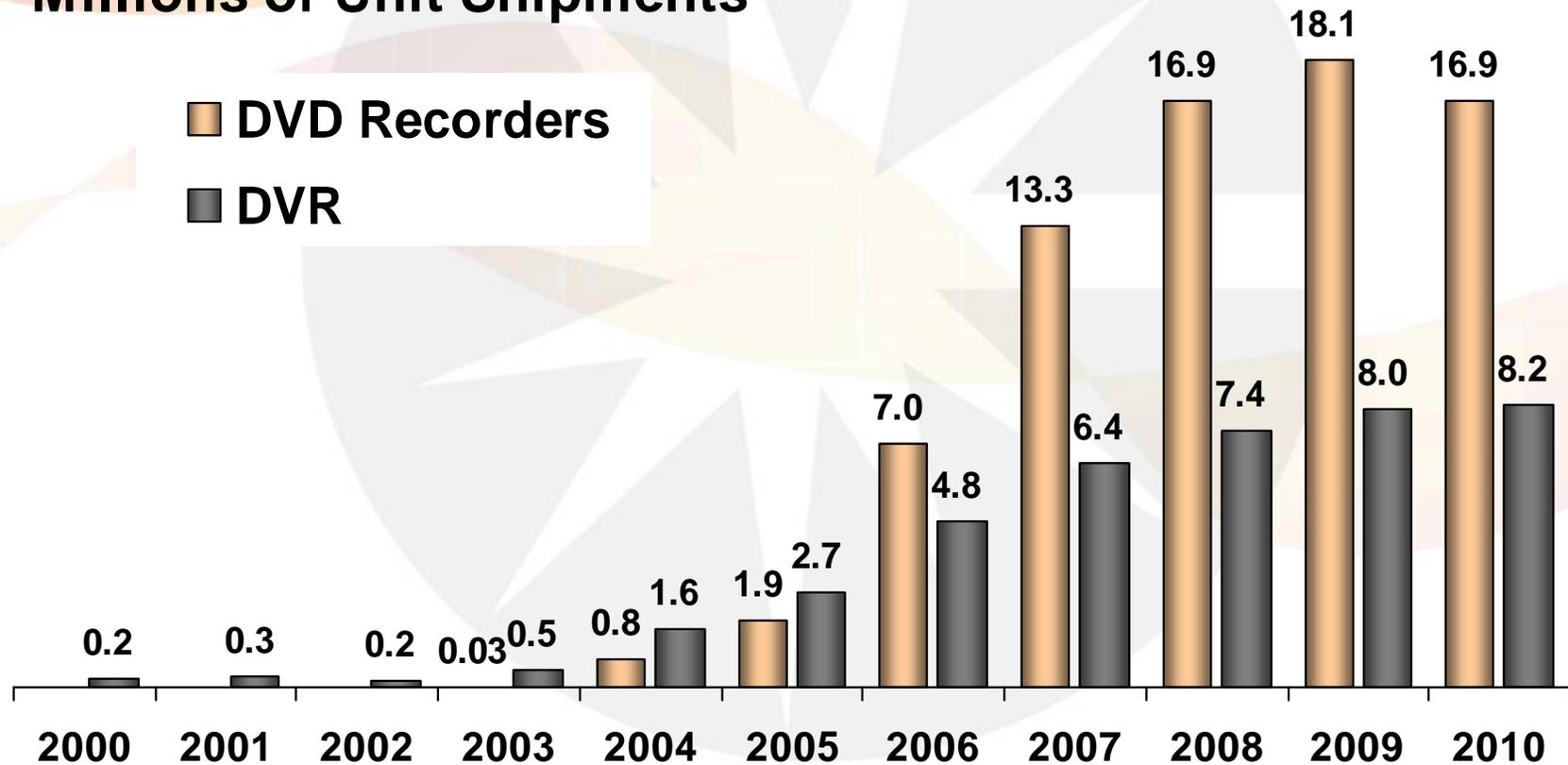


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Digital Recording Options

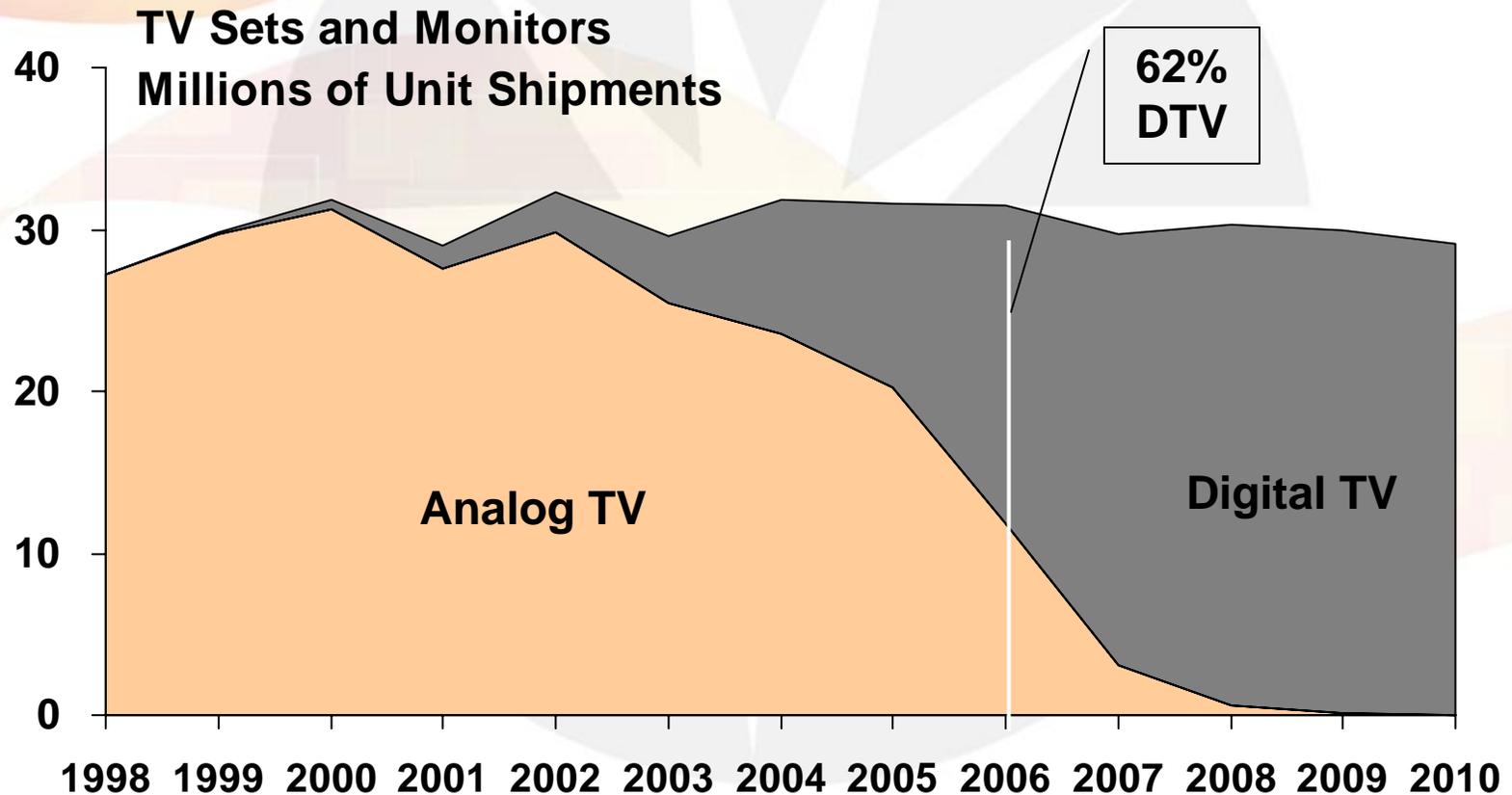
Millions of Unit Shipments



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Digital TV Surpasses Analog



The Crystal Ball



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Replacement Markets Continue

- Wireless phones (100+ MM/Y)
- Cordless home telephones (~50 MM/Y)
- Televisions (~30 MM/Y)
- Game consoles (25+ MM/Y)
- PCs (20+ MM/Y)
- DVD players (20+ MM/Y)
- Home audio systems (5+ MM/Y)



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At Home

- Home theater and entertainment continues to increase
- Digital transition finishes
- High-definition takes hold
- Expanding number of products connected to the Internet

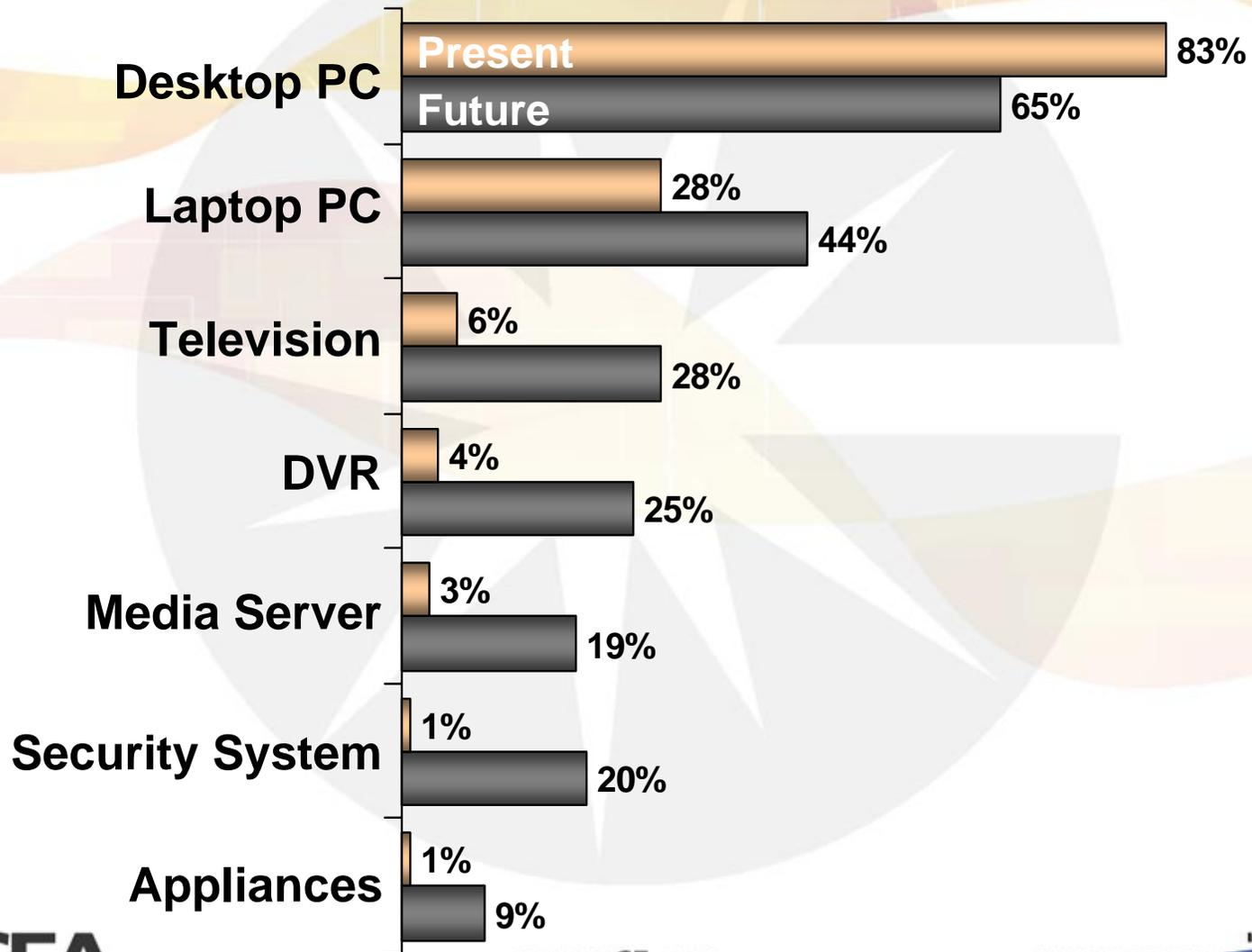
“What I want, when I want it”



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Products Connected to Internet



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Base: Online US Households

On The Go

- Handheld communications
- Handheld entertainment
- Automotive
- Location based services
- Wireless broadband devices / services

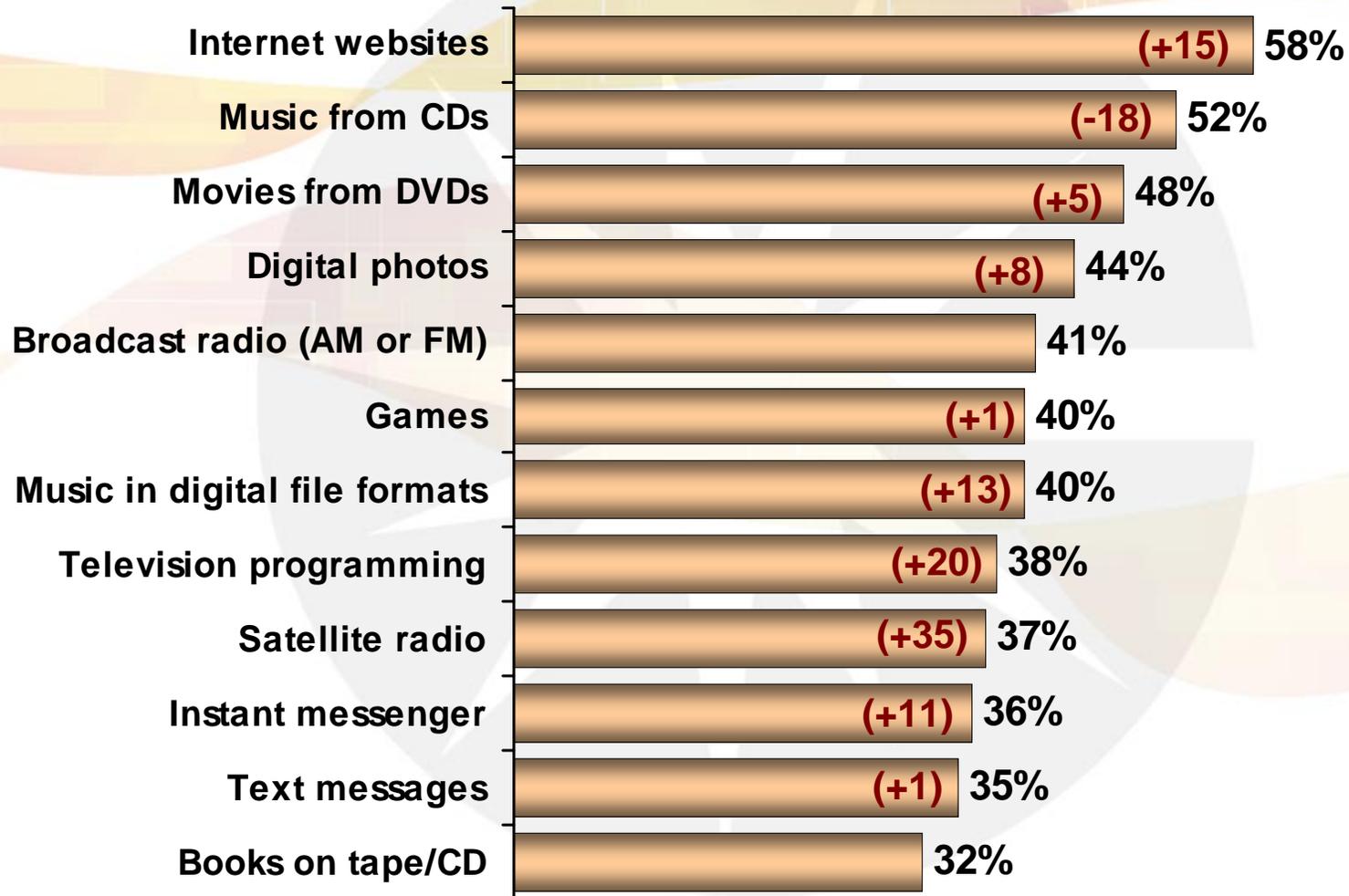
“What I want, when I want it, **WHERE** I want it”



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Future Portable Entertainment Uses



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Base: Online adults who own a portable entertainment device

Conclusion



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What Will Be Different?

It's not so much what products will be different, it's how they are used that will be the most dramatic paradigm shift in the history of consumer electronics.



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Questions?



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**Download slides:
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