

There are no doubts-- **it has been quite a full year**. From natural disasters to protests and ousted dictators, there was truly something for everyone on the headlines. And as for our business, well, we're about to take a look at what went on during past 12 months, with a Top 11 for 2011...

1. <u>Farewell, Steve Jobs</u>: The biggest story this year was certainly the untimely demise of Steve Jobs at age 56, following a 7 year struggle with cancer. During those years, Apple brought us the iPhone and the iPad. Jobs had already stepped down as Apple CEO on Aug. 24th 2011... and most of us knew the only only reason he would walk away from the company would be his ultimate demise.

One cannot understimate Jobs' effect on the industry-- his return to Apple in 1997 turned a company Jobs himself described as weeks away from bankruptcy into one of the the biggest in the world (and the biggest for a few weeks), fuelling customers' lusts for technology in the process.

- 2. <u>Motorola Mobility goes Google</u>: Is Google planning to duplicate Apple's success in hardware, or simply hoarding patents (of which Motorola Mobility owns 24500?). Either way, Google will now be able to make a whole variety of devices-- not only smartphones and tablets, but also Bluetooth-based accessories and, more importantly STBs. Google insists Motorola Mobility will be run as a separate entity and Android will remain open source-- but one has to read between the lines...
- 3. <u>The Google TV non-success</u>: Google pinned lots of hopes on the Android-powered Google TV, which found its way in the Logitech Revue and a Sony TV. However, Logitech describes the Revue as a "mistake" while Sony appears to be moving towards a proprietary system, leaving

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Google in a difficult situation. Or does it? The Motorola Mobility acquisition might result in good news for Google TV, if IHS iSuppli happens to be right, while Chairman Eric Schmidt remains confident on the system

4. TV slows down: European TV demand falls short of analyst expectations <u>according to DisplaySearch</u>

while Nielsen expects

TV ownership to start dropping in the US

- . The reasons are roughly the same on both side of the pond-- increasingly cost-cautious customers in tough economic times.
- 5. Apps as universal remote replacement: Everyone appears to be making smartphone and tablet remote control apps and solutions, from <u>Logitech</u> to <u>Crestron</u>, making one wonder-- are the remote control's days numbered? Then again, some vendors want us to <u>control TVs using brain power alone</u>

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6. The Netflix saga: Netflix might not be available over here yet (<u>but it will in the UK and Spain sometime in January</u>) but it

still makes the headlines. Why? Well,

it first split in two

, creating a "confusing mess" of pricing structures in the process. Then it abandoned all plans to split up

but not before angering customers and losing market share. Either way, we're still waiting.

- 7. What's so smart about a SmartTV War? Very little, unsurprisingly. It just isn't "smart." It's dumb business. The current battleground of the SmartTV Wars is filled with fragmented, walled-in and proprietary technologies, leading to confused customers. And when the customer hesitates to buy... nobody wins.
- 8. Projectors get flexible: Customers want their projectors everywhere and anywhere-- as seen in Pacific Media Associates research and the growing number of different models, pico projectors are increasingly popular. "Flexible" installations are growing too, thanks to brighter, smaller and quieter projectors

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- 9. The iPod creators focus on the thermostat : When iPod creators Tony Fadell and Matt Rogers left Apple to start their own company back in 2008, many thought the two would work on a next-gen music player. Instead, they revealed the Nest, an intelligent (and rather stylish!) thermostat that might help bring a new era to "intelligent" home control. Speaking of home control...
- 10. <u>Home automation on the rise</u>: As fuel costs soar, customers are increasingly aware of energy consumption-- driving demand for smart meters and consumption management tools, Strategy Analytics says. Europe is actually market leader when it comes to automation and control, at least according to Markets and Markets.
- 11. Streaming vs stored media: <u>Servers are getting heftier</u> and <u>more flexible</u> while streaming media services (including Spotify and Pandora) are all the rise-- meaning your customers (and ourselves!) are spoiled for choice when it comes to content sources. Which means there should be plenty of demand for great sounding music systems.