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Media Servers, Portable Entertainment, Hybrid White Goods, Innovative Gaming, and Telematics are hot technologies to watch in 2005, according to the Consumer Electronics Association (CEA), sponsor of the 2005 International Consumer Electronics Show in Las Vegas, Nevada, USA, from January 6 to 9, 2005. These five technologies are slated to bring value to consumers' lives and have the greatest impact on the industry.

1) **Media Servers** contain a hard disk drive for storing digital media and allow distribution of these files to other devices located at the home.

The publication stipulates that with more than 52 percent of US households expected to have home networks by 2008, the infrastructure for media servers is firmly in place. However product interconnectivity, bandwidth capacity and copyright issues remain the largest barriers to mass adoption. As these issues are resolved in the near future, the market for media servers is expected to grow rapidly, allowing consumers to store digital media, including photos, movies, and music, on one device and listen to or view it on another.

2) While **Portable Entertainment** is not a new fad, advances in digital technology are changing not only the types of portable entertainment devices but also the way consumers use them. With the explosion of digital music and the popularity of digital music download services, shipments of portable MP3 players have topped 2.5 million units in the first half of 2004.

The portable entertainment devices are on a convergence path with cell phone, personal digital assistants (PDAs), digital memo recorders and even cars hitting the market with MP3 capabilities. In the digital video realm, portable DVD players and installed mobile video are the hot ticket items as consumers increasingly want the ability to take their video content with them wherever they go.

3) **Hybrid White Goods**, otherwise known as the kitchen, are products that combine old technologies with new. Examples include refrigerators that can monitor the shelf life of its contents and ovens that can download and execute recipes via the internet. Broadband is the key to this technology, so the continued expansion of high-speed home networks is promising for the rollout of the smart kitchen. Consumers are intrigued by the convenience and efficiency of hybrid white goods, as a recent survey by the Internet Home Alliance revealed that 42 percent of U.S. single-family homeowners are interested in new technology in a connected home.

4) **Innovative Gaming**. The traditional console video games are the most popular, with 35 percent of American homes owning a system, computer or PC games, online games and portable games also are an integral part of the growing gaming trend. Highly cyclical in nature, the console industry continues to see declining numbers in terms of sales, however these numbers are expected to bounce back when the major players in the category announce their next generation consoles. In contrast, online, portable and wireless gaming are expected to take off in the next couple of years as older gamers and women become an increasingly larger part of the gaming population.

5) **Telematics**, which is technology that enables the electronics embedded in a vehicle to connect wirelessly to external sources, has reshaped the role of consumer electronics in the car. In the near future, telematics will enable an off-board navigation system where satellite information is beamed directly to the vehicle instead of scripted from a CD or DVD. It also will allow music to download directly to a car stereo through a wireless broadband connection. While traditionally used for emergency monitoring services or hand-free wireless phones.

FIVE TECHNOLOGIES TO WATCH indicates that the successful adoption of telematics lies in the entertainment realm, which might include television, movies, and games piped into the car wirelessly. This trend will provide a boost to aftermarket video and navigation sales and allow the car to be connected to the outside world in the same manner that homes and offices are today.