



CABA'S CONNECTED HOME COUNCIL

Connected Home Council (CHC) Meeting Minutes
Hosted by Verizon, Basking Ridge, NJ
Thursday, March 22, 2012
9 AM – 11:30 AM ET
DRAFT MINUTES

Meeting Participants:

Michael Clay, Verizon, CHC Chair
Scott Burnett, IBM, CHC Vice-Chair
John Beagley, Hitachi Communications
David Cardell, Amdocs Ltd.
Kevin Downing, MMB Research
Lewin Edwards, Honeywell International, Inc.
Larry Ehlinger, Pella Corporation
Sonia Estevez, Samsung Telecom America
Ken Fairbanks, Duchossois Industries Inc.
Dan Flagler, Verizon
David Foote, Hitachi Communications
Robin Ford, Global Cache
John Hall, CABA
Robert Heffron, Verizon
Fabrice Hoerner, QUALCOMM
Martin Kienzle, IBM
Grant Kroeger, QUALCOMM
Andre Lalande, Lutron Electronics Co.
Michael Lehman, Zanthus, Corp.
Jim Murphy, Sykes Assistance Services
Frank Perazzini, J. D. Power & Associates*
Roxy Podlogar, Tendril Networks
Michael Pozapalidis, Verizon
Barry Rogers, SecurTek Monitoring Solutions
Tim Rucinski, Complete Learning Solutions
Arthe Sampras, Verizon
Janet Schijns, Verizon
Melissa Simpler, Affinegy
Clint Wheelock, Pike Research
Carole Wiedmeyer, Zanthus Corp.
Ron Zimmer, CABA

(* Connected by teleconference)

1. Welcome and Introductions – Michael Clay, CHC Chair, Verizon and Ron Zimmer, CABA President & CEO

CHC Chair, Michael Clay, Verizon, co-chaired the meeting with Ron Zimmer, CABA President & CEO. New CHC members, and attendees were welcomed to the meeting, including Scott Burnett, CHC Vice-Chair. Michael announced that Janet Schijns, Vice-President, Verizon Wireless Business Solutions Group and Dan Flagler, Product Development Manager, Verizon Corporate Services, would also be making presentations to the Council. John Hall circulated an attendance sign-in sheet, to expedite the meeting schedule. The CHC meeting minutes of October 27, 2011 were discussed and motioned to pass – motioned by Carole Wiedmeyer, and seconded by Scott Burnett.

Ron Zimmer, CABA President & CEO, thanked Michael Clay and Verizon for their excellent hospitality in hosting both the CHC meeting and the CABA Digital Home Forum. Ron mentioned that the meeting minutes of October 27, 2011 and all presentations from the current CHC meeting could be viewed and downloaded on the CABA website at: <http://www.caba.org/connected-home-council>. Ron called upon the Council for any new CHC business, and reminded attendees that new business or initiatives in which the CHC may consider, or become involved, could be passed along to the CHC Executive or the CABA staff.

2. NextGen Home – Ron Zimmer, CABA President & CEO

Ron Zimmer updated the Council on collaboration with, and CABA sponsorship of, the NextGen Home Experience - detailing the NextGen Home activities in the first quarter of 2012. The NextGen Home is currently celebrating its 10th anniversary, with the introduction of the “NextGen Companion Home Concept”. The home was designed by nationally recognized Martin Group’s Green Studio and features an “interlocking architecture” approach to modular homes. The home is energy efficient, green and has the flexibility to “interlock” additional rooms into the floor plan. The home was built to U.S. DOE “Building America” standards and features new lighting products designed by Philips, and a new digital tankless water heater designed by SEISCO. A media/VIP function, sponsored by CABA, was held at the Companion Home at IBS 2012 in Orlando, FL in February.

As well, the NextGen Companion Home and CABA research and data capture opportunity was updated. The travelling showcase Companion Home is planned for major trade show events through 2013, including: CES, PCBC, KBIS, and several more over the course of 12 to 18 months. Tens of thousands industry influencers, specifiers, media and general decision-makers touring the home offers a unique opportunity to capture research information, observation and feedback for those showcasing new products and technologies in the home. CABA will be working in conjunction with iShow in the coming months to devise real-time, value-added research collection and reporting mechanisms for those showcasing new technologies and products in the home.

3. “Multi-Tiered Offerings to the Connected Home Space”: Presentation - Lewin Edwards, Senior Software Product Manager, Honeywell Security

As groups of consumers have significantly different expectations and needs from connected home solutions, there are major inflection points in the entry cost/scalability curve for hardware and software solutions. Lewin Edwards, of Honeywell Security, presented a brief overview of a three-tiered approach covering the primary use cases for multiple types of end-users. The key premise is that the connected home market is not homogeneous. It is recognized that the needs of different segments are stratified, and that significant differences exist in system scalability. However, many vendors design offerings for only the largest of segments, without providing a higher or lower-featured alternative. In short, the connected home industry must understand the different sets of end-user needs, to design offerings from these needs down. A key point is that relatively few users upgrade - resulting in the increased need for suppliers to analyze which SKUs might be common to different offerings. The complete presentation can be found at: <http://www.caba.org/connected-home-council>, Honeywell Presentation.

4. “Relationships to Next Generation Energy Consumers”: Discussion – Janet Schijns, Vice President, Business Solutions Group, Verizon Wireless

In discussing the future of vertical markets, Janet Schijns, of Verizon Wireless, addressed the Council regarding the expected relationships with the “Next Generation” of energy consumers. First and foremost, the next generation of young consumers are progressive, in that they “think wireless”. This can be attributed to the proliferation of wireless devices in the mainstream market and that young consumers are attuned to wireless as the primary technology with which they were raised. As this generation moves into the role of decision-maker and person most responsible for the payment of wireless services, they are becoming increasingly engaged in the interactive process of home automation. This is happening at an increasing rate of growth,

because young consumers have a different relationship and adoption rate with automation, as opposed to previous generations.

The “Next Generation” is driving rapid change in home technology and its interface, as they believe that it should be more intelligent, intuitive, aware and content driven. As well, this generation tends to be more environmentally conscious - which is leading to environmental action. When these factors are combined, the “Next Generation” of energy consumers will engage more remote devices for access and control of the home environment and more easily embrace alternative energy sources as a means of sustainability. The key takeaway is that the young “online generation” is currently willing to pay for virtual services and will continue to do so in the future – due to their beliefs and their ease of use of technology. It is held that this will create great market potential for continued development in energy management, mobile healthcare and other sectors.

5. “QUALCOMM’S Vision for the Connected Home”: Presentation - Fabrice Hoerner, Technical Marketing Manager, QUALCOMM

Fabrice Hoerner, of QUALCOMM, presented the vision of the connected home – with the residential gateway seen as being at its heart. Whether it is a multi-purpose, cross-vertical gateway or a specialized gateway (e.g. energy, security, health, etc) – the residential gateway provides the key building blocks that enable and enhance interoperability, network management and user experience. Seamless communication between home devices could be normalized, regardless of the network or protocols used. The multipurpose gateway, utilizing 3G/LTE networks, would provide uniform access to all home controls and connected services to provide smart, intuitive, empirical/ measurable and interactive interoperability between home and remote devices. This is particularly relevant to effective home energy management services. The real-world role of 3G/LTE as backhaul connectivity for managed services, the benefits of combining multi-layered home connectivity (such as WiFi, Homeplug AV and Homeplug GP), to provide additional flexibility of use, and the role of hybrid networks (P1905.1) to ensure seamless communication within the home was discussed and explored. The focal point of the discussion involved the use of protocol P1905.1 to ensure the interoperability of key home connectivity, networks and devices. The complete presentation can be found at: <http://docs.caba.org/documents/Qualcomm-CABA-Connected-Home-Council-20120322.pdf>, QUALCOMM Presentation.

6. “Distributed Energy Generation for Homes”: Presentation - Clint Wheelock, President, Pike Research

Though much attention has been given to home energy management systems and their associated use cases and business models, an equally important aspect of this shift is the move toward more distributed power sources. Clint Wheelock, of Pike Research, provided an assessment of distributed energy from solar photovoltaic and small wind systems, community and residential energy storage, residential fuel cells, and residential combined heat and power (resCHP) systems - together with a review of how energy efficiency measures will reduce overall residential electricity demand. The presentation featured an overview of current residential energy usage in the U.S., an introduction to micro renewables, residential CHP and residential energy storage, and the current global and U.S. market size for distributed energy sources. The growth of commercial availability in the U.S. was also discussed, as was the incentives and barriers to players in this market. Key to the presentation was the potential for business models to emerge for distributed energy generation: the evolution of the “virtual power plant” – where space is leased from homeowners for energy generation to the grid; or a model wherein IPP’s become the community energy provider. Finally, a sample forecast of global resCHP rollout was provided through 2022. The complete presentation can be found at: <http://www.caba.org/connected-home-council>, Pike Research Presentation.

7. CABA Smart Grid Working Group: Update – Brian Stephenson, Smart Grid Working Group Chair, Tyco Electronics

Brian was unable to join the meeting and provide a report at the CHC meeting. Anyone interested in joining the Working Group should contact John Hall, CABA Research Director (hall@caba.org).

8. CABA Information Council (CIC) White Paper Ideation and Submissions, CABA Awards and Recognition Program, and CABA Speakers Bureau: Presentation/Discussion – Ron Zimmer, CABA President & CEO

8.1 Ron Zimmer provided an overview of the CABA Information Council (CIC) and the CABA Members Research Library. Additional information can be found at: <http://www.caba.org/caba-info-council>. It was suggested that a complimentary activity for the CHC to become more involved in the CIC would be to implement a new initiative to develop “**CHC White Papers**”. The CHC is interested in developing white papers on timely, relevant, “hot button” issues in conjunction with contributing member organizations, industry consultants/specialists, research vendors, and other interested organizations – for use by the CHC membership. Ron told the Council that CHC members would be asked for their feedback on potential white paper topics and development, via a CABA CHC survey in May. The survey results will be presented at the next CHC meeting in June, 2012.

8.2 Ron Zimmer informed the Council that CABA was currently undertaking a Task Force to explore development of a new CABA Awards and Recognition Program. As applied to the CHC, the Awards and Recognition Program would promote and recognize nominated member achievements for advancements in the connected home market. Ideas, participation and feedback in the Task Force from meeting attendees was encouraged and welcomed. Ron asked that those interested in taking part in the Task Force to please contact the CABA staff.

8.3 Finally, Ron Zimmer provided an overview of the CABA Speakers Bureau. CABA receives numerous requests each year for members who would be willing to speak at events on various topics regarding home and building automation. CABA is compiling a member database of leading industry professionals, willing to speak at many of the over 100 global events that CABA currently endorses. The Speakers Bureau not only allows members to highlight their own organizations, but also provides the chance for member voices to be heard in the industry, create new networking opportunities and develop new business relationships. There is no cost to CABA members to become a featured speaker at industry events, and CHC members were urged to take advantage of the opportunity to register for the CABA Speakers Bureau. Interested CHC members can get more information at: <http://www.caba.org/speakers-bureau>.

9. “Education Connects The Connected Home”: Presentation - Scott Bachrach, Vice-President of Operations, Complete Learning Solutions

The Complete Learning Solutions presentation was deferred to the next CHC meeting in June 2012, due to a medical situation.

10. “Connected Home Glue”: Presentation - David Foote, Chief Technology Officer, Hitachi Communication Technologies America, Inc.

David Foote, of Hitachi Communications Technologies America, presented a view of the connected home market as relatively new and immature, characterized by an emerging shift from the size of the connection to the home to disparate, multiple and fractured networks, applications and divergent and multiple connectivity of devices within the home. The business case for SPs, ASPs and gateway providers is quite challenging under current market conditions. Higher prices and increased complexity for the consumer is hindering market growth. As new home technologies continue to emerge, it will be unrealistic to expect one “winner takes all”, in terms of market penetration and normalization. The current path is leading to multiple “gateways” and isolated ecosystems for each application or small set of applications - all tightly coupled in customized solutions to the hardware and different home network protocols/interfaces.

One possible solution to fracturing within the market may lie in the development of “application platforms” - creating an open and extensible “multi-app” platform from almost any device, including CPE and end devices. Adapting client-server and open API software architectures using non-device specific open standards, such as Open Standards Gateway Initiative (OSGi) technology could provide a dynamic module system, using Java - the preeminent software development environment. This could enable developments for software components to be installed, updated, removed without disrupting device operation (versus static deployment), as well as provide a cooperative model where apps can dynamically discover and use services provided by other apps running inside the same platform. This would enable multiple apps on the same gateway. The complete presentation can be found at: <http://docs.caba.org/documents/CHC-Meeting-Hitachi-Presentation-March22.pdf>, Hitachi Presentation.

11. “Verizon FiOS”: Presentation – Dan Flagler, Manager, Product Development & Marketing, Verizon Corporate Services, Verizon

Dan Flagler, of Verizon, provided the Council with an overview of FiOS and its capabilities for broadband and Telco-based customers. Verizon FiOS is a bundled internet access, telephone, and television service which operates over a fiber-optic communications network. FiOS services are delivered over a fiber-to-the-premises network using passive optical network technology. Voice, video, and data travel over three wavelengths in the infrared spectrum. To serve a home, a single-mode optical fiber extends from an optical line terminal at a FiOS central office out to the neighborhoods where a passive optical splitter fans out the same signal on up to 32 fibers, thus serving up to 32 subscribers. At the subscriber's home, an Optical Network Terminal (ONT) transfers data onto the corresponding in-home copper wiring for phone, video and Internet access. FiOS offers several service tiers that are available individually, but are offered at significant discounts when combined in a bundle. Multiple service tiers are also offered within television, internet, telephone/digital voices service packages.

12. Other Business, Closing Comments, Meeting Adjournment and “Verizon Communications Connected Home” Demonstration/Tour – Michael Clay, CHC Chair, Verizon and Ron Zimmer, CABA President & CEO

CHC Chair, Michael Clay, Verizon, and co-chair, Ron Zimmer, CABA President & CEO, asked meeting attendees for any outstanding business, and reminded everyone that all meeting proceedings, minutes and presentations could be found on the CABA website at: <http://www.caba.org/connected-home-council>. All featured presenters and meeting attendees were thanked for their contributions. All were then invited and encouraged to participate in a tour/demonstration of the “Verizon Communications Connected Home”, featuring the complete Verizon FiOS service. The meeting was then adjourned at 11:30 AM ET.

Other news items:

1. For information on how you or your organization can take part in the CABA CHC 2012 Landmark Research Project, “**Impact of Smart Grid on Connected Homes**”, please go to: <http://www.caba.org/research/projects/smart-grid-2012>, where you can view and download the study webinar, PowerPoint presentation and study research prospectus. Organizations sponsoring the project include: Hydro One Networks Inc., IBM, Microsoft Corporation, Pella Corporation, Samsung Electronics, Southern California Edison and TELUS - with several more expected to join soon.
2. Information on CABA Councils, Terms of Reference and CHC meeting minutes are posted at: <http://www.caba.org/councils/index.html>.

3. For any CABA CHC member or non-member that wishes to participate in any of the CHC Advisory Boards, Task Forces or Working Groups, please contact Ken Gallinger, CABA Marketing Director, (gallinger@caba.org) or the CABA office.
4. CHC meetings are open to all CABA members.
5. If you wish to access the CABA Research Library, please e-mail Tony Disipio: Disipio@CABA.org and he will forward your new passwords.

CABA's Connected Home Council (CHC) Meeting Sponsorship Opportunities:

If you are interested in hosting the CABA Digital Home Forum or sponsoring a CHC meeting or reception, please contact:

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