



## Future Bright For Home Media, Analysts Say

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**PC Magazine Staff - PC Magazine**

**July 7** - Two separate analyst reports released Thursday paint a rosy future for home media servers and the networks that they will use to pipe content around the home.

ABI Research predicted that by 2011, the home media server market will top \$44 billion in value, up from \$3.7 billion in 2006. In a separate report, Parks Associates forecast that 20 million people would own a "connected entertainment network," of interconnected consumer-electronics devices, or a PC-to-CE network, by 2010.

The PE-CE convergence began in about 2000 when companies like TiVo and ReplayTV began offering personal video recorders that recorded video to a hard drive, like a PC.

After failing to capitalize on either its WebTV box or UltimateTV interactive service, Microsoft then introduced its Windows XP Media Center Edition in 2002, which allowed PC owners to connect their cable feed to the PC and perform the same PVR functions. Meanwhile, a host of wired and wireless solutions emerged to distribute content around the home, including "connected" DVD players and more sophisticated media networks.

According to ABI Research, networking protocols like DLNA and the Multimedia Over Coax Alliance (MoCA) will tie CE devices and PCs together. The wall between the two, however, will likely be paid access.

"Success stories in the PC camp, such as the approval of OCUR CableCard support in Windows Vista, will certainly mean some adoption of pay TV going over networks installed by consumers," said Charles Wolf, an ABI analyst, in a statement. "But we believe that the pay TV media server category will be dominated in the near- to medium-term by the set-top box, while the PC media server and consumer electronics categories will flourish as personal and Internet content media servers."

Wolf said that companies like Orb Networks and Snapstream, which allow consumers to create their own media access servers to view content remotely over the Internet, would likely benefit, and not wilt, under the rise of the media server market.

Meanwhile, Parks analyst Harry Wang predicted that home networks providers would need to strike content deals to enable their services to flourish, much like the MP3 player-music service-record labels ecosystem has sprung up.

"Consumer electronics (CE) manufacturers are still searching for the Rosetta stone of the connected entertainment market," Wang said in a statement. "To move beyond the early-adopter stage, CE manufacturers must ally with content and service providers, software developers, and silicon designers to build elegance and usability into the product design and bring popular digital content to consumers' fingertips anywhere in the home."

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