

Connectivity – Challenges and Opportunities

IoT – What is it?

The Home - Historical Business Models

Cloud Based Automation

How to Think About Cyber Security

Home Automation or Service?

IoT – What Is It?

- A combination of –
 - Sensors – Every increasing both stand alone and integrated into other devices
 - Connectivity – Also ever increasing in the form of wired and wireless; open and proprietary. All form “pipes to the cloud.”
 - People and Processes – Enabling better or new business models; both to take out costs or create new sources of profit
- How Big?
 - 2014 - 2 Billion connected devices shipped into an installed base of 6 billion devices
 - 2012 (predicted) - 8 Billion devices shipped into an installed base of 30 billion devices
- End Markets
 - Home and buildings
 - Expanding to Transportation, health, and cities

The Home - Historical Business Models

- Think about frequency of homeowner interaction
 - A/V, Security, Lighting
 - HVAC, Irrigation, Garage Doors High End Homes
 - All functions under one roof
- Security Recurring Revenue Model – Under threat
 - Make it up in monitoring – historically around 20% saturation
 - Security “Awareness” – a new growth opportunity
- Think Compound Applications
 - Healthcare and Smart Homes
 - Appliance monitoring and predictive maintenance
- Dis-Integration in the Cloud
 - IFFT, HomeKit, and Google Home

Cloud Based Automation

- Think Location – Time – Occupancy – Action
 - Turn your Lutron lights on if your Nest Protect detector a smoke alarm emergency
 - Turn your Honeywell thermostat up if your phone is within 5 miles of your house
 - Turn your outdoor lights on if your phone is within 1 mile of your house and the time is past sunset

Simple to do – but not every can or wants to do it

How to Think About Cyber Security

- The Target incident
- Areas of Security
 - Device
 - Defend by limiting range of action
 - Network
 - Leverage existing tools and techniques
 - Site

Home Automation or Service?

- Both but.....
- Hardware and Software technology enables ease of installation and set-up
 - Starter installs - \$1,000 for 5 connected light switches
 - Security awareness starter kits
 - Thermostats, etc
 - Remember – The power is in the ensemble and not the individual instrument
- Fuel delivery companies have what utilities and security covet – Good customer relationships – Leverage!
- Service will come but needs people and process integration

Q/A
