

From the desk of Rouzbeh



Dr. Rouzbeh Yassini

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Hello and Happy New Year,

I am working my way through the annual Consumer Electronics Show in early January and it is mind boggling. It’s not my first CES visit by a longshot, but when faced with walking through more than 500 acres of trinkets, gadgets and innovations, I find the task more daunting than ever.

One of the most interesting talks I heard was in the area of Advanced Driver Assistance Systems (ADAS) and was given by an analyst with **STRATEGY ANALYTICS** named Roger Lanctot. FYI: ADAS are systems developed to automate/adapt/enhance vehicle systems for safety and better driving. And most of these applications need broadband in order to communicate.

I have his slide deck if you are interested in getting it. My key takeaways from his presentation were that ADAS is real, it is the low hanging fruit of the connected vehicles market, and the growth curve is strongest in mainstream vehicles, not luxury models.

Elsewhere in my trekking through the show, I found that Beverly Hills, Las Vegas (where CES is held), and Ann Arbor, MI, are developing smart cities applications to empower faster growth of autonomous (or connected) vehicles. And they are pushing hard on integration into their municipal infrastructure to improve auto safety and reduce accidents, and to make the car a more powerful mobility device. (You may recall that Pittsburgh and Detroit are making strong attempts to become centers for ADAS on road testing).

Lanctot touched on the safety aspect as a key force for ADAS development, noting that China poses a great challenge and market opportunity because of the terrible smog and environmental issues and the fact that 700 people are killed daily in that country, 7 times the death rate in the US. And there are others writing and blogging about connected cars **USA TODAY**, or for coverage on gadgetry, check this Tech Crunch **ITEM**. I also saw some interesting items on the **VERGE** web site.

Later in the show, Renault-Nissan’s CEO Carlos Ghosn said in a keynote that there will be more change in the automotive sector in the next 10 years than there was in the last 50 years. He predicted that by 2030 a quarter of all vehicles on the road will be autonomous (and added that this was a conservative estimate). He also talked about his company’s alliance with NASA on developing the revolutionary **SEAMLESS AUTONOMOUS MOBILITY** (SAM) system. What problem does it solve? Well autonomous systems follow strict road rules (such as, your car can never cross solid road lines) so SAM uses a human interface to offer ‘real time’ solutions to complex “real world” problems that even sophisticated algorithms can’t figure out.

My own take so far is that the autonomous vehicle market needs to deliver a larger portion of value for a small amount of money; think a \$120K Tesla functionality equivalent for \$25k price, by any car manufacturer by 2020. That is the way I see this technology making it successfully into the mass market.

Just before the CES began, the CEA also **REPORTED** on market value (\$3.5B annually) of smart home devices and appliances.

Thanks for taking the time to read this newsletter and comments, as always, are appreciated.

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