

# ARE YOU BEING HEARD?

#### AS SEEN IN...

**CustomRetailer** 

July 2008

## **Spotlight:** Wire & Cable

## **Marketing Wiring & Cable**

#### NANCY KLOSEK Bv I

#### **AUDIOQUEST** Xiaozheng Lu, Senior Vice President, **Product Development**

PRODUCT/TECH TRENDS: HDMI products have had explosive sales increases in the past two years. The advent of this technology has changed the fundamentals of how signal and content are transferred and distributed. A/V signal transfer over Cat5e/6 cable products has also seen a significant gain. This process permits signals to be sent significantly longer distances than on conventional cables, utilizing low-cost and termination-friendly Cat5e/6 cables.

There are two emerging technologies worth watching for as well. Wireless is very convenient, but suffers from low data rates, which requires data compression. Fiber has almost unlimited data rate, yet there's no economical way to send the two-way communications required by HDMI; therefore, copper wires are still needed for communication protocol with fiber.

THE MARKET: It took 50 years for 480i color TV to evolve; yet we have witnessed the parade of 480p, 720p, 1080i, 1080p flat HDTV and the upcoming deep color, 1440p in less than 10 years. The iPod revolutionized how we listen to and distribute music. Flat-panel HDTVs have raised technical complexity for consumers, whereby many are now opting for installation services for setup and programming. At the same time, growth in this category has provided substantially improved panel yields, which in turn have allowed for tremendous price reductions and increased unit sales. However, this new scenario has created new challenges for retailers, who now have a majority of their business operating on razor-thin margins. Smaller retailers evolved into custom installation services a long time ago. However, now we have big-box retailers adding custom installation services to their business model.

PRESENTATION ADVICE: There is a lot of confusion about HDTV, especially relative to HDMI. Dealers need to be knowledgeable about the latest technologies to gain the trust of customers in order to give recommendations and earn their business. Educating customers about the importance of



Xiaozheng Lu, AudioQuest's Senior Vice President, Product Development

buying guality cables will allow them to maximize the performance of their HD systems and future-proof their investments. Don't forget quality audio and power cables, too. They are as important as HDMI cables to ensure a whole HD experience.

At AudioQuest, we provide all these important tools. The super-highperformance, long HDMI cables, HDMI-over Cat5e/6 transmitters and receivers, and the installer-friendly ITC connectors are just examples of what we offer to the custom installation market.

### Spotlight: Wire & Cable

## Marketing Wiring & Cable

Companies talk about the industry, the products and the future of the category.

#### By NANCY KLOSEK

#### ACCELL CABLE Michael Weizer, Director of Marketing

**PRODUCT/TECH TRENDS:** Within the consumer electronic industry, the release of the HDMI specification version 1.3 has proven to be one of the most significant developments in recent years. This specification provided the additional throughput needed to allow the implementation of bandwidth-intensive, high-definition audio and video technologies. For cable manufacturers, designing cables that comply with the HDMI 1.3 specification at lengths beyond 16 feet has been challenging. Through the use of an integrated, high-speed 6.75Gbps (225MHz) repeater module, Accell had developed



Michael Weizer, Accell's Director of Marketing



Accell's 1x4 splitter

the UltraRun 1.3 HDMI cable, capable of lengths of up to 82 feet. The UltraRun 1.3 cable is UL Listed and CL3-rated and is ideal for in-wall installation.

THE MARKET: More and more customers are requesting connectivity products that support the HDMI 1.3 specification. Either the customer is working to implement HDMI 1.3 functionality across their entire home theater or they have made the decision to "future-proof" any new hardware purchases by investing only in HDMI 1.3-compliant devices. As a result of this demand, many manufacturers are in the process of updating their products to support

#### AUDIOQUEST

Xiaozheng Lu, Senior Vice President, Product Development

**PRODUCT/TECH TRENDS:** HDMI products have had explosive sales increases in the past two years. The advent of this technology has changed the fundamentals of how signal and content are transferred and distributed. AVV signal transfer over Cat5e/6 cable products has also seen a significant gain. This process permits signals to be sent significantly longer distances than on conventional cables, utilizing low-cost and termination-friendly Cat5e/6 cables.



Xiaozheng Lu, AudioQuest's Senior Vice President, Product Development

There are two emerging technologies worth watching for as well. Wireless is very convenient, but suffers from low data rates, which

requires data compression. Fiber has almost unlimited data rate, yet there's no economical way to send the two-way communications required by HDMI; therefore, copper wires are still needed for communication protocol with fiber.

**THE MARKET:** It took 50 years for 480i color TV to evolve; yet we have witnessed the parade of 480p, 720p, 1080i, 1080p flat HDTV and the upcoming deep color, 1440p in less than 10 years. The iPod revolutionized how we listen to and distribute music. Flat-panel HDTVs have raised technical complexity for consumers, whereby many are now opting for installation services for setup and programming. At the same time, growth in this category has provided substantially improved panel yields, which in turn have allowed for tremendous price reductions and increased unit sales. However, this new scenario has created new challenges for retailers, who now have a majority of their business operating on razor-thin margins. Smaller retailers evolved into custom installation services to their business model.

**PRESENTATION ADVICE:** There is a lot of confusion about HDTV, especially relative to HDMI. Dealers need to be knowledgeable about the latest technologies to gain the trust of customers in order to give recommendations and earn their business. Educating customers about the importance of buying quality cables will allow them to maximize the performance of their HD systems and future-proof their investments. Don't forget quality audio and power cables, too. They are as important as HDMI cables to ensure a whole HD experience.

At AudioQuest, we provide all these important tools. The super-high-performance, long HDMI cables, HDMI-over Cat5e/6 transmitters and receivers, and the installer-friendly ITC connectors are just examples of what we offer to the custom installation market.

#### GOERTZ Ulrik Poulsen, President

~

PRODUCT/TECH TRENDS: Last year, GOERTZ developed a wire product especially for distributed audio and home theater applications called flatwire, which delivers the same sonic advantages as GOERTZ's legendary audiophile cables. Flatwire has very low-impedance characteristics,



preventing the degradation of high frequencies, especially over longer wire runs



### Spotlight: Wire & Cable

#### MONSTER CABLE

Noel Lee, Head Monster

**PRODUCT/TECH TRENDS:** For

Monster Cable, the most recent development is high-performance-especially over long lengths. The introduction of Monster's Speed Rated Cables allows users to know what they are getting and installers to know what they are installing.

has been an extreme problem with

ly overcome that problem with high-



Noel Lee. HDMI cables, and Monster has unique-Head Monster

performance designs. They give 1080p-plus over long lengths. THE MARKET: The most significant recent development is the

transition to HDMI 1.3 category 2 amongst the hardware manufacturers. The significance of higher bandwidth, higher speed and new product innovations amongst the manufacturers of sources and displays puts additional demands on cable bandwidth and cable throughput.

For example, the coming of true 1080p in sources and in content, along

with 12-bit color, dramatically increases the output. Upcoming future sources of 120Hz and new displays, such as Samsung's 2160 ultra high-definition display at CES, are indicators of



Monster's M Series HDMI1000 cable

higher definition to come beyond the 1080p market that we are currently experiencing.

PRESENTATION ADVICE: For Monster, high-definition distribution and also connectivity for 1080p formats and beyond are extremely important. Clients need to know of potential future obsolescence that can only be circumvented by installing the highest throughput cable possible. It is not in the best interest of the retailer, the installer or the customer to have to go back after an HDMI cable has been put into the wall only to find that some new future technology does not work with that cable, and that one needs to upgrade it at high costs and expense.

Monster's "Cable for Life" guarantee on our HDMI1000 ensures that the customer has peace of mind when this cable is installed, as Monster will replace it absolutely free should the bandwidth requirements of the associated components exceed the cable's ability to carry the signal. One should also educate customers about the fact that the

> components of today are only the beginning of an oncoming stream of even greater improvements in color, size and resolution, as well as increased reproduction in fast motion-especially for gamers-which will spur new product innovations. Therefore, the infrastructure should be built carefully, and be built to be capable of additional improvements later. The cable is the least costly part of one's theater, so it pays to buy the best.

#### NORDOST Joe Reynolds, President

**PRODUCT/TECH TRENDS:** The biggest development in cable and wiring technology is the development of HDMI. HDMI has become a com-

modity product and will, I believe, over time, erode the custom installation business. This one cable makes it very easy for a concurrent to wire



EXPERIENCE **REAL** THEATER

NEW PRODUCT LINES

**NEW BUSINESS** 

NEW GROWTH

NEW REFERRALS