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GADGETS

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More Gadgets Hit Shelves, But Many Are Half-Baked

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Sean Mills, eager to have the newest gadgetry, decided to plunk down \$500 for a combined phone and hand-held computer. He liked its versatility, but soon soured on the device: It sagged and bulged in his pocket (a fashion faux pas), and the screen images were frustratingly grainy.

"When you're buying this kind of stuff, you always wish you'd waited a little longer," says Mr. Mills. He has since dumped the phone.

The tech industry, trying to pull out of a slump, is doing all it can to prod consumers like Mr. Mills into the stores. Many companies that used to introduce one or two devices a year are now pumping out twice that number. In the combo phone category alone, there are now 15 different models for sale, up from fewer than five two years ago. Each new gadget, from hand-held computers to digital cameras, is pitched as more feature-laden, faster and sleeker than the last.

As a result, deciding when to buy a new gadget has never been more complex. **Nokia Corp.**, for example, is about to begin shipping its N-Gage phone around the world. A combined mobile phone and game-playing gadget, the N-Gage isn't particularly intuitive to use. Before plugging a game cartridge into the phone, you have to remove the phone battery. "That's inherently flawed," says Kevin Burden, an analyst at International Data Corp. Nokia says this is a safety feature; people who yank out game cartridges while the power is still on could wipe out the phone's memory.

So when is the right time to jump in? It can depend on the gadget -- some, like "smart displays," which let you access the Web as you walk around your home, will see prices fall gradually over the next 12 to 18 months. But prices for some of the latest home wireless equipment will likely slide as early as the end of the year. Often, the sweet spot for consumers is about three years after a new product lands in stores, analysts say.

Another indicator: While the marketing hype tends to emphasize all the latest bells and whistles, it often makes sense to wait until the number of new features being added to the gadget plateaus. By that time, the gadget's capabilities have been fully fleshed out, which helps trigger the price war.

The electronics industry can't really afford to slow down the pace. Sales, while still growing, are flattening. The Consumer Electronics Association predicts sales will increase 3% this year, compared with 6% annual growth from 1998 to 2002. Total sales have been helped by the number

of new devices that have hit the market. But many of these "are still just half-cooked" when they landed on the shelves, says Rob Enderle, an analyst at Giga Information Services.

Here are five categories of new gizmos, from printers that double as fax machines and picture scanners, to digital video recorders for the couch potato, that you should hold off on:

Smart Displays

What they are: Essentially portable computer monitors that connect wirelessly to your PC and can access e-mail, the Internet and other applications from anywhere in the house. (These pieces of hardware use Wi-Fi, the popular wireless technology.)

What's the appeal: You've got the features of a PC, without all the cord tangle. One caveat: You can't wander too far from your computer or you might lose the connection with the PC.

Why you should wait to buy: You've got only a few models to choose from at this point -- and the prices are hefty, from \$999 up to \$1,499. For that money, you might as well get a full-featured laptop. Some analysts expect prices to drop by half in the next 12 to 18 months, and anticipate improvements in the picture quality of screens as well.

Next-Generation Wireless Home Networks

What are they: The technology known as Wi-Fi, which lets you spread the use of a single Internet connection wirelessly to multiple PCs and laptops in the same house, has been a big seller. Now, tech companies are rolling out new versions that are much faster.

What's the appeal: The new wireless formats (known as 802.11a and 802.11g) are five times as speedy as the old. That means something like downloading video files is actually feasible.

Why you should wait to buy: The old version of Wi-Fi isn't compatible with some of the new ones, so mixing and matching gear is difficult. Beyond that, one of the new versions, 802.11g, isn't officially a wireless standard yet, so consumers may have to download software to update their equipment once the standard is ratified later this year.

Next-Generation Combination Phones

What they are: Cellphones that have secondary functions -- they're also personal organizers, videogame players or digital cameras. **Handspring** Inc.'s Treo is one of the better-known models.

What's the appeal: You no longer have to cram a handful of different devices into your work bag.

Why you should wait to buy: Many of these phones, particularly Pocket PC Phone Editions, are clunky and pricey, and burn through battery power. "It's going to be another nine months or so before folks should get serious about these phones," says Todd Kort, an analyst at research firm Gartner Inc.

Digital Video Recorders

What they are: These machines, slightly larger than a cable box, can prerecord dozens of hours of a TV programming and even pause live broadcasts. The best known: ReplayTV from

SonicBlue Inc. and TiVo from TiVo Inc.

What's the appeal: Whether you're out for the night or just need a bathroom break, you won't miss your favorite sitcoms. Unlike a garden-variety videocassette recorder, which is also capable of recording TV programs, these players also let you bypass the ads in between.

Why you should wait to buy: The prices have been falling, but should continue to tumble. Now, only about 3% of U.S. homes have these devices. As those numbers pick up, prices may really slide. A TiVo with 80 hours of programming is currently priced at \$399, with a monthly service fee of \$12.95 or a one-time fee of \$299.

Expect big leaps in innovation as well. Increasingly, you'll be able to get cable TV and digital-video-recorder functions in one box, rather than two. There are some combination boxes now on the market, but they are still fairly limited in what they can do.

A more pragmatic reason for holding off, at least with ReplayTV: SonicBlue recently declared Chapter 11 bankruptcy and is selling off some of its assets.

Multifunction Printers

What they are: Known as all-in-ones, these machines can print, fax and scan documents.

What's the appeal: Reduces the clutter of extra machines. They also offer shutterbugs some neat options. You can, for example, plug a digital camera into the printer, print out a proof sheet, mark the proofs you like with a pencil, pop the sheet back into the machine and out come the prints you designated.

Why you should wait to buy: The technology is fairly far along, so price is the main reason to be patient. Heavyweight **Dell Computer Corp.** introduced its first multifunction printer last month for \$109, after rebate. That could spark a price war with the \$200 all-in-one printers from other manufacturers.

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