



Communications May Become Catalyst for Telematics Technologies

Minneapolis – August 1, 2002 -- The availability of telematics-related hardware may be more widespread than some realize – particularly in Europe where many auto makers offer a variety of options that integrate a phone with the audio system and navigation unit. These “vehicle communications systems” reflect a growing trend toward telematics even though they may not offer the content or services typically available through a TSP (Telematics Service Provider).

Telematics generally involves the two-way communications of content between a vehicle and service provider. But there are a number of telematics-enabled vehicles that do not provide the services of a TSP. In Europe this trend is more prevalent than in the US.

“Out of the need for safety and convenience OEMs are seeing a growing need to bring telematics technologies into the vehicle,” says Phil Magney, principal analyst with Telematics Research Group. “An example of this is the integration of wireless devices that support hands-free, voice-activated calling and messaging. Often these communications features are built into a navigation and audio unit creating a telematics-enabled vehicle.”

In the US similar trends are beginning to appear. For example, DaimlerChrysler’s U-Connect – a new system that integrates a user’s cell phone via Bluetooth – is an implementation of telematics technologies designed for communications. Chrysler’s system will not offer any type of vehicle monitoring or content services, nor will it provide navigation. However, the system integrates cellular communication into the vehicle’s audio system and uses voice recognition.

“The integration of cellular services is becoming an increasingly important application that supports the implementation of telematics technologies,” says Dr. Egil Juliussen, principal technology analyst for Telematics Research Group. “In the future, hands-free operation and voice recognition will be a requirement making these systems inevitable,” adds Juliussen.

What Is a Telematics-Enabled Auto?		
Must Have:	Main Approaches	May Have:
2-way communications	<ul style="list-style-type: none"> • Embedded phone module • Integrated cell phone 	<ul style="list-style-type: none"> • Telematics service monitoring • Remote auto function control
Location technology	<ul style="list-style-type: none"> • GPS receiver • Cell phone location technology 	<ul style="list-style-type: none"> • Remote auto diagnostics • Automatic collision notification

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Control unit with auto electronics interface	<ul style="list-style-type: none"> • Embedded telematics system • Hands-free cell phone-radio integration • Navigation-cell phone-radio integration 	<ul style="list-style-type: none"> • Bluetooth communication • Speech user interface • On-board or off-board navigation

“On a worldwide basis less than 5% of vehicles are sold with telematics technologies but by the end of the decade this number approaches 50%,” says Telematics Research Group.

Telematics Research Group has recently profiled all telematics systems and services from around the world. According to TRG, there are several hundred trim levels sold in Europe that offer telematics systems consisting of a GSM phone with built-in navigation. In the US there are even more trim levels with telematics although the majority of these are OnStar systems in GM cars. A trim level is a unique body style and model/equipment package.

Telematics Research Group, Inc. tracks, analyzes, and forecasts the worldwide market for automotive telematics. TRG examines the worldwide market for in-vehicle telematics by profiling the current market and likely evolution within North America, Western Europe and Asia.

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