

## Smart-home technology to jazz up Toronto penthouse project

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Samsung Electronics Co. Ltd. is about to roll out its "smart-home service" in Canada, allowing homeowners to control everything from their lights to appliances on a mobile phone or tablet. But instead of selling the service through retailers, the electronics giant is teaming up with a condominium developer.

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The electronics and mobile phone giant announced in April that it would be globally launching the service, saying that it would start in South Korea and the United States before branching out into other countries. Now it is poised to announce that it has struck a deal to include the technology in the yet-to-be-constructed penthouse suites of the YC Condos, a Toronto project that developer Canderel Residential expects to complete in 2017.

"Out of the gate we've really been focusing on the builder community as the primary way to distribute this product," Samsung Canada vice-president Paul Brannen said.

He said consumers are skeptical of smart-home products because competitors' earlier iterations were too complicated. "We've had conversations with Best Buy, and we believe that the next wave for them is around smart-home technology and the ability to connect all these things in the house. So you'll start to see them take a more pro-active role on smart home. But, again, I think consumers were jaded with the original implementation of a connected home."

Samsung and a number of other technology behemoths are betting that consumers will soon be adopting smart-home technology en masse. One British-based research firm estimated in 2012 that the smart-home market would be worth \$60-billion (U.S.) by 2017. Earlier this year, Google announced that it was spending \$3.2-billion to buy California-based Nest Labs, which makes smart thermostats and smoke detectors. Smart-home technology accounted for a lot of

the buzz at this year's Consumer Electronics Show in Las Vegas. And this week Samsung, Intel Corp. and Dell revealed that they have teamed up to create standards so that various smarthome products can operate with one another.

While the technology and standards evolve, Samsung is looking to start getting its offering in front of consumers by striking deals with Canadian condo developers who will showcase the service and make it available to their buyers.

"The big challenge that we have inside the Canadian marketplace is how do you bring that to life in front of the consumer?" Mr. Brannen said. "So you can go out to your traditional retailers, be it the Best Buys or Home Depots of the world, and simply put these things on the shelf. But I don't think it showcases it in the way consumers want to see it."

The roughly 25 penthouses that Canderel is about to try selling in YC Condos will come with Samsung's smart-home service as a built-in standard item, said Riz Dhanji, vice-president of sales at Canderel. Buyers of the remaining units will be able to buy the smart-home service as an upgrade, with a standard package being somewhere in the \$5,000 to \$6,000 range, he added.

"Samsung's service is scalable, which means that let's say in 2017 when this building is completed, if there's something new that adds onto the service, you can just add that directly and it will run with the software that's there. So it's not like a lot of technology that you buy today off the shelf, and then tomorrow it's basically redundant if new technology comes out."