

TECH PREDICTIONS FOR 2017:

A GOLDEN YEAR AHEAD

It's the golden age of technology. Fueled by high optimism, steady investment dollars and a stable national economy, the tech industry has experienced robust growth in recent years—demanding an unprecedented level of attention as it disrupts and revolutionizes all industries.

THE TOP TRENDS WE PREDICT WILL SHAPE THE INDUSTRY NEXT YEAR INCLUDE:

Artificial Intelligence (AI)



The AI market, currently valued at approximately **\$643.7M**, is predicted to **grow to \$36.8B** by 2025, according to Tractica.



From virtual personal assistants like Apple's Siri to advanced fraud detection technology, AI offers new business opportunities in data mining, processing and analytics, as well as new AI hardware and software applications.

Virtual & Augmented Reality (VR & AR)

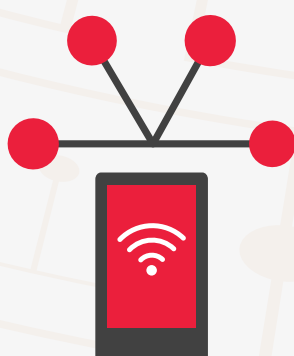


The VR & AR market, currently valued at approximately **\$5.2B**, is expected to **grow to >\$162B** in 2020, according to the International Data Corporation (IDC).



The business opportunities that arise from VR are ample, including the creation of new VR applications, software, chip design and data visualization solutions that can be used at home or in the office.

Internet of Things (IoT)

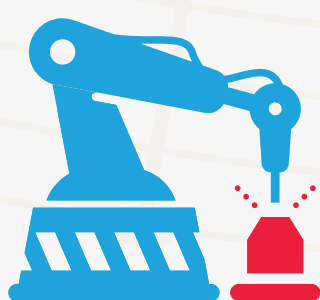


The Internet of Things (IoT) market, valued at an estimated **\$93.9B** in 2014, is expected to **reach \$151.01B** by 2020, according to MarketsandMarkets.



With an endless possibility of applications, IoT offers business opportunities across all industries through the development of new sensor technologies and new connectivity, cybersecurity and data analysis and storage solutions—as the smart home, smart office and smart city become a reality.

Automation

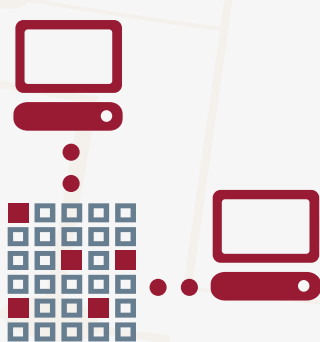


The industrial control and factory automation market, valued at approximately **\$108.80B** in 2015, will **grow to \$153.30B** by 2022, according to MarketsandMarkets.



The automation of everyday objects, including robots, drones and self-driving cars, will lead to the manufacturing of new specialized tools and parts, development of new hardware, software, data storage and analytics solutions, and increased cloud computing abilities.

Blockchain



The blockchain market, currently valued at an estimated **\$210.2M**, is predicted to **grow to \$2.31B** by 2021, according to MarketsandMarkets.



Predicted to be a major industry disruptor, blockchain offers ample opportunities for the legal, software and cloud computing industries, as companies opt for greater product supply chain and transactional transparency.

Implications for Tech Businesses

In response to these emerging tech trends, **companies will continue to explore new strategies and transactions** that will enable them to gain the resources—financial, talent, IP or otherwise—to compete globally in 2017.



Tech M&A activity continues to heat up, as nontraditional buyers make acquisitions to re-invigorate current processes and expand into new markets. At the same time, leading tech players find ways to grow through opportunities outside of their traditional products—leading to the creation and growth of a **“smart services” market**, or one which offers **cloud-based services and platforms** to consumers.



Funding remains ample, as 2016 observed **\$262 million in funding raised** on average—along with **\$18.04 billion in additional financing raised**, according to CB Insights. While concerns over cybersecurity and other technological risks persist, **general optimism and a favorable funding environment** seem to be the main factors that will push 2017 to become another **golden year for the industry**.



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