As you know, in this column, I primarily discuss practical business issues observed while working in the streets. This topic is no exception. However, there is direct applicability to your home, as well. On the way to setting up large panels for conference room displays and for video conferencing, I discovered that video technology had advanced significantly, and I want you to be aware of the best way to set up your office or your home theater using the latest technology.

Getting the movie experience right involved several major components: video output, video input, fiber optic cables, and the appropriate surround sound system. My simple recommendations are as follows:

You will have to select the type of video output that fits your space and tastes.

Consider an LCD panel, a plasma display or a projector that can produce 1080p. The specification 1080p is the shorthand name for a category of video modes. The number 1080 represents 1,080 lines of vertical resolution, while the letter P stands for progressive scan or non-interlaced. 1080p is considered an HDTV video mode. The term usually assumes a widescreen aspect ratio of 16:9, implying a horizontal (display) resolution of 1920 dots across and a frame resolution of 1920×1080 or about 2.07 million pixels. 1080p is sometimes referred to in marketing materials as "True High-Definition" or "Full High-Definition." 1080p is currently the digital standard for filming digital motion pictures. I prefer plasma displays for less shadow and better response, but LCDs and projectors are really quite acceptable at this resolution. My personal brand preferences are LG, Sony and Samsung.

Video input sources are still the biggest area of confusion and competition.

1080p-encoded titles have been released on HD DVD and also Blu-ray Disc,

the players will follow the same pattern we saw with DVD 10 years ago. DVD players commonly started over $1,000 in 1997, and now they can be found on sale for less than $20. I expect the market to take off when pricing of the players drops below $600. The content is what really will drive the format, and the majority of production houses are behind the Blu-ray format. However, some only supply HD DVD format and others supply movies in both formats. My personal favorite players are LG, Panasonic, Samsung and Sony.

Connecting these fancy input and output devices is a new type of connection cable called HDMI.

HDMI (High-Definition Multimedia Interface) is the first and only industry-supported, uncompressed, all-digital audio/video interface. By delivering all-digital audio and video via a single cable, HDMI dramatically simplifies cabling. HDMI provides an interface between any audio/video source, such as a set-top box, DVD player, or A/V receiver and an audio and/or video monitor, such as a digital television (DTV), over a single cable. You should definitely spend the money to hook up all of this new gear via HDMI 1.3 if available. Why look for the new HDMI 1.3? First, HDMI 1.3 operates at higher speed. Although all previous versions of HDMI have had more than enough bandwidth to support all current HDTV formats, HDMI 1.3 increases its single-link bandwidth to 340 MHz (10.2 Gbps) to support the demands of future HD display devices, such as higher resolutions, Deep Color and high frame rates. In addition, built into the HDMI 1.3 specification is the technical foundation that will let future versions of HDMI reach significantly higher speeds. Deep Color: HDMI 1.3 supports 30-bit, 36-bit and 48-bit (RGB or YCbCr) color depths, up from the 24-bit depths in previous versions of the HDMI specification, for rendering of over one billion colors in unprecedented detail. HDMI 1.3 adds support for "xvYCC" color standard for a broader color space, which removes current color space limitations and enables the display of any color viewable by the human eye. HDMI also includes

a new mini connector for use with small portable devices such as HD camcorders and

6.1- or 7.1-channel playback, creating a seamless, natural surround soundfield that immerses you in the entertainment experience. The three listening modes — Movie, Music or Game — allow you to tailor the audio to meet the different needs of the programming. The key physical difference between 5.1 surround sound and 7.1 is the addition of left and right center speakers for a total of eight speakers. This adds to the traditional surround sound configuration of left and right front, left and right back, center, and sub-woofer bass. Although audiophiles might cringe, my personal favorites are Yamaha, Denon, and ONKYO with Boston speakers.

You can round out your system by upgrading your cable or satellite to HD service.

For most satellites, this will require a new receiver. The programming today is fairly limited, but is being expanded rapidly as the FCC deadline for HD looms close. You will get the most benefit of broadcast HD if you are a sports fan or nature lover. I added a Logitech all-in-one controller so I only had to have one remote for all of the different systems involved.

My experience to date is actually pretty simple. I set up my home with all of the equipment specified above and asked complete novice friends to listen to the sound tracks and watch the video of the same movies on Blu-ray vs. DVD. The sound tracks on the movies selected provided raw, non-compressed audio in addition to traditional Dolby 5.1 surround sound, but I could not find a pure 7.1 encoded movie for the test. However, the results were unanimous and enthusiastic. There is a noticeable difference between the video and sound quality. Just like I recommended DVD as the new generation format in 1996, I am recommending that you consider 1080p, Blu-ray or HD DVD, Dolby 7.1 and connections with HDMI 1.3. I think this will be a video setup that you can keep for years.

Technology