

TV IC Market Declines Seasonally to 30.8 Million Units Shipped in Q1'09; Digital TV Transition Driving Long-Term Growth and Silicon Tuners Entering Mainstream

AUSTIN, TEXAS, July 6, 2009—TV IC market declined seasonally to 30.8 million units shipped into flat panel TVs in Q1'09, according to the latest research in the DisplaySearch Q2'09 Quarterly TV Electronics Report. Shipments were down 4.3 % Q/Q, but up 11% Y/Y. This is in line with the normal seasonal trends, and with the maturing of flat panel TV as developed markets have completed the switch from CRT TVs.

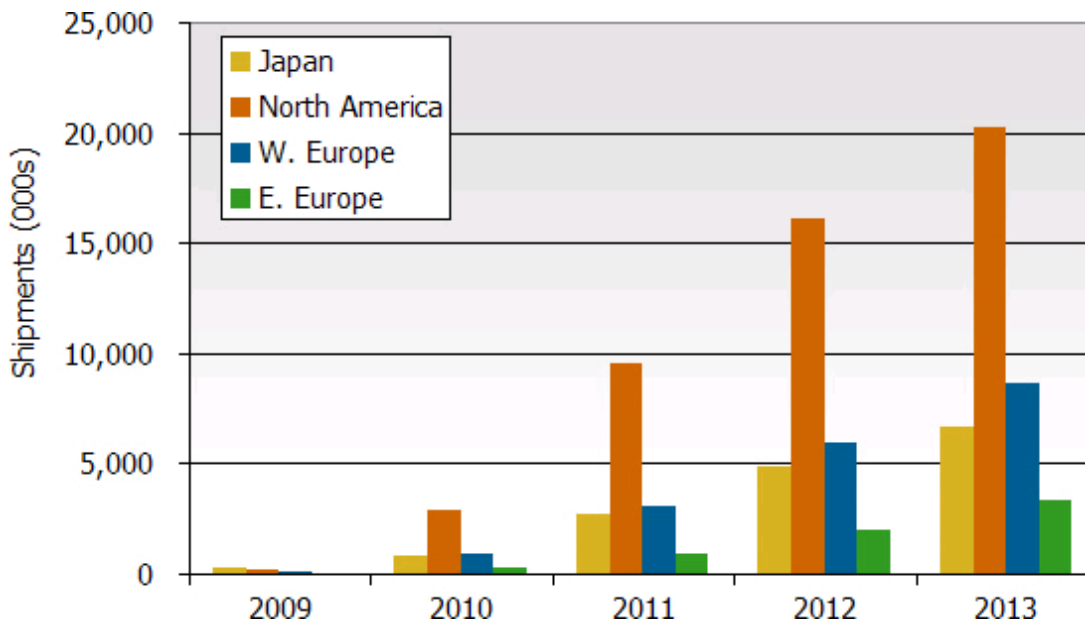
The growth of integrated digital TVs and the analog switch-off in developed regions is profoundly changing the demands of broadcast reception. While it is clear that analog reception will remain a requirement for some years after switch-off dates, a combination of silicon tuner IC maturity, a more benign reception environment, and cost pressure will bring silicon tuners into the mainstream.

DisplaySearch forecasts that silicon tuners will grow to just under 39 million units shipped into TV sets in 2013, compared to a total of 177 million sets shipped with digital decoding. By then, Japan, the EU and the US will all have completed analog switch-off, but the fastest growth will be in emerging markets, which are expected to increase from 4 million in 2009 to 70 million in 2013.

"While silicon tuners still have a way to go to exceed the performance of the best 'can tuner' modules, they are poised to grow rapidly in television sets" Paul Gray, DisplaySearch Director of European TV Research noted.

Gray added, "Despite the strong growth of digital TVs, it would be unwise to ignore analog transmissions, which will live on for some years in older cable installations, low power transmissions and to support legacy equipment. It will be a brave product manager who makes a digital-only set even in 2013."

Figure 1: Shipment Forecast for TVs with Terrestrial Silicon Tuners



Source: DisplaySearch Q2'09 Quarterly TV Electronics Report

Industry consolidation took several steps in the quarter, with Micronas completing the sale of its frame rate conversion, audio and demodulator product lines to Trident. The remainder of its consumer business (including the TV system-on-chip business) will cease by the end of the year. In addition, NEC and Renesas announced an intention to merge, while AMD's TV IC business completed its first quarter as part of Broadcom, now one of the top five TV system IC suppliers.

Table 1: Top TV System IC Vendors

Vendor	Q1'09 Rank	Q4'08 Rank
Mediatek	1	1
MStar	2	2
Samsung	3	3
Broadcom	4	6
Zoran	5	4

Source: DisplaySearch Q2'09 [Quarterly TV Electronics Report](#)

Other highlights from DisplaySearch's [Quarterly TV Electronics Report](#) include

- An analysis of the emergence of silicon tuners into TV sets: This includes technical requirements, the future shape of the tuner business and a forecast of silicon tuners in TV sets. DisplaySearch expects that 38.9 million TV sets sold in 2013 will have silicon tuners.
- Forecast and analysis of 200/240 Hz TVs, including a comparison of the different video processing systems used by major set makers
- Outlook for MPEG-4 enabled TVs for the latest HD DVB broadcast in Europe, networked TVs and sets with DVB-S2 reception: DisplaySearch forecasts that almost 110 million MPEG-4 ICs will be built into TVs in 2012.

DisplaySearch's [Quarterly TV Electronics Report](#) covers other key industry topics such as analysis of the competitive dynamics in the industry; expanded share analysis, including estimates of splits by frame rate, by region and broadcast standard; and panel makers' roadmaps. For more information, contact Charles Camaroto at 1.888.436.7673 or 1.516.625.2452, email contact@displaysearch.com, or contact your regional DisplaySearch office in [China, Japan, Korea or Taiwan](#).

Learn more about the DisplaySearch outlook on the TV market during its [TV Ecosystem Conference: TV After the Digital Transition—Finding the Next Big Thing](#), to be held Wednesday, September 2, 2009 in San Jose, California. The conference will feature presentations from representatives from display and TV manufacturers, branded vendors, semiconductor design, retailers/channel participants, content developers and wireless/connectivity providers—exploring how new forms of content and connectivity could drive renewed growth in hardware. This one-day event will also cover the latest market trends and forecasts, TV connectivity and its role in the digital ecosystem, regional trends, and emerging technologies and features. Visit <http://www.displaysearch.com/tvecosystem> for details or to register.

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