

Mobile Handset Market Tracker

The Mobile Handset Industry: From Unstoppable Growth to Foreseeable Meltdown

By Tina Teng, Francis Sideco and Jagdish Rebello

Forecast

Frequency, Time Period

- 5-year annual + 2-year history
- Current quarter plus 2-year history for mobile handset market shares

Measures

- Factory Unit Shipments
- Factory ASPs
- Factory Revenues
- Semiconductor Content
- Semiconductor Revenues
- ASP Trend by Leading OEMs

Regions and Markets Covered

- North America
- Latin America
- EMEA
- China
- Rest of Asia

Detail Level

- Major Cellular Standards
- Handset Type
- Handset Features
- Semiconductor by Major Functional Area
- Semiconductor Type

Applications/Products Covered

- Mobile Handsets

Technologies Covered

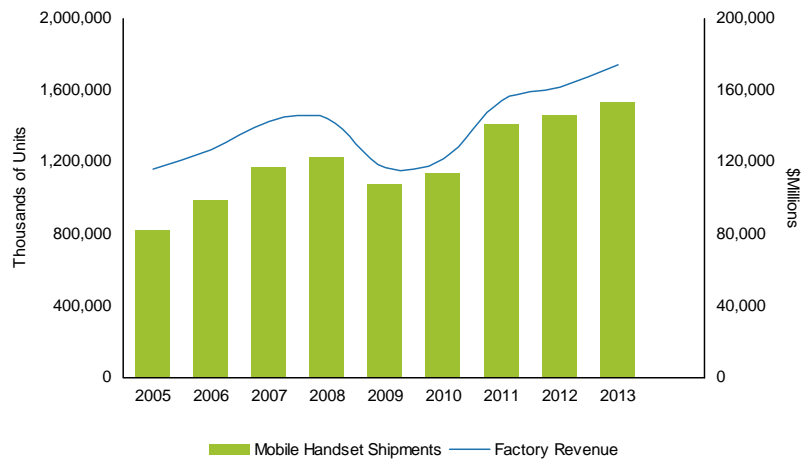
- Baseband ICs
- RF ICs
- Power Amplifiers

The mobile handset industry is expected to have 12% contraction in terms of unit shipments. In 2008, global mobile handset unit production reached 1.2 billion units. The market is expected to show revival sign in 2010. Worldwide factory revenue from production of mobile handsets will reach \$162.0 billion in 2012 up from \$144.4 billion in 2008 and \$117.0 billion in 2009. iSuppli still expects the industry to have 4.6% 5-year CAGR in 2008.

Despite the setback by the macro economic downturn in 2009, the smartphone market is expected to become manufacturers' new focus for greater profit. In 2009, because of the extension of replacement cycles, the upgrade sales slowed down in the developed nations. The new device sales has not yet lost its momentum due to the rapid addition of new subscribers in the emerging markets of Asia, Africa and Latin America. This presents unique opportunities to different players in the dynamic mobile handset value chain.

The players in the mobile handset industry are challenged. Vertical integration is observed among handset manufacturers, and OS providers. Mobile handset manufacturers in turn need to design handsets that not only support new services, but also offer additional functionality and features that further propel consumers into upgrading. Semiconductor providers need to develop solutions that support new services and features in handsets, while at the same time streamlining and cost reducing their solutions.

Worldwide Mobile Handset Production Forecast (Ship-in)



Critical Questions Answered

- What is going to drive subscriber growth and mobile handset shipments over the next five years?
- Who are the key mobile handset OEMs and how is the competitive landscape changing?
- What features will penetrate handsets and what is the impact on handset designs and semiconductor content?
- What effect will next generation standards and additional features and functionality have on mobile handset average selling prices?

Who Should Read This?

- Mobile Handset OEMs, EMS and ODMs
 - Purchasing
 - Strategic Marketing
- Semiconductor/Component Suppliers
 - Product Management
 - Strategic Marketing
- Financial Community

Lead Analyst**Tina Teng, Analyst**

At iSuppli, Tina is responsible for analysis and forecasting the mobile handset market.

Prior to joining iSuppli, Tina worked for Texas Instruments and MCI WorldCom. At Texas Instruments her main focus includes competitors benchmarking and database analysis. While working for MCI Worldcom as a data network engineer, Tina was responsible for test plan design, network testing as well as network management and integration.

Tina earned a Master of Science degree in Electrical Engineering from University of Texas at Dallas with concentration in Telecommunications and an MBA from the University of Texas at Austin.

Jagdish Rebello PhD, Principal Analyst

Jagdish focuses on research and competitive analysis of various wireless and optical broadband access and networking communications including WLAN and WiMAX. He also provides analysis on wireless infrastructure, emerging optical wireless technologies and cellular subscriber dynamics.

Prior to iSuppli, Jagdish was a Product Manager for several photonic components at ADC Telecommunications. He also managed the optical spectroscopic detector line for Jobin Yvon, Inc.

Jagdish has a PhD and MS in mechanical engineering from Ohio State University, an MBA in finance and marketing from Rutgers University, and a BS in mechanical engineering from the University of Bombay.

Francis Sideco, Senior Analyst

Francis is a senior analyst with the iSuppli wireless research team and is responsible for iSuppli research into the semiconductor market for mobile handsets, mobilized non-handset devices, Wide Area Network access technologies and other wireless markets including Personal Area Networks and Local Area Networks. Francis is also responsible for leading iSuppli's research in RF components for wireless handsets.

Francis comes to iSuppli from Comarco Wireless Test Solutions where he was a Product Marketing Manager. At Comarco, Francis was responsible for strategic product direction, product management and product marketing worldwide.

Francis received a Bachelor of Science in Electrical Engineering from Loyola Marymount University.

Sample Table of Contents**Executive Summary**

- Significant Findings

Cellular Subscribers

- Multiple Devices Per Subscriber

Standards

- GSM/GPRS
- EDGE
- W-CDMA
- CDMA2000 1x and EV-DO
- TD-SCDMA
- 3.5G
- 4G

Regional Variations

- Europe
- Japan
- China
- Asia-Pacific
- Americas

Mobile Handset Shipments

- The Upgrade Effect
- Form Factor
- Displays
- Cameras
- Connectivity Features
- Multimedia Features
- Navigation
- Mobile TV
- Smart Phones
- Mobile Handset OEMs

Semiconductor Market Forecast**Semiconductor Suppliers (ASICs AND ASSPS) to the Mobile Device Market**

- Mobile Handset Baseband/Radio Modem ICs
- Applications/Multimedia/Graphic s/ Mobile TV Processors
- RF Transceivers
- Power Amplifiers (PAs)

Semiconductor and Component Trends

- RF Architectures and Technologies
- Integrated Modules
- Baseband Processors, Coprocessors, and Application Processors
- Coprocessors - Integration
- Application Processors

Figures

Worldwide Mobile Handset Installed Base Forecast by Generation

Evolution of Mobile Handset Standards

Worldwide Mobile Handset Production Forecast (Ship-in)

Quarterly Worldwide Mobile Handset Production Forecast (Ship-in)

Worldwide Mobile Handset/Device Production by Generation (Ship-in)

DTV Standards for Mobile Handsets

Quarterly Worldwide Mobile Handset Production (Ship-In) Share Based on Unit Shipments

Sample Database

Mobile Handset Subscribers by Region (Thousands of Subscribers)

Worldwide Subscribers by Technology (thousands of subscribers)

Worldwide Mobile Handset and M2M Cellular Device Installed Base by Subscription Type (Thousands of Devices)

Worldwide Mobile Handset Installed Base Forecast by Standard (Thousands of Devices)

Worldwide Subscriber Penetration Rate by Region

Worldwide Mobile Handset/Device Production by Standard (Thousands of Units) (Ship-in)

Worldwide Mobile Handset/Device Factory ASP and Factory Revenue Forecast by Standard

Quarterly Worldwide Mobile Handset Production Forecast (Ship-in)

Split of Mobile Handset/Device Sales Between First Time Purchase and Upgrade Sale (Millions of Units)

Mobile Device Shipments by Region (Millions of Units)

Mobile Handset Shipments by Form Factor

Mobile Handset Shipments by Primary and Secondary Display

Mobile Handset with Camera Shipments

Mobile Handset with Primary Camera by Resolution Shipments

Mobile Handset Shipments by Connectivity Options

Mobile Handset Shipments by Multimedia Feature

Mobile Handset Shipments by Segment

Sample Database (continued)

Mobile Handset Market Shares for 2007 Based on Production
(Thousands of Units) (Ship-in)

Mobile Handset ASP Trend by Top 5 OEMs

GSM/GPRS Mobile Handset Market Shares for 2007 Based
on Production (Thousands of Units) (Ship-in)

EDGE Mobile Handset Market Shares for 2007 Based on
Production (Thousands of Units) (Ship-in)

CDMA Mobile Handset Market Shares for 2007 Based on
Production (Thousands of Units) (Ship-in)

W-CDMA Mobile Handset Market Shares for 2007 Based on
Production (Thousands of Units) (Ship-in)

Worldwide Mobile Handset/Device Semiconductor Content
and Market Forecast by Standard

Mobile Handset Semiconductor Market Forecast by Device
Type (Millions of Dollars)

Mobile Handset Semiconductor Market Forecast by Function