

Emerging Display Technologies

Internet-enabled Television Market at the Inflection Point

By Riddhi Patel, Director and Randy Lawson, Principal Analyst

Forecast

Frequency, Time Period

- 5-year annual
- 2009 - 2014

Measures

- Internet-Enabled TV Units
- IETV Semiconductor revenues

Regions, Markets

- Consumer TV market
- North America, Western & Eastern Europe, Asia, Japan, China, ROW (LA, MEA)

Detail Level

- Regional shipments of IETV
- Worldwide shipment of Internet-enabled CE (Game consoles, Blu-Ray, STB)
- Regional semiconductor revenues
- Multi-format decoder, interface semiconductor

Applications/Products Covered

- Digital Televisions with internet connectivity
- Blu-Ray, Game Consoles, STB
- Multi-format decoders

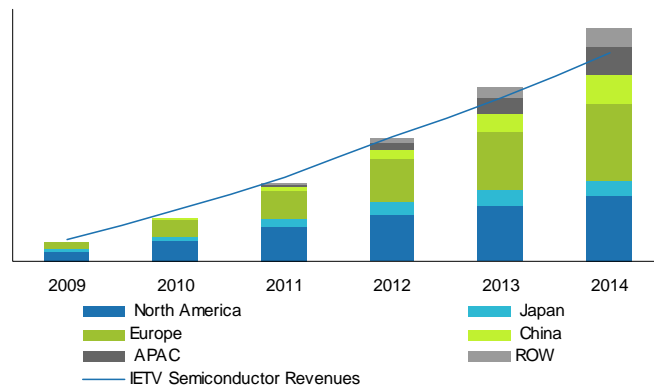
Technologies Covered

- MPEG4/H.264/VC-1 decoders
- Networking technology for CE
- System-on-chip video processors
- Internet-connected TVs
- Over-the-top video access
- Internet application platforms
- Google TV
- Yahoo TV Widgets
- DivX TV

High levels of consumer broadband adoption coupled with the proliferation of digital, Internet-ready CE devices is propelling the Consumer Electronics market into its third generation, or "CE 3.0," era where connectivity to the Web, as well as to a growing list of portable CE devices, is becoming a necessity. Gone are the days where consumers were happy with whatever content broadcasters pushed out to them. Now, with content available through multiple sources and mobile CE forging new markets such as application portals for access to myriad forms of content, TV OEMs are moving rapidly to exploit these new revenue generating service models to their customers for TVs, Blu-Ray players, etc by integrating connectivity features to allow for internet access. As the TV set market is often governed by declining prices, brands are looking at ways to differentiate their TV sets from competition. iSuppli expects that IETV will be an important new feature OEMs will use to help differentiate their product line-up.

The CE 3.0 era, represented well by the emerging class of Internet-enabled TV models, represents an inflection point in the CE, and especially the TV, semiconductor market for non-traditional IC suppliers to this market, such as Intel and NVIDIA, to gain entry. Such suppliers could potentially establish a beachhead within the "smart" CE market via expansive, open-platform solutions—such as proposed by Google and Intel with the "Google TV" initiative. iSuppli expects to see IC development for the connected networked era of the CE market focus more on programmability aspects of a given hardware platform, it's multimedia (graphics and video) processing and blending capabilities, as well as more connectivity options for both wired and wireless solutions for content sharing. IETV represents a significant new growth area in the CE market for IC suppliers, second only to flat panel backlighting's move to solid-state.

Global IETV Shipment and Semiconductor Revenue Forecast by Region



Key Issues Addressed:

- What is the forecast for internet-enabled television sets over the next four years?
- Which TV OEM's are supporting IETV platforms currently and how do their products and strategies differ?
- Which semiconductor suppliers are competing in this segment and how do their solutions differ?
- Which codecs need to be supported in future DTVs?
- Which application platforms will survive and thrive in the Internet-enabled CE era?

Applicable To:

- DTV semiconductor manufacturers
 - Marketing
 - Market intelligence
 - Sales
 - Product definition & systems engineers
- TV & CE OEM / ODM manufacturers
 - Marketing
 - Procurement
 - Product definition & systems engineers
- Financial community

Lead Analyst**Riddhi Patel, Director**

Riddhi Patel is one of the top analysts in the world covering the television market and value chain. Her clients include the leading TV companies, LCD panel makers, consumer retailers and investment firms.

Riddhi's proprietary research is extensive. Every week, she and her team of analysts track the pricing and promotional activities of major TV retailers, both brick-and-mortar and on-line. And every month, Riddhi analyzes the buying preferences of thousands of television consumers, enabling her to provide deep insights into the features, price points, and service offerings that influence TV buying behavior.

Prior to joining iSuppli in 2002, Riddhi served in senior analyst positions at Raza Foundries, Aberdeen Group and Gartner/Dataquest. She has an MBA in marketing from South Gujarat University, Surat, India, as well as a BS in Physics from MS University Vadodara, India.

Randy Lawson, Principal Analyst

Randy comes to iSuppli with extensive industry experience in semiconductor design and applications for consumer electronics and DTV systems. He spent over 15 years with Texas Instruments in various engineering design, product definition and management roles. He began his career in display electronics design, afterwards moving to PC and CE connectivity applications and technical marketing. Randy has also been involved in both chip level and DTV systems design, helping lead teams that developed some of the first 1394 devices that supported DTCP content protection and high speed networking applications.

Randy is an alumnus of the University of Tennessee and holds a Bachelor of Science in Electrical Engineering.

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