

NOVEMBER 1, 2011

LED TV, Smart TVs Drive Digital TV Units in 2011 as 3D TV Wanes

Strength in emerging markets to boost global DTV demand 8% in 2011.

LED-backlit TVs and smart televisions that allow consumers to browse and view shows directly from the Internet have replaced 3D TV as the “must have” features driving television purchases in 2011, according to the soon-to-be-released 2012 edition of IC Insights’ *Integrated Circuit Market Drivers* report. In 2011, LED-backlit TVs are expected to account for an estimated 37% of global TV shipments, up from 15% in 2010. LED TVs are forecast to represent 53% of digital TV shipments in 2012 (Figure 1).

MORE INFORMATION CONTACT

Brian Matas
 Vice President, Market Research
 IC Insights, Inc.
 Phone: +1-480-348-1133
 Email: bmatas@icinsights.com

Global TV Shipments by Technology

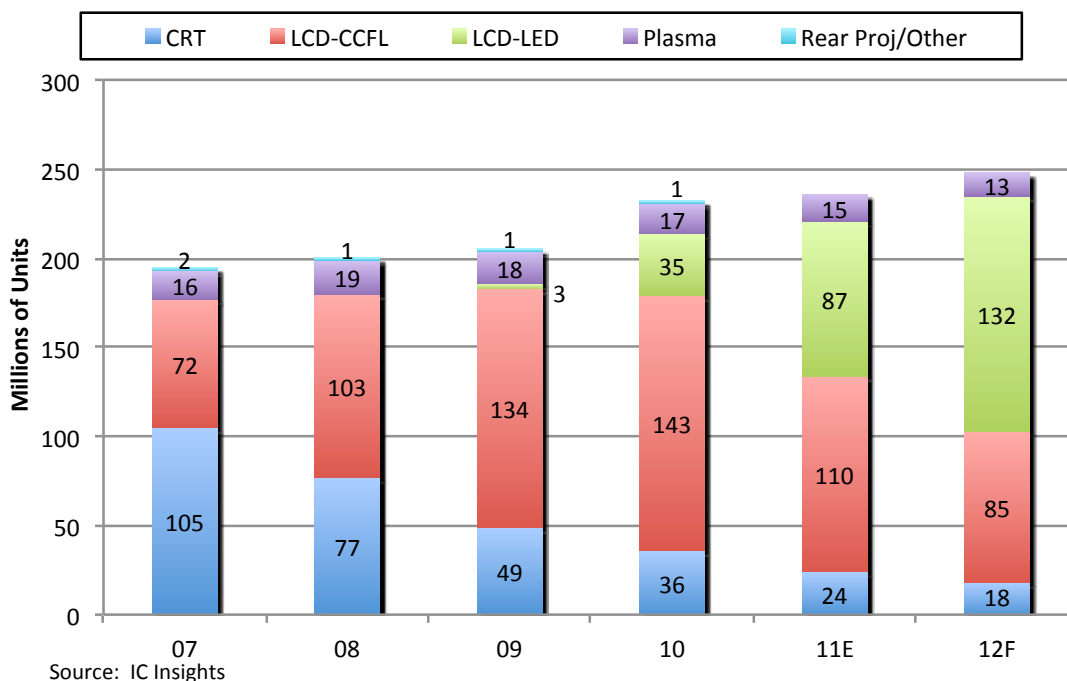


Figure 1

Besides being thinner and lighter, LED-backlit TVs have rapidly gained favor among consumers because they tend to offer broader color range, improved contrast ratios, and use less power. Also, LED TVs are

said to be more reliable offering over 100,000 hours of life compared to traditional cold cathode fluorescent lamp (CCFL) LCD TVs, which are often rated at 20,000 hours.

In general, DTV growth rates are expected to remain fairly flat in developed markets (e.g., North America, Europe, and Japan) through the forecast period, since the big digital upgrade cycle in these regions has mostly already occurred. However, India, China and other countries throughout Asia-Pacific, and Latin America are forecast to enjoy strong DTV growth. Fast-growth economies, increased disposable incomes, and large populations will drive this expansion. Asia-Pacific is undergoing a digital TV boom that some believe will result in 70% of homes having a DTV in 2015, up from approximately 35% in 2010.

The *2012 IC Market Drivers* report also notes that the method of delivering programming is quickly transforming broadcast television. Just as smartphones brought the Internet and thousands of applications to cellphone users, Smart TVs are bringing Internet and Web 2.0 features to television sets and offering access to TV broadcasts, videos, movies, photos, and other content via the web. An estimated 20% of television shipments in 2011 were Smart TVs, but this is expected to increase to nearly 40% of in 2012. Consumers can watch almost anything found on a website on their television, and that is partly why so-called "cord cutting," where consumers drop cable to watch videos or TV shows on Hulu, Roku, or their Xbox 360, is accelerating.

Meanwhile, 3D TV has gone from cutting-edge television technology in 2010 to commodity-like status in 2011. Manufacturers, who in 2010 pulled out the stops to convince users to upgrade to 3D TV, now promote it as a nice-to-have feature. In fact, TV manufacturers are slowly adding 3D technology into all of their newest products, so chances are a new buyer is getting 3D technology whether he or she specifically chooses it.

Report Details

Details and forecasts of the digital TV market and other electronic systems driving the IC market can be found in the 2012 edition of IC Insights' *IC Market Drivers—A Study of Emerging and Major End-Use Applications Fueling Demand for Integrated Circuits*. The report examines the leading applications for ICs and evaluates the potential growth for new applications that are expected to fuel the market for ICs through 2015. Price: \$3,090 for individual user; \$6,190 for multi-user corporate license.

About IC Insights

IC Insights, Inc., based in Scottsdale, Arizona USA, is dedicated to providing high-quality, cost-effective market research for the semiconductor industry. Founded in 1997, IC Insights offers coverage of global economic trends, the semiconductor market forecast, capital spending and fab capacity trends, product market details, and technology trends, as well as complete IC company profiles and evaluations of end-use applications driving demand for ICs.

Web Site: www.icinsights.com • **Phone:** +1-480-348-1133 • **E-mail:** info@icinsights.com