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## **2006 Opto-Sensors-Discrete Market Growth Outpaces ICs**

*O-S-D market bigger than analog, DRAM, MPU, and flash memory*

The market for optoelectronics, sensors/actuators, and discrete (O-S-D) devices grew 10% in 2006, to \$38.2 billion, slightly exceeding the 9% growth of the integrated circuit (IC) market. Sales of optoelectronics devices were \$16.3 billion and represented 43% of the overall O-S-D market. Discrete sales were \$16.6 billion (43%) and sales of sensors/actuators were \$5.3 billion (14%).

Although sometimes overlooked, the \$38.2 billion O-S-D market was greater in size than the total analog market, and the headline-grabbing DRAM, MPU, and flash memory markets (Figure 1). In fact, the O-S-D market was nearly twice the size of the flash memory market.

The optoelectronics market increased 9% in 2006, and for the first time ever, optoelectronics sales caught up with standard discrete semiconductor sales. This was a significant milestone considering that optoelectronics sales were only one-fourth to one-half the dollar volume of discrete semiconductors in the 1980s and 1990s.

Broader sales of ICs have certainly not slowed the discrete market, which also grew 9% in 2006. Power transistors and other discretely are widely used in power management, switching power supplies, and battery-charging systems of portable electronic systems such as laptop PCs, PDAs, and cell phones.

Sensors/actuators, the smallest segment of the 2006 O-S-D market, grew 18% in 2006. Since 2001, sensor products have recorded a cumulative average growth rate (CAGR) about 1.5 times the CAGR of IC revenues and three times the annual growth rate of discretely. MEMS-based products account for 80% of the revenues in the sensor/actuator segment.

### **MORE INFORMATION CONTACT**

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Further details about the optoelectronics, sensors/actuators, and discrete marketplace can be found in the latest edition of IC Insights' *O-S-D Report*, which will be released in March.

### O-S-D Market versus IC Products

	2006 Sales (\$B)	2005 Sales (\$B)	Percent Change
Optoelectronics	16.3	14.9	9%
Sensors/Actuators	5.3	4.5	18%
Discretes	16.6	15.2	9%
<b>Total O-S-D</b>	<b>38.2</b>	<b>34.6</b>	<b>10%</b>
Analog	36.9	31.9	16%
DRAM	33.8	25.6	32%
MPU	33.2	35.0	-5%
Flash Memory	20.1	18.6	8%
<b>Total IC</b>	<b>209.5</b>	<b>192.8</b>	<b>9%</b>

Source: IC Insights, WSTS

**Figure 1**

### Report Details

The 2007 edition of IC Insights study on the optoelectronics, sensors, and discrete market—*The O-S-D Report*—will be available in March 2007. This one-of-a-kind report focuses on the essential role of O-S-D devices, reveals strategic market trends, and notes emerging opportunities developing for these devices in new electronic systems. The study complements *The McClean Report* to provide a thorough review of the total semiconductor industry. The 2007 O-S-D Report is available for \$1,990, or \$2,485 as a bundled CD-binder set. An Internet access password is available as a \$695 option. For more information, please visit [www.icinsights.com](http://www.icinsights.com).

#### 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.

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