

NOVEMBER 19, 2007

Growth of Opto-Sensor-Discrete Market to Exceed ICs Through 2011

Double-digit average annual increase expected for total opto, sensor, discrete market

The market for optoelectronics, sensors/actuators, and discretets (O-S-D) is often overshadowed by the sheer size of IC revenues, but the market for this diverse group of semiconductors is forecast to outpace integrated circuit sales growth with an annual average increase of nearly 10% per year in the 2006-2011 period compared to about 9% for ICs (Figure 1).

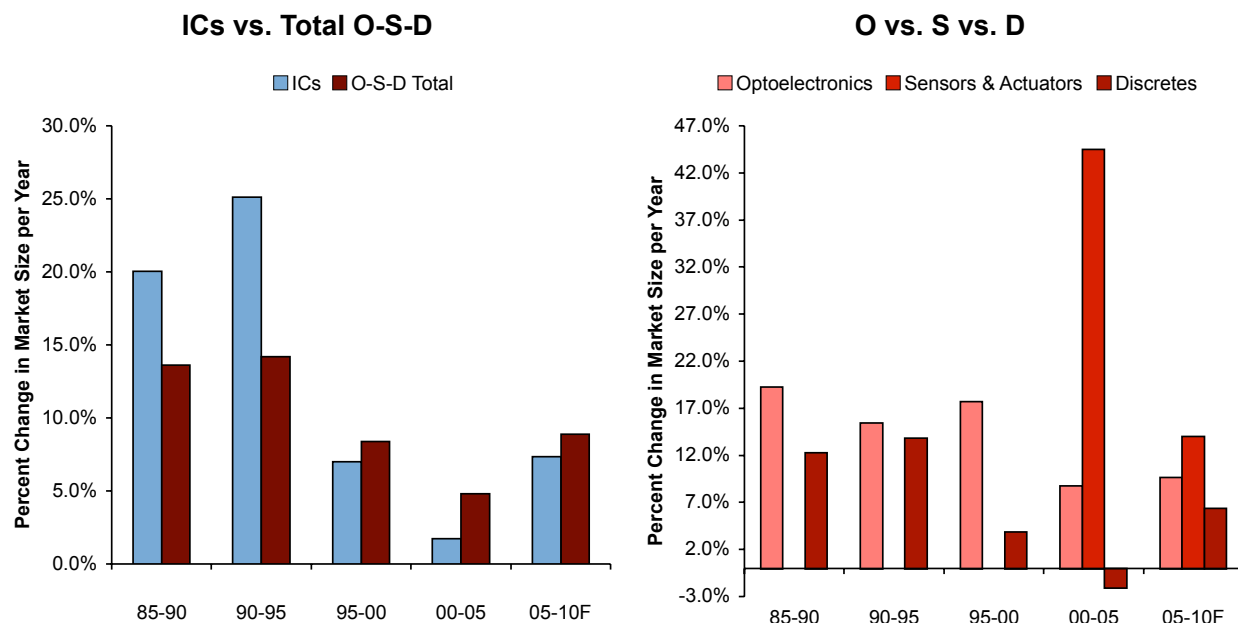
As shown, O-S-D sales totals have been increasing at faster cumulative average growth rates (CAGRs) than ICs since the late 1990s, when optoelectronics provided a strong boost to growth rates, partly due to over investments into fiber-optic networks and high-speed communications during the "Internet boom" period, which eventually went bust in 2001. But other optoelectronics products quickly emerged as growth drivers early this decade, including CMOS image sensors for camera phones and digital still cameras and high-brightness white light-emitting diodes (LEDs) for backlighting of keypads and color displays in cell phones and other portable products. The markets for optoelectronics and discretets are now nearly equal in size and have been for several years, but opto semiconductor revenues are expected to finally pull ahead of discretets for the first time in history at the end of this decade.

In today's semiconductor business, the sale of optoelectronics, solid-state sensors and actuators, and discrete devices accounts for a little more than 15% of worldwide revenues. Integrated circuits are expected to take 85% of the \$258.1 billion total semiconductor market in 2007, based on IC Insights' latest projections.

MORE INFORMATION CONTACT

Rob Lineback
Senior Market Research Analyst
IC Insights, Inc.
Phone: +1-972-447-0812
Email: rob@icinsights.com

Comparison of 5-Year Market CAGRs for ICs and O-S-D Devices



Source: WSTS, IC Insights

Figure 1

Report Details

The 2007 edition of the *O-S-D Report* expands IC Insights' coverage of the semiconductor industry with detailed analysis of trends and growth rates in the optoelectronics, sensors/actuators, and discretes market segments. The report is available for \$1,990 in either a three-ring binder or CD-ROM format. Additional individual copies of the CD-ROM or binder sell for \$495 each. The report is also available under a multi-user corporate license for \$5,290.

Announcements

- The 2008 edition of IC Insights' *IC Market Drivers* report will begin shipping in November 2007. The report reviews the markets for PCs, DTVs, cellular phones, wireless networking, automotive systems, and other significant existing end-use applications for ICs. Additionally, the study identifies and examines several applications with significant growth potential in the next five years and beyond. The 2008 Edition of *IC Market Drivers* sells for \$2,390.

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 • **Email:** info@icinsights.com