

# RESEARCH BULLETIN

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## Automotive Semiconductor Market Gears Up for Strong Year!

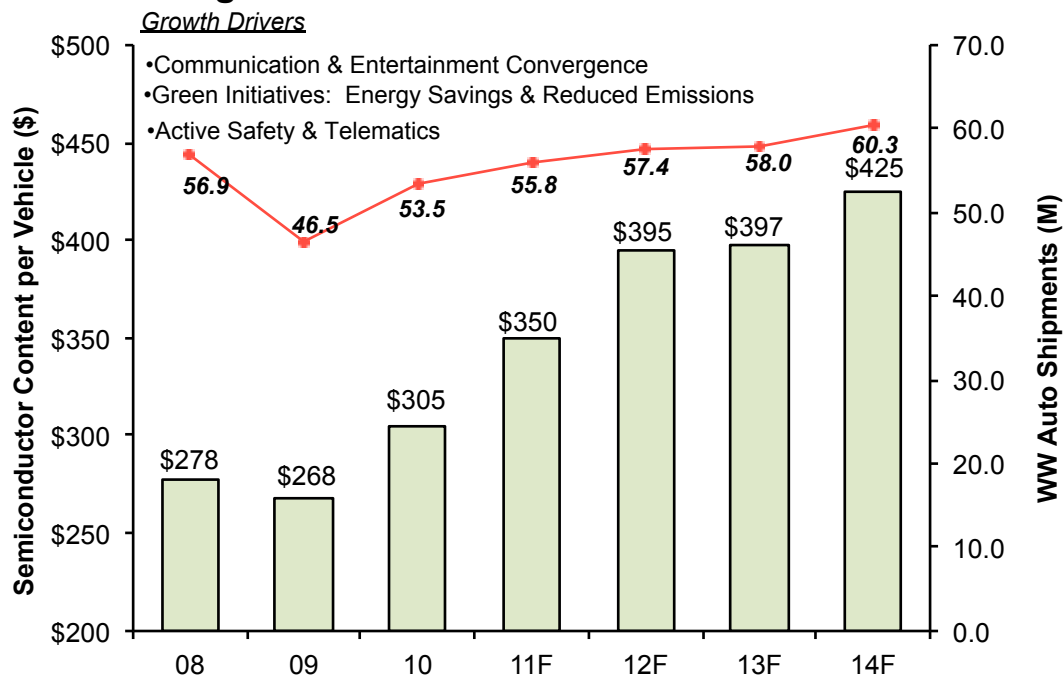
*Communication, safety, telematics, green initiatives to boost auto semi market 15% in 2011*

Semiconductor content per vehicle varies based on make and model, trim level, environmental concerns, and regional government regulations. But, in 2011, the trickle-down effect of technology in automobiles is having a greater impact than originally anticipated. Sophisticated electronic systems, that were the exclusive domain of luxury-class vehicles a few years ago, have become more commonplace in mid-range and lower-priced automobiles. Consequently, in the mid-year update to its 2011 *IC Market Drivers* report, IC Insights has raised its forecast for average semiconductor content per automobile to \$350 in 2011. This represents a 15% increase from the \$305 average in 2010 (Figure 1).

### MORE INFORMATION CONTACT

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### Average Semiconductor Content in Automobiles



Source: IC Insights

**Figure 1**

Semiconductor content per vehicle is expected to increase an average of 9% annually between 2010 and 2014, growing to \$425 per vehicle at the end of the forecast period. Growth drivers for the automotive semiconductor market through the forecast period include the convergence of communications and entertainment features, safety and telematics, and green initiatives.

Safety features such as airbags, curtain restraint systems, and tire-pressure monitoring systems are required on most new vehicles sold in the U.S., Europe, and Japan. In Europe, tire-pressure sensors will be a requirement on all new cars sold there after November 1, 2011. This is bound to boost the applications of tire-pressure monitoring systems (TPMSs) as it did when the U.S. instituted the requirement in 2006. Electronic stability control (ESC) systems will be required for all new cars sold in the U.S. starting in 2012. Rear-facing cameras will soon to be mandated features for cars sold in the U.S. and park-assist electronics are growing more common in many car models.

Connectivity and onboard telematics are growing as essential selling points for new-car shoppers who want to smoothly transition content from their portable media devices to their car, home or office. New cars with built-in Bluetooth technology have become commonplace, but center-stack displays that replicate the driver's smartphone screen and onboard charging pads for phones and portable electronics will soon be standard equipment on many new cars.

## Report Details

IC Insights has released its mid-year update to its 2011 *IC Market Drivers* report. With over 100-pages, the update provides new data and forecast information on the end-use markets that are big users of ICs. The 2011 *IC Market Drivers* report details and forecasts automotive and other electronic systems that are driving the IC market. It examines leading applications for ICs and evaluates the potential growth for new applications that are expected to fuel the market for ICs through 2014.

**Price:** (original report including the Update): **\$2,990** in electronically delivered PDF format (including single-user Internet password); **\$6,190** for multi-user corporate license (includes PDF, CD, and multi-user Internet access password). Visit <http://www.icinsights.com/services/ic-market-drivers/> for more information.

### 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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