

## **New Report Analyzes Growing DSP Market for Internet Telephony**

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**Tempe, Ariz.-April 17, 2002--**Forward Concepts has announced the publication of its newest market research report, "VoIP & Packet Voice DSP Markets." The report details the market opportunities for DSP chips used in media gateways, customer premises equipment (CPE) of several types and wireless applications.

The report points out that the telecom market is still in a recovery mode after a severe downturn in 2001. But, there were bright spots in an otherwise dismal market. For example, Internet Protocol (IP) PBX systems and associated IP phones began to take off dramatically, growing over 100 percent in 2001 and is projected to continue robust growth well in the future. The value proposition for IP PBX systems is very compelling, as detailed in the report.

According to the report, the packet voice equipment market has almost completed the changeover from frame relay to VoIP implementation, and with channel/port shipments projected to grow at a 116% compound annual rate from 12 million channels in 2001 to 560 million channels in 2006. By 2006, wireless will constitute the largest VoIP market, mostly in cellular applications. This is contrasted with the presently small wireless IP Telephony market, based mostly on wireless LANs (WLANs) and wireless local loop (WLL) implementations.

The report forecasts the value of DSP chips and chipsets for VoIP to grow from \$129 million in 2001 to \$1.4 billion in 2006, a compound growth rate of 61%. Media gateways and remote access concentrators account for the bulk of the current market, with wireline CPE markets well ahead of wireless.

Will Strauss, Principal Consultant and author of the report said, "Unlike other reports that forecast billions of minutes of packet voice use, this report is focused on hardware and chip implementation, including port and channel counts for virtually all VoIP equipment. Although system revenues are included, it is the value of DSP chip technology in each of the many applications that is emphasized."

The report concludes that with the introduction of multi-line DSPs, termed access communication processors (ACPs), the average port count per chip for media gateways and remote access concentrators (RACs) will increase from an average of 4.4 G.711 channels per chip to 88 channels per chip over the forecast period. Although the average selling price of chips and bundled software for the media gateway and RAC markets is forecast to grow at a 55% compound annual rate from \$25.00 to \$225.00 over the forecast period, the imputed chip cost per channel will decline at close to 15% per year, leading to cheaper equipment.

The report also addresses other CPE packet voice markets, including voice over cable (VoCable) and voice over DSL (VoDSL), including the integrated access devices (IADs) necessary for their implementation.

"VoIP & Packet Voice DSP Markets" is 212 pages in length and includes over 40 figures and 40 detailed tables. It is priced at \$3,795.00 in North America and \$3,895.00 internationally. It is immediately available from Forward Concepts and details are on its website at: <http://www.forwardconcepts.com>





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