

New Study Indicates that Cellphones Have Become the Largest Audio Chip Market

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Tempe, AZ – June 13, 2006 – Tempe, Ariz.-June 14, 2006--Forward Concepts has announced the publication of its newest market research report. "Audio Chip Markets: The Foundation of Multimedia" The report chronicles the history of audio and its many formats and the introduction of multimedia capabilities with the original Sound Blaster(tm) PC card introduced in 1988. Multimedia capabilities brought about through mixed-signal and digital semiconductor technology are now the focus of virtually all new audio devices. Key study findings in the report are:

- 1) Cellphone ring tone and MP3 melody chips already constitute a billion-dollar market and will continue to be the largest class of audio chips through 2010.
- 2) MP3-type player chips will continue strong growth from the 100-million-plus unit level in 2005 for the next two years...after which we predict that the personal player market will begin to be subsumed by the cellphone as the primary personal audio vehicle.
- 3) Digital Class D audio amplifiers continue to gain market share against traditional linear amplifiers in a number of applications because of their power efficiency and smaller sizes. The hot MP3 player speaker docking station market is a new Class D phenomenon, but DVD receivers, flat-screen TVs and even cellphones are bigger Class D markets.
- 4) Discrete analog chips, like individual converters, codecs and amplifiers, are still dominant in traditional markets like analog TVs, but in the faster-growing digital markets those functionalities are becoming increasingly incorporated into multi-channel SoCs, many with integral digital signal processing (DSP) circuitry.

The new 374-page report, "Audio Chip Markets: The Foundation of Multimedia" contains 48 figures, 26 tables, and profiles 45 audio chip suppliers. Details are on the company website at: www.fwdconcepts.com/Audio6.htm

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