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On-Board Digital Content Boosts Automotive IC Market

Safety, environmental regulations also add to growth

Driven by voice-activated telematics systems, rear-facing cameras, auxiliary jacks for iPods and other music players, Bluetooth wireless connections, and other systems, the automotive market has become a fertile environment for implementing many high-tech systems and components. Meanwhile, government-mandated safety and efficiency regulations have also have contributed to the growing market for automotive ICs.

In the next five years, the demand for tire pressure sensors is expected to jump dramatically as U.S. law requires these systems on all new cars and light trucks sold beginning in August 2007.

Also, advanced safety systems are expected to fuel automotive IC growth, with cars becoming "aware" of their surroundings through a host of sensors, cameras, and other fiber optics.

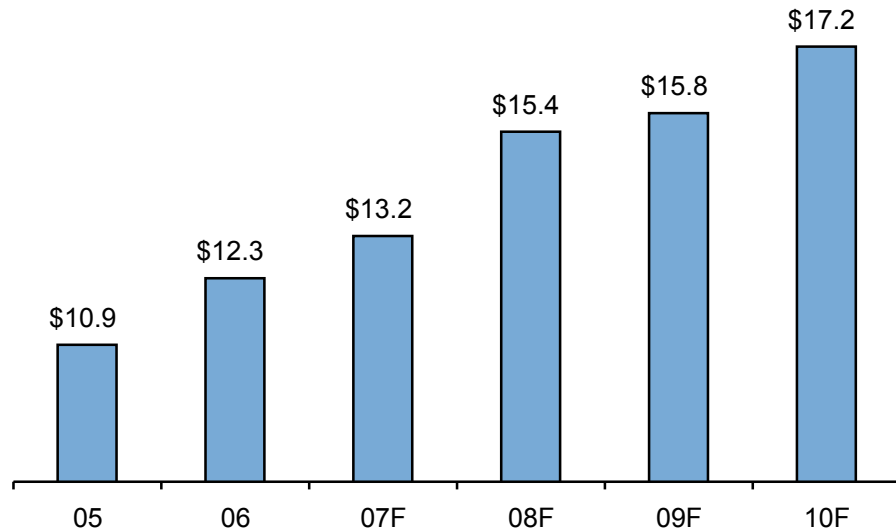
According to IC Insights' recently released *IC Market Drivers* report, the global automotive IC market is forecast to reach \$13.2 billion in 2007, a 7% increase from \$12.3 billion in 2006. By 2010, the automotive IC market is forecast to reach \$17.2 billion (Figure 1).

The report goes on to mention that most higher-end vehicles currently contain between \$400-\$500 worth of semiconductor devices. However, the average semiconductor content in a 2006 model-year vehicle was \$300 and is forecast to grow to \$345 by 2010. It is possible that, by 2010, the average semiconductor content in cars could jump to \$500. However, to bring the average amount to this level would likely require the sale of more high-end autos, and also more "green" vehicles such as hybrids and electric automobiles.

MORE INFORMATION CONTACT

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Automotive IC Market Forecast (\$B)



Source: WSTS, IC Insights

Figure 1

Report Details

Details and forecasts of the automotive IC market can be found in IC Insights' *IC Market Drivers---A Study of Emerging and Major End-Use Applications Fueling Demand for Integrated Circuits*. The report identifies end-use applications that offer great potential to propel the IC market through 2010. Price: \$2,685.

Announcements

- The 2007 edition of IC Insights' *O-S-D Report* covering the optoelectronics, sensors/actuators, and discrete semiconductor marketplaces is now shipping. For more information on the *O-S-D Report* visit <http://www.icinsights.com/prodsrvs/osdreport/osdreport.html>.

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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