

# RESEARCH BULLETIN

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## Double-Digit Growth Returning for Many IC Products

*DRAM, 32-bit MCU, flash memory among strongest growth segments for 2010.*

All but four IC product categories are forecast to show positive growth in 2010, according to the just-released *2010 McClean Report*. This follows a four-year stretch in which the number of IC product categories that reported positive growth declined each year, with 2009 showing only four of 28 segments with positive growth.

From 2006 through 2009, there was a steady decline in the number of IC products with annual growth. Figure 1 shows that in 2006, 23 of 30 IC product segments enjoyed positive growth. Even during the relatively strong year for the IC market in 2007, the number of IC products that had positive growth was only half (15 of 30). The dire economic climate in late 2008 and 2009 resulted in many more declining segments.

### MORE INFORMATION CONTACT

Brian Matas  
 Vice President, Market Research  
 IC Insights, Inc.  
 Phone: +1-480-348-1133  
 Email: bmatas@icinsights.com

### Tough Stretch For IC Market

Growth Rates for IC Products

|                              | 2006 | 2007 | 2008 | 2009 |
|------------------------------|------|------|------|------|
| Total Product Categories     | 30   | 30   | 29*  | 28*  |
| Positive Growth              | 23   | 15   | 11   | 4    |
| Double-Digit Positive Growth | 17   | 9    | 5    | 0    |
| Equal/Better Than IC Market  | 17   | 12   | 15   | 6    |
| Negative Growth              | 7    | 15   | 18   | 24   |

Source: IC Insights

\*Category reclassifications in 2008 and 2009.

**Figure 1**

IC Insights believes 2010 will start a three-year reversal of this downward trend. Conditions throughout the industry such as high wafer fab capacity utilization, little capital spending, improving global economy, and ongoing demand for units are likely to put upward pressure on average selling prices, which should help turn the market around for many IC products beginning in 2010.

The top-10 growth categories for 2010 are shown in Figure 2. The DRAM market is forecast to grow over 30% in 2010, leading all segments. Flash memory also made the list as an ever-increasing array of handheld systems continue to drive demand for NAND flash, in particular. Several products serving the

automotive and computer segments are also forecast to enjoy better growth than the 15% forecast for the total IC industry.

### Top 10 Best-Growing IC Markets In 2010 (\$)

| Product Category                                  | Forecast Growth |
|---|-----------------|
| 1 DRAM  | 31%             |
| 2 32-bit MCU                                      | 18%             |
| 3 Automotive—Spcl Purpose Logic/MPR               | 18%             |
| 4 Flash Memory                                    | 18%             |
| 5 Automotive App-Specific Analog                  | 17%             |
| 6 Computer App-Specific Analog                    | 16%             |
| 7 Computer and Peripherals—Spcl Purpose Logic/MPR | 15%             |
| 8 Consumer App-Specific Analog                    | 15%             |
| 9 MPU   | 15%             |
| 10 Data Conversion                                | 14%             |
| -- Voltage Reg. & Ref.                            | 14%             |
| <b>Total IC Market</b>                            | <b>15%</b>      |

Source: IC Insights

**Figure 2**

### Report Details

Additional details of the IC market by device type, including a forecast of market size, unit shipments, and average selling prices for the 28 different IC product categories through 2014 is found in IC Insights' *McClean Report 2010 Edition*. Packed with more than 400 tables and graphs, the 2010 edition of *The McClean Report* is available in three-ring binder, CD-ROM, and on-line formats, and also comes with free monthly updates by e-mail from March through November. A single copy of the report in CD-ROM or binder format is priced at \$2,890. A bundled CD-binder set is priced at \$3,385. An Internet access password is available as a \$695 option. The report is also available under a multi-user corporate license for \$5,990. To view a downloadable brochure and to read more information, visit [www.icinsights.com](http://www.icinsights.com).

#### 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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