

2007

# HDMI Developers Conference

Shenzhen, China

Press Briefing  
*September 2007*

Leslie Chard  
President, HDMI Licensing, LLC



# Agenda

- HDMI Developers Conference Overview
- HDMI Market Update
- HDMI Consumer Survey: China

2007

# HDMI Developers Conference

Shenzhen, China



## Overview



# China is a Global Consumer Electronics and Personal Computer Presence

- HDMI is committed to supporting growth in both the domestic and export markets in China
- HDMI recognizes the strength, innovation and economic power of the Chinese Consumer Electronics (CE) and Personal Computer (PC) industry
- Chinese Adopters are the fastest growing segment worldwide
  - 24% of all HDMI Adopters are in China
  - 164 Chinese Adopters as of August, 2007

# HDMI Developers Conference

## ■ Goals

- Provide domestic and global business and market information
  - Global demand and projections for HDMI
  - Retailer expectations of manufacturers
- Educate and update engineers and product managers
  - Implement the most advanced features enabled by HDMI (including 1.3)
  - Create products that operate correctly, and give consumers the best possible experience
- Bringing together experts from around the world to share their knowledge of HDMI with China

# HDMI Developers Conference— The Business Experts:

- Business leaders to address the Chinese and North American markets
  - MII—Bai Weimin Director, Liang Feng Director
  - CVIA—Hao Ya bin, Vice Secretary General
  - TCL Corporation—Zhu Changchang, Vice President, Corporate Research
  - Sino Market Research, Ltd—Ye Ping, Deputy General Manager
    - The leading market research firm in China
  - Best Buy Corporation—Mark Scanlon, Strategy Manager, Home Solutions
    - The largest CE and PC retailer in North America

# HDMI Developers Conference— The Technical Experts:

- Technical leaders share their best practices
  - Silicon Image
    - Creator of key technology underlying HDMI
  - Digital Content Protection, LLC
    - Licenses and tests HDCP content protection
  - Tektronix, Agilent and Quantum Data
    - Worldwide leaders in HDMI test equipment
  - Simplay Labs, LLC
    - Expert in testing advanced HDMI technologies

# HDMI Developers Conference— Demonstration and Exhibitions

- All attendees can view the latest HDMI-related products and services from the following companies:
  - Agilent Technologies
  - Analog Devices
  - Digital Content Protection, LLC
  - Philips NXP
  - Quantum Data
  - Silicon Image
  - Simplay Labs, LLC
  - Sure-fire Electric
  - Tektronix

2007

# HDMI Developers Conference

Shenzhen, China



## HDMI Market Update

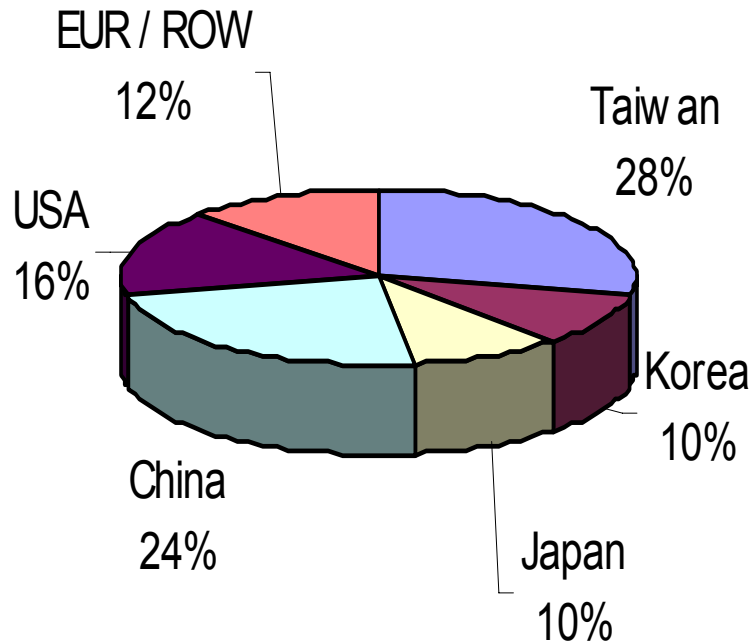


# HDMI - Overview

- HDMI is the *de facto* standard digital connection for consumer electronics products
  - HDMI delivers the highest-quality audio and video signal over a single cable
- HDMI has achieved global acceptance
  - 2008 - Over 700 manufacturers will ship approximately 200 million HDMI-enabled devices
  - 2010 - Installed base of nearly 1 billion HDMI devices
- HDMI constantly evolves to improve consumer experience
  - We constantly ask “What’s next”
  - Allow manufacturers to deliver the most exciting features
  - HDMI 1.3 doubles overall bandwidth to deliver even higher quality video and audio signals

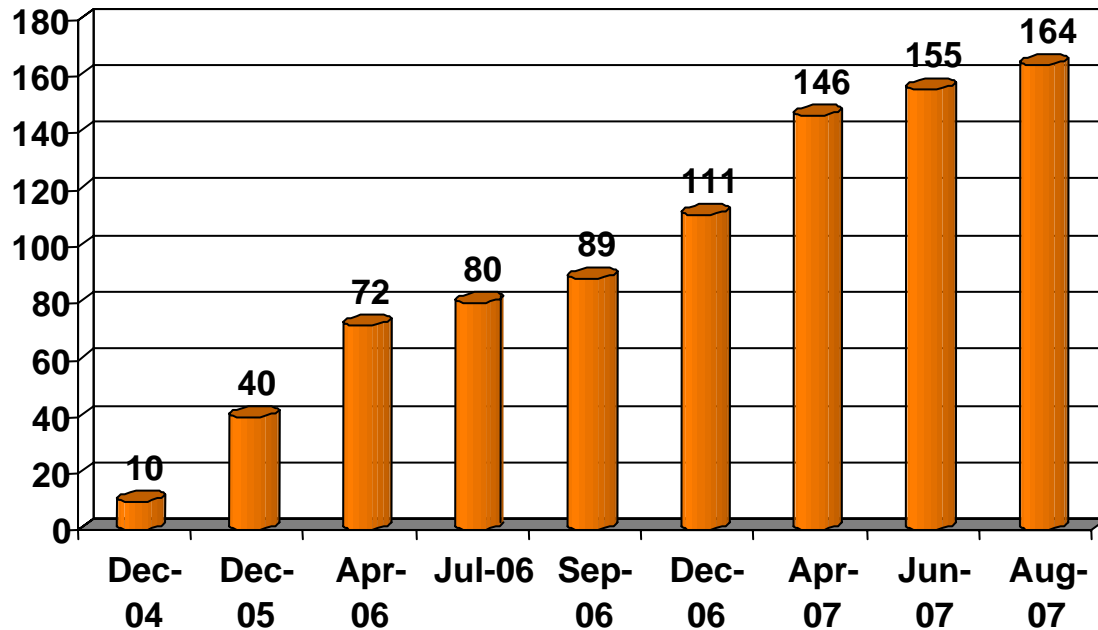
# 702 licensees as of August, 2007

*(does not include 7 HDMI Founders)*

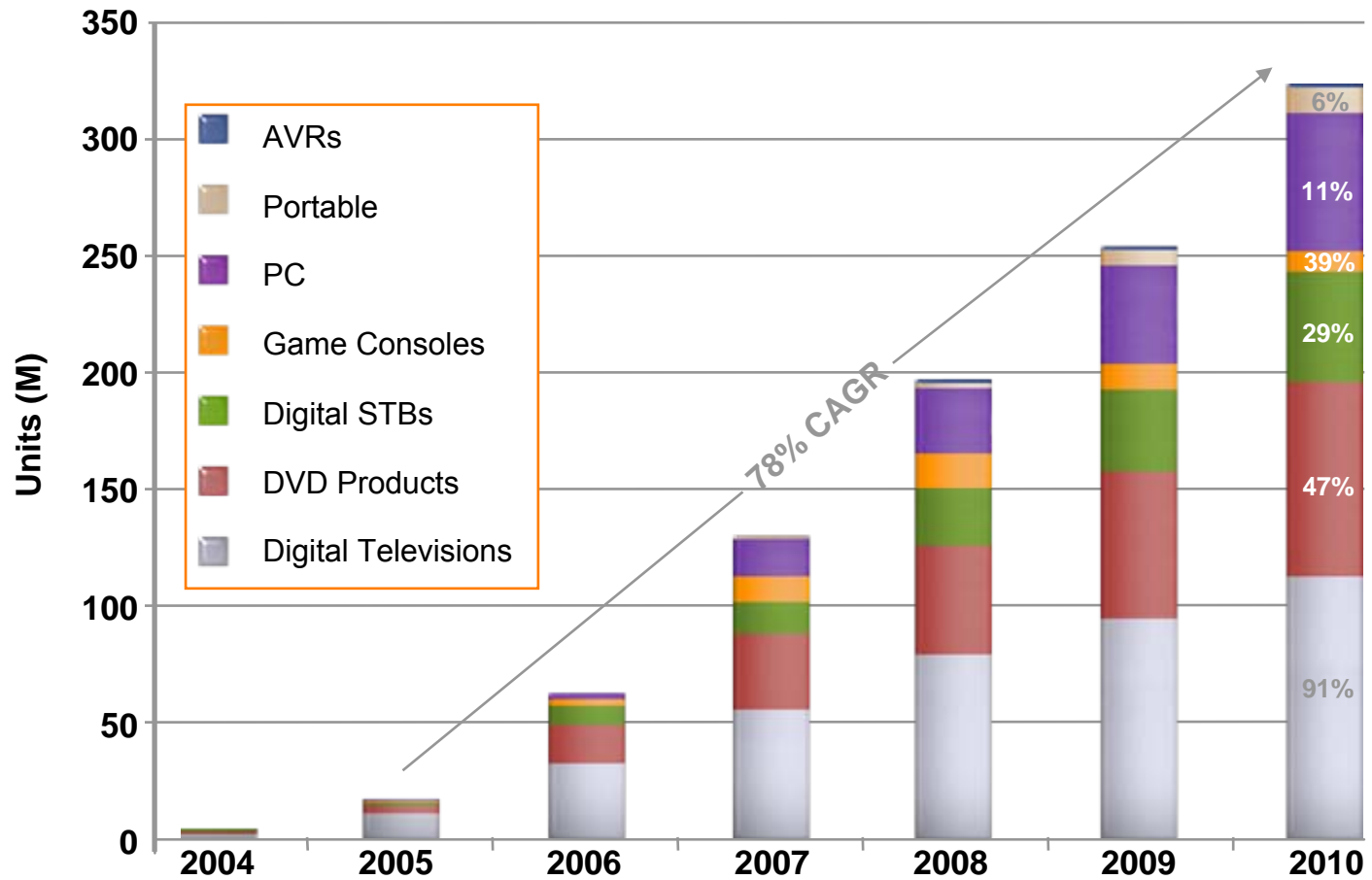


# HDMI Adopters in China

## HDMI Adopters in China



# Rapid HDMI Adoption



Source: InStat 12/06

# HDMI Embraced by PC Market

- HDMI available on all major graphics platforms
  - Desktop & notebook PCs; integrated & discrete graphics



- HDMI PC products from major suppliers
  - HDMI becoming standard on media PC's, particularly laptops



- PC Monitors **BenQ** **ViewSonic**
- HDMI is enabling PC-CE convergence
  - 35-40% of total PC market by 2010

# HDMI Market Trends 2007

- What's next?
  - Expect to see HDMI on cell phones, PMPs, more game consoles, and more PCs (potentially replacing DVI)
  - Evolution of HDMI similar in every country
    - Some countries are earlier in path
  - Key driving force for HDMI: High Definition Content
    - World Cup last year
    - Olympics next year
    - Next generation DVD players (Blu-ray and HD-DVD)
    - Game consoles (PS3, Xbox 360)

2007

# HDMI Developers Conference

Shenzhen, China

## HDMI Consumer Survey: China



# HDMI Consumer Survey: China

- Internet survey
- 1,000 respondents in China
- Survey administered September 2007
- Subjects covered
  - Desired home entertainment features
  - HDMI awareness and attitudes
  - Value of HDMI features to consumer

# Survey Respondent Profile - Demographics

- Age - weighted to young adults
  - 25-34 years 54%
  - Under 25 years 34%
  - 35-44 years 10%
- Gender - significantly male
  - Male 62%
  - Female 37%
- Education level - highly educated
  - College graduates 55%/Master degree 8%
  - Some college 27%
  - High school graduate 8%

# Survey Respondents Profile - CE & Technology

- 91% have high speed Internet connection
- Purchasers of leading technology
  - 61% like to buy technology earlier than others
- People that actually buy products
  - 53% own HDTVs (nearly all would like to)
  - 78% own iPod/MP3

# What home entertainment system features do consumers rank as “important”?

Obviously:

- Picture quality 95%
- Sound quality 93%

But also:

- Easy to operate 92%
- Trouble free & reliable 91%
- Simple to set up 88%

Consumers want the features enabled by HDMI

# What picture quality do consumers want from their home entertainment system?

92% want high-definition

- Half want the “best” high-definition!

- The best high-definition 49%
- Any high-definition 43%
- Not high-definition 7%
- Don't care 1%

# What sound quality do consumers want from their home entertainment system?

Nearly all consumers want surround sound  
- Half want the “best” surround sound!

- Best and most advanced surround sound 50%
- Any surround quality 40%
- Stereo quality 9%

# What do consumers think of their HDMI performance and operation?

HDMI delivers what consumers want

- |  |     |
|--|-----|
| 1. Simple to set up and operate          | 96% |
| 2. Like using only 1 cable for hookup    | 96% |
| 3. Sound quality is high                 | 95% |
| 4. Performance and operation is reliable | 94% |
| 5. Picture quality is high               | 93% |

# Is HDMI an important consideration in buying an HDTV?

94% say HDMI is important and 22% say HDMI is essential to buying their next HDTV

■ Essential	22%	} 94%
■ Important	72%	
■ Not important	2%	
■ Don't know	3%	

# Are consumers willing to pay more for HDTVs with HDMI?

96% of consumers will pay more for HDMI connectivity and 35% will pay a lot more for HDMI

- As much as it takes 26%
- A lot more 9%
- A little more 61%
- Would not pay more 4%

2007

# HDMI Developers Conference

Shenzhen, China

Thank You  
Questions?  
Please Enjoy!

