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Semiconductor IP market to surpass \$4 billion by 2009, Semico says

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SAN FRANCISCO — Semiconductor intellectual property (IP) is the next "killer app" catalyst for semiconductor industry growth, according to Semico Research Corp., which has issued a research report forecasting that the IP market will grow at a compound annual growth rate of 23.2 percent, reaching more than \$4.1 billion by 2009.

Semico (Phoenix) pointed to several trends driving the semiconductor industry toward increasing use of IP, including heavier reliance on outsourcing, rising photomask costs, lengthening design cycle times and shrinking market windows.

Semico said the IP market would segment between different types of devices, with system-on-chip (SoC) devices consuming the most IP over the next four years, growing at a compound annual growth rate of 21.5 percent to reach nearly \$1.5 billion by 2009.

Rich Wawryzniak, Semico senior analyst, said in a statement that semiconductor IP "should be viewed as a potential productivity enhancer and facilitator of the final silicon solution. Companies that create, acquire and reuse [IP] will have a noticeable advantage over those that do not."

Wawryzniak said the communications segment would be the largest application consumer of IP over Semico's forecast period, which runs through 2009, with the computer and consumer segments consuming the second and third most IP, respectively.

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