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Analyst Declares Blu-Ray The Winner

At last week's Consumer Electronics Show, it was "obvious" that much of the "enthusiasm and momentum" are on the Blu-ray side," the Semico Research analyst says in a new report.

By Mark LaPedus, EE Times

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HALF MOON BAY, Calif. — While the battle is far from over in the next-generation DVD wars, one analyst predicts that Blu-ray Disc technology will prevail and become the eventual winner.

"It's time to put a stake in the ground regarding the future of the high-definition DVD format: Blu-ray has won," declared Adrienne Downey, senior analyst with Semico Research Corp., in an e-mail newsletter issued on Tuesday (Jan. 10).

"Walking around CES, it was obvious that much of the enthusiasm and momentum is on the Blu-ray side. The Blu-ray Disc Association's booth was prominent, as were the Blu-ray displays (actual products) at each of the companies supporting the format," Downey said in the newsletter.

The analyst was "disappointed" by the HD-DVD camp at CES. "Most disappointing was the visit to the Toshiba booth, where the representative made negative comments about Blu-ray to a group of people (he stated that Blu-ray is not compatible with current DVD, which is not true)," according to the analyst.

"In fact, on the back of Toshiba's HD-XA1 brochure is a small disclaimer, 'Some DVD discs may not be compatible. If you experience compatibility issues, please contact customer service,' " the analyst said. "However, this is typical of the fight between the two camps to date; both camps have been slinging mud in this dirty fight that is far from over."

Indeed, the HD-DVD camp believes that it will become the eventual winner. Blu-ray and HD-DVD are both blue-laser-based formats; the current DVD format is red-laser-based technology. Both are backward-compatible with current DVDs. And both enable more content per optical disk.

Blu-ray is supported by Sony, Dell, LG, Panasonic, Samsung, and a host of other CE and computer companies, in addition to most of the studios in Hollywood. HD-DVD is supported by Toshiba, NEC, Sanyo, and the DVD-Forum; Warner and Paramount are the major studios committed solely to HD-DVD at this time.

There is, however, a delay in getting the technology into the commercial market. "AACS is the main digital rights management system for both formats, and the specs for AACS are still not final," according to the analyst.

"Toshiba has already had to delay its December 2005 launch because of this issue. Toshiba announced at CES that it will ship HD-DVD products in March 2006, including a player priced at \$499," according to the analyst. "Players were announced by the Blu-ray side as well, to be introduced beginning in April, with prices of \$1,000 and \$1,800 quoted. With AACS still not final, the launch timeframes for both camps could get pushed out further."