

NAND On Track to Surpass NOR, Says Semico

Online Staff -- 5/5/2005

Electronic News

<http://www.reed-electronics.com/electronicnews/article/CA529842?nid=2019&rid=500958245>

Even with price erosion factored in, NAND flash memory will surpass NOR flash to become the second largest memory market after DRAM, Semico said Wednesday.

Market research firm Semico Research Corp. said that although NAND is experiencing a price slide because of an industry-wide overcapacity and the emergence of new competitors, the market will take a weaving path upwards, peaking at \$38.9 billion in 2008 before a price collapse again in 2009.

NAND suffered a price collapse of 65 percent in 2004.

"Since its inception NAND has consistently enjoyed an annual megabyte growth greater than 100 percent, the highest of any memory technology in history," Jim Handy, Director of Nonvolatile Memory Services at Semico, said in a statement. "This growth has been fueled by the digital camera market, camera phones, USB flash drives, and MP3 players. When this extreme megabyte growth encounters periods of stable pricing, revenues explode."

Semico isn't the only market researcher to forecast NAND flash memory surpassing NOR; IC Insights said as much earlier this year as well, forecasting that at the end of 2005, NAND will account for 51 percent of the flash market.

But proponents of NOR apps proclaim it is still alive and kicking, most notably Intel Corp.

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