

INTRODUCTION.....	XXIV
STUDY GOALS AND OBJECTIVES .....	XXIV
REASONS FOR DOING THIS STUDY .....	XXIV
CONTRIBUTIONS OF THE STUDY AND FOR WHOM .....	XXIV
SCOPE AND FORMAT.....	XXIV
BCC ON-LINE SERVICES .....	XXV
EXECUTIVE SUMMARY.....	XXVII
<i>SUMMARY TABLE EMBEDDED PRODUCTS MARKET REVENUE HISTORY AND</i>	
<i>FORECAST, 1998-2004 (\$ BILLIONS) .....</i>	<i>XXVII</i>
<i>SUMMARY FIGURE EMBEDDED PRODUCTS MARKET REVENUE HISTORY AND</i>	
<i>FORECAST (\$ BILLIONS) .....</i>	<i>XXVIII</i>
OVERVIEW OF EMBEDDED SYSTEMS TECHNOLOGIES.....	1
DEFINITION OF AN EMBEDDED SYSTEM.....	1
EMBEDDED SYSTEM FUNCTIONS .....	1
THE EMBEDDED SYSTEMS MARKET .....	2
Market Drivers.....	3
Market Segmentation .....	3
State of the Market.....	4
MAJOR EMBEDDED SYSTEMS SOFTWARE.....	5
<i>TABLE 1 HISTORY AND FORECAST FOR EMBEDDED SOFTWARE REVENUE,</i>	
<i>1998-2004 (\$ BILLIONS).....</i>	<i>5</i>
<i>FIGURE 1 HISTORY AND FORECAST FOR EMBEDDED SOFTWARE REVENUE (\$</i>	
<i>BILLIONS) .....</i>	<i>6</i>
MARKETS BY PRODUCT .....	6
<i>TABLE 2 HISTORY AND FORECAST FOR EMBEDDED SOFTWARE REVENUE BY</i>	
<i>MARKET SEGMENT, 1998-2004 (\$ BILLIONS).....</i>	<i>7</i>
<i>FIGURE 2 HISTORY AND FORECAST FOR EMBEDDED SOFTWARE REVENUE BY</i>	
<i>MARKET SEGMENT (\$ BILLIONS) .....</i>	<i>8</i>
EMBEDDED SOFTWARE.....	8
Development Tools.....	9
Tornado.....	9
WindView and StethoScope .....	9
Real-time Operating Systems.....	9
Ariel .....	9
DAVID .....	10
EmbeddedJava .....	10
GEOS and GEOS-SC.....	10
OS-9 .....	11
PersonalJava .....	11
Portable Operating Systems.....	12

Java OS.....	12
Windows CE .....	13
TABLE 3 MICROPROCESSORS SUPPORTED BY WINDOWS CE.....	13
MARKET BY APPLICATION .....	14
TABLE 4 EMBEDDED SOFTWARE MARKET SEGMENT USAGE AND FORECAST, 1998-2004 (%) .....	15
FIGURE 3 EMBEDDED SOFTWARE MARKET SEGMENT USAGE AND FORECAST (%).....	15
REAL-TIME OPERATING SYSTEMS.....	16
TABLE 5 HISTORY AND FORECAST FOR RTOS REVENUE, 1998-2004 (\$ BILLIONS) .....	17
FIGURE 4 HISTORY AND FORECAST FOR RTOS REVENUE (\$ BILLIONS) .....	17
PORTABLE OPERATING SYSTEMS.....	18
TABLE 6 HISTORY AND FORECAST FOR PORTABLE OPERATING SYSTEM REVENUES, 1998-2004 (\$ BILLIONS) .....	18
FIGURE 5 HISTORY AND FORECAST FOR PORTABLE OPERATING SYSTEM REVENUE (\$ BILLIONS) .....	19
VIRTUAL COMPONENTS .....	19
INDUSTRY STRUCTURE .....	20
Company Profiles.....	20
Acorn Group Plc .....	20
Applied Microsystems Corporation .....	21
GeoWorks Corporation.....	22
Mentor Graphics.....	23
Microsoft Corporation .....	24
Microware Systems Corporation .....	25
Psion Plc .....	26
Sun Microsystems .....	26
Wind River Systems.....	27
Wind River Systems (Continued) .....	28
EMBEDDED DEVICES: PROCESSORS.....	29
MARKET BY PRODUCT .....	29
TABLE 7 HISTORY AND FORECAST FOR EMBEDDED PROCESSORS, 1998-2004 (\$ BILLIONS) .....	30
FIGURE 6 HISTORY AND FORECAST FOR EMBEDDED PROCESSORS (\$ BILLIONS) .....	31
EMBEDDED MICROPROCESSORS .....	32
CISC-BASED MICROPROCESSORS .....	32
RISC-BASED MICROPROCESSORS .....	33
EMBEDDED AND NON-EMBEDDED MICROPROCESSORS.....	34
EMBEDDED MICROPROCESSORS BY PRODUCT .....	35
TABLE 8 COMPARISON OF EMBEDDED AND NON-EMBEDDED MICROPROCESSORS, 1998-2004 (MILLION UNITS) .....	36
FIGURE 7 COMPARISON OF EMBEDDED AND NON-EMBEDDED MICROPROCESSORS (MILLION UNITS).....	37

<i>TABLE 9 COMPARISON OF EMBEDDED AND NON-EMBEDDED MICROPROCESSORS, 1998-2004 (\$ BILLIONS)</i> .....	38
<i>FIGURE 8 COMPARISON OF EMBEDDED AND NON-EMBEDDED MICROPROCESSORS (\$ BILLIONS)</i> .....	38
<b>EMBEDDED MICROCONTROLLERS</b> .....	39
<b>CISC-BASED MICROCONTROLLERS</b> .....	40
<b>RISC-BASED MICROCONTROLLERS</b> .....	40
<b>EMBEDDED MICROCONTROLLER APPLICATIONS</b> .....	41
<b>EMBEDDED MICROCONTROLLER PRODUCT REVENUES</b> .....	41
<i>TABLE 10 EMBEDDED MICROCONTROLLERS SHIPPED, 1998-2004 (BILLION UNITS)</i> .....	41
<i>FIGURE 9 EMBEDDED MICROCONTROLLERS SHIPPED (BILLION UNITS)</i> .....	42
<i>TABLE 11 EMBEDDED MICROCONTROLLER REVENUES, 1998-2004 (\$ BILLIONS)</i> .....	42
<i>FIGURE 10 EMBEDDED MICROCONTROLLER REVENUES (\$ BILLIONS)</i> .....	43
<b>PROGRAMMABLE DIGITAL SIGNAL PROCESSORS</b> .....	43
<i>TABLE 12 HISTORY AND PROJECTED TREND FOR DSP SHIPMENTS, 1998-2004 (MILLION UNITS)</i> .....	44
<i>FIGURE 11 HISTORY AND PROJECTED TREND FOR DSP SHIPMENTS (MILLION UNITS)</i> .....	45
<i>TABLE 13 HISTORY AND PROJECTED TREND FOR PROGRAMMABLE DSP REVENUES, 1998-2004 (\$ BILLIONS)</i> .....	46
<i>FIGURE 12 HISTORY AND PROJECTED TREND FOR DSP REVENUES (\$ BILLIONS)</i> .....	46
<b>EMBEDDED PROCESSOR PRODUCT TYPES</b> .....	47
<b>AMD ELANSC400 MICROCONTROLLER</b> .....	47
<b>ARM710 FAMILY</b> .....	47
<b>HITACHI SH7000 MICROCONTROLLER FAMILY</b> .....	48
<b>HITACHI SH7600 (SH-2 CPU) AND SH7700 (SH-3 CPU)</b> .....	48
<b>INTEL i960 MICROPROCESSOR</b> .....	48
<b>INTEL STRONGARM MICROPROCESSOR FAMILY</b> .....	49
<b>TEXAS INSTRUMENTS TMS320VC33</b> .....	49
<b>TEXAS INSTRUMENTS TMS320C5416</b> .....	49
<b>ZILOG Z8PLUS FAMILY</b> .....	50
<b>MARKET BY APPLICATION</b> .....	50
<b>MICROCONTROLLERS BY BIT APPLICATION</b> .....	51
<i>TABLE 14 EMBEDDED MICROCONTROLLER HISTORY AND FORECAST, 1998-2004 (MILLION UNITS)</i> .....	51
<i>FIGURE 13 EMBEDDED MICROCONTROLLER HISTORY AND FORECAST (MILLION UNITS)</i> .....	52
<i>TABLE 15 EMBEDDED MICROCONTROLLER REVENUE HISTORY AND FORECAST, 1998-2004 (\$ BILLIONS)</i> .....	53
<i>FIGURE 14 EMBEDDED MICROCONTROLLER REVENUE HISTORY AND FORECAST (\$ BILLIONS)</i> .....	53
<b>EMBEDDED MICROPROCESSORS AND DSPs BY MARKET APPLICATION</b> .....	54

<i>TABLE 16 DISTRIBUTION OF EMBEDDED MPU<sub>s</sub> AND DSP<sub>s</sub> BY APPLICATION IN 1998 (%)</i> .....	55
<i>FIGURE 15 DISTRIBUTION OF EMBEDDED MPU<sub>s</sub> AND DSP<sub>s</sub> BY APPLICATION IN 1998 (%)</i> .....	55
<b>Market by Computer Applications</b> .....	<b>56</b>
<b>Hard Disk Drives</b> .....	<b>56</b>
<i>TABLE 17 COMPARISON AND FORECAST OF THE PERSONAL COMPUTER AND HARD DISK DRIVE MARKETS, 1999-2004 (MILLION UNITS)</i> .....	56
<i>FIGURE 16 COMPARISON AND FORECAST OF THE PERSONAL COMPUTER AND HARD DISK DRIVE MARKETS (MILLION UNITS)</i> .....	57
<i>TABLE 18 COMPARISON AND FORECAST OF THE PERSONAL COMPUTER AND HARD DISK DRIVE MARKETS, 1998-2004 (\$ BILLIONS)</i> .....	57
<b>Hard Disk Drives (Continued)</b> .....	<b>58</b>
<i>FIGURE 17 COMPARISON AND FORECAST OF THE PERSONAL COMPUTER AND HARD DISK DRIVE MARKETS (\$ BILLIONS)</i> .....	59
<b>Impact of Hard Disk Drive Sales on the Embedded Processor Market</b> .....	<b>59</b>
<i>TABLE 19 IMPACT OF HARD DISK DRIVE SALES ON THE EMBEDDED PROCESSOR MARKET, 1998-2004 (MILLION UNITS)</i> .....	60
<i>FIGURE 18 IMPACT OF HARD DISK DRIVE SALES ON THE EMBEDDED PROCESSOR MARKET (MILLION UNITS)</i> .....	60
<i>TABLE 20 IMPACT OF HARD DISK DRIVE SALES ON EMBEDDED PROCESSOR SALES, 1998-2004 (\$ BILLIONS)</i> .....	61
<i>FIGURE 19 IMPACT OF HARD DISK DRIVE SALES ON EMBEDDED PROCESSOR SALES (\$ BILLIONS)</i> .....	61
<b>Mobile Computing</b> .....	<b>61</b>
<b>Handheld Computers</b> .....	<b>62</b>
<b>Mobile Computing Markets</b> .....	<b>62</b>
<i>TABLE 21 HISTORY AND FORECAST FOR THE MOBILE COMPUTING MARKET, 1998-2004 (\$ BILLIONS)</i> .....	63
<i>FIGURE 20 HISTORY AND FORECAST FOR THE MOBILE COMPUTING MARKET (\$ BILLIONS)</i> .....	63
<b>The Mobile Computing Market and Embedded Processors</b> .....	<b>63</b>
<i>TABLE 22 IMPACT OF THE MOBILE COMPUTING MARKET ON THE EMBEDDED PROCESSOR MARKET, 1998-2004 (MILLION UNITS)</i> .....	64
<i>FIGURE 21 THE EFFECT OF THE MOBILE COMPUTING MARKET ON THE EMBEDDED PROCESSOR MARKET (MILLION UNITS)</i> .....	64
<i>TABLE 23 IMPACT OF THE MOBILE COMPUTING MARKET ON THE EMBEDDED PROCESSOR MARKET, 1998-2004 (\$ BILLIONS)</i> .....	65
<i>FIGURE 22 THE EFFECT OF THE MOBILE COMPUTING MARKET ON THE EMBEDDED PROCESSOR MARKET (\$ BILLIONS)</i> .....	66
<b>Market by Wireless Communications Applications</b> .....	<b>66</b>
<b>Cellular Phones</b> .....	<b>66</b>
<i>TABLE 24 HISTORY AND FORECAST OF THE CELLULAR/PCS PHONE AND PAGER MARKETS, 1998-2004 (MILLION SUBSCRIBERS)</i> .....	67

<b>FIGURE 23 HISTORY AND FORECAST OF THE CELLULAR/PCS PHONE AND PAGER MARKETS (MILLION SUBSCRIBERS)</b> .....	<b>68</b>
<b>Personal Communication Systems</b> .....	<b>68</b>
<b>Pagers</b> .....	<b>69</b>
<b>Cellular Phone and PCS Unit Sales and Revenues</b> .....	<b>69</b>
<b>TABLE 25 HISTORY AND FORECAST OF THE CELLULAR/PCS PHONE MARKETS, 1998-2004 (MILLION UNITS)</b> .....	<b>70</b>
<b>FIGURE 24 HISTORY AND FORECAST OF THE CELLULAR/PCS PHONE MARKETS (MILLION UNITS)</b> .....	<b>70</b>
<b>TABLE 26 HISTORY AND FORECAST OF THE CELLULAR AND PCS REVENUES, 1998-2004 (\$ MILLIONS)</b> .....	<b>71</b>
<b>FIGURE 25 HISTORY AND FORECAST OF THE CELLULAR AND PCS REVENUES (\$ MILLIONS)</b> .....	<b>71</b>
<b>Impact of Cellular Phone Sales on the Embedded Systems Market</b> .....	<b>71</b>
<b>TABLE 27 IMPACT OF CELLULAR/PCS SALES ON THE EMBEDDED PROCESSOR MARKET, 1998-2004 (MILLION UNITS)</b> .....	<b>72</b>
<b>FIGURE 26 IMPACT OF CELLULAR/PCS SALES ON THE EMBEDDED PROCESSOR MARKET (MILLION UNITS)</b> .....	<b>72</b>
<b>TABLE 28 IMPACT OF CELLULAR/PCS SALES ON THE EMBEDDED SYSTEMS MARKET, 1998-2004 (\$ BILLIONS)</b> .....	<b>73</b>
<b>FIGURE 27 IMPACT OF CELLULAR/PCS SALES ON THE EMBEDDED SYSTEMS MARKET (\$ BILLIONS)</b> .....	<b>73</b>
<b>Pagers</b> .....	<b>73</b>
<b>TABLE 29 HISTORY AND FORECAST OF THE PAGER AND EMBEDDED PROCESSOR MARKETS, 1998-2004 (MILLION UNITS)</b> .....	<b>74</b>
<b>FIGURE 28 HISTORY AND FORECAST OF THE PAGER AND EMBEDDED PROCESSOR MARKETS (MILLION UNITS)</b> .....	<b>74</b>
<b>TABLE 30 COMPARISON AND FORECAST OF PAGER AND EMBEDDED PROCESSOR REVENUES, 1998-2004 (\$ BILLIONS)</b> .....	<b>75</b>
<b>FIGURE 29 COMPARISON AND FORECAST OF PAGER AND EMBEDDED PROCESSOR REVENUES (\$ BILLIONS)</b> .....	<b>75</b>
<b>Market by Wired Communications Applications</b> .....	<b>76</b>
<b>Computer Networks</b> .....	<b>76</b>
<b>Network Computers and Thin Clients</b> .....	<b>77</b>
<b>Network Markets and Embedded Processors</b> .....	<b>78</b>
<b>TABLE 31 IMPACT OF COMPUTER NETWORK INSTALLATIONS ON THE EMBEDDED PROCESSOR MARKET, 1998-2004 (THOUSAND DSP UNITS)</b> .....	<b>78</b>
<b>FIGURE 30 IMPACT OF COMPUTER NETWORK INSTALLATIONS ON THE EMBEDDED PROCESSOR MARKET (THOUSAND DSP UNITS)</b> .....	<b>79</b>
<b>TABLE 32 IMPACT OF COMPUTER NETWORK INSTALLATIONS ON THE EMBEDDED PROCESSOR MARKET, 1998-2004 (\$ BILLIONS)</b> .....	<b>79</b>
<b>FIGURE 31 IMPACT OF COMPUTER NETWORK INSTALLATIONS ON THE EMBEDDED PROCESSOR MARKET (\$ BILLIONS)</b> .....	<b>80</b>
<b>Modems</b> .....	<b>80</b>
<b>TABLE 33 HISTORY AND FORECAST FOR MODEM SHIPMENTS, 1998-2004 (MILLION UNITS)</b> .....	<b>81</b>

<i>FIGURE 32 HISTORY AND FORECAST FOR MODEM SHIPMENTS (MILLION UNITS)</i> .....	82
<b>Impact of Modem Sales on the Embedded Processor Market</b> .....	82
<i>TABLE 34 IMPACT OF MODEM SALES ON THE EMBEDDED PROCESSOR MARKET, 1998-2004 (MILLION DSP UNITS)</i> .....	83
<i>FIGURE 33 IMPACT OF MODEM SALES ON THE EMBEDDED PROCESSOR MARKET (MILLION DSP UNITS)</i> .....	83
<i>TABLE 35 IMPACT OF MODEM SALES ON THE EMBEDDED PROCESSOR MARKET, 1998-2004 (\$ BILLIONS)</i> .....	84
<i>FIGURE 34 IMPACT OF MODEM SALES ON THE EMBEDDED PROCESSOR MARKET (\$ BILLIONS)</i> .....	84
<b>Cable Modems</b> .....	84
<i>TABLE 36 HISTORY AND FORECAST FOR CABLE MODEM AND PROGRAMMABLE DSP SHIPMENTS, 1998-2004 (MILLION UNITS)</i> .....	85
<i>FIGURE 35 HISTORY AND FORECAST FOR CABLE MODEM AND PROGRAMMABLE DSP SHIPMENTS (MILLION UNITS)</i> .....	86
<i>TABLE 37 IMPACT OF CABLE MODEM SALES ON THE EMBEDDED PROCESSOR MARKET, 1998-2004 (\$ BILLIONS)</i> .....	87
<i>FIGURE 36 IMPACT OF CABLE MODEM SALES ON THE EMBEDDED PROCESSOR MARKET (\$ BILLIONS)</i> .....	87
<b>Market by Home Entertainment Application</b> .....	87
<b>Digital Videodisk Players</b> .....	87
<i>TABLE 38 DIGITAL VIDEODISK GLOBAL MARKET HISTORY AND FORECAST, 1998-2004 (MILLION UNITS)</i> .....	88
<i>FIGURE 37 DIGITAL VIDEODISK GLOBAL MARKET HISTORY AND FORECAST (MILLION UNITS)</i> .....	88
<b>Impact of DVD Sales on the Embedded Processor Market</b> .....	89
<i>TABLE 39 IMPACT OF DVD SALES ON THE EMBEDDED PROCESSOR MARKET, 1998-2004 (THOUSAND UNITS)</i> .....	89
<i>FIGURE 38 IMPACT OF DVD SALES ON THE EMBEDDED PROCESSOR MARKET (THOUSAND UNITS)</i> .....	90
<i>TABLE 40 IMPACT OF DVD SALES ON THE EMBEDDED PROCESSOR MARKET, 1998-2004 (\$ BILLIONS)</i> .....	91
<i>FIGURE 39 IMPACT OF DVD SALES ON THE EMBEDDED PROCESSOR MARKET (\$ BILLIONS)</i> .....	91
<b>Set-top Boxes</b> .....	91
<i>TABLE 41 SET-TOP BOX MARKET HISTORY AND TREND, 1998-2004</i> .....	92
<i>FIGURE 40 SET-TOP BOX MARKET HISTORY AND FORECAST</i> .....	93
<b>Impact of Set-Top Box Sales on the Embedded Processor Market</b> .....	93
<i>TABLE 42 IMPACT OF SET-TOP BOX SALES ON THE EMBEDDED PROCESSOR MARKET, 1998-2004 (MILLION UNITS)</i> .....	94
<i>FIGURE 41 IMPACT OF SET-TOP BOX SALES ON THE EMBEDDED PROCESSOR MARKET (MILLION UNITS)</i> .....	94
<i>TABLE 43 IMPACT OF SET-TOP BOX SALES ON THE EMBEDDED PROCESSOR MARKET, 1998-2004 (\$ BILLIONS)</i> .....	95

<i>FIGURE 42 IMPACT OF SET-TOP BOX SALES ON THE EMBEDDED PROCESSOR MARKET (\$ BILLIONS)</i> .....	95
Video Game Consoles.....	96
INDUSTRY STRUCTURE.....	97
EMBEDDED MICROPROCESSORS .....	97
<i>TABLE 44 EMBEDDED RISC MICROPROCESSOR MARKET SHARE, 1997 (%)</i> .....	97
<i>FIGURE 43 EMBEDDED RISC PROCESSOR MARKET SHARE, 1997 (%)</i> .....	97
EMBEDDED MICROCONTROLLERS .....	98
<i>TABLE 45 EMBEDDED MICROCONTROLLER MARKET SHARE, 1997 (%)</i> .....	98
<i>FIGURE 44 EMBEDDED MICROCONTROLLER MARKET SHARE, 1997 (%)</i> .....	99
EMBEDDED DIGITAL SIGNAL PROCESSORS.....	99
<i>TABLE 46 DSP 1997 MARKET SHARE (%)</i> .....	100
<i>FIGURE 45 DSP 1997 MARKET SHARE</i> .....	100
COMPANY PROFILES .....	100
Advanced Micro Devices, Inc.....	100
Advanced RISC Machines, Inc. ....	101
Alcatel Microelectronics.....	102
Applied Micro Circuits Corporation .....	103
Ericsson Mobile Communications .....	104
Hitachi Limited and Subsidiaries .....	105
IBM Microelectronics.....	106
Intel Corporation.....	106
Intel Corporation (Continued) .....	107
Intermec Technologies Corporation .....	108
Lucent Technologies .....	108
Microchip Technologies, Inc. ....	109
MIPS Technologies, Inc. ....	110
Motorola, Inc. ....	110
National Semiconductor Corporation.....	111
Nintendo Co., Ltd.....	112
Sony Corporation .....	113
STMicroelectronics.....	114
Texas Instruments .....	114
Texas Instruments (Continued).....	115
Texas Instruments (Continued).....	116
ZiLOG, Inc.....	117
ZSP Corporation.....	117
EMBEDDED DEVICES: MEMORY .....	118
<i>TABLE 47 COMPARISON AND FORECAST FOR EMBEDDED DRAM AND FLASH MEMORY REVENUES, 1998-2004 (\$ BILLIONS)</i> .....	118
<i>FIGURE 46 COMPARISON AND FORECAST FOR EMBEDDED DRAM AND FLASH MEMORY REVENUES (\$ BILLIONS)</i> .....	119

EMBEDDED MEMORY.....	119
DYNAMIC RANDOM-ACCESS MEMORY.....	120
Embedded DRAM.....	121
FLASH MEMORY .....	122
TABLE 48 AVERAGE PRICE PER BIT FOR FLASH MEMORY USED IN INDUSTRIAL CONTROLLERS, COMPUTER BIOS, PAGERS, CELLULAR PHONES, AND ETHERNET CARDS, 1998-2004 (\$).....	123
TABLE 49 AVERAGE PRICE PER BIT FOR FLASH MEMORY USED IN DIGITAL CAMERAS AND PDAS, 1998-2004 (\$).....	123
TABLE 50 COMPARISON AND FORECAST FOR WORLDWIDE DRAM, EMBEDDED DRAM, AND FLASH MEMORY REVENUES, 1998-2004 (\$ BILLIONS) .....	124
FIGURE 47 COMPARISON AND FORECAST FOR WORLD-WIDE DRAM, EMBEDDED DRAM, AND FLASH MEMORY REVENUES (\$ BILLIONS) .....	125
PRODUCT TYPES .....	125
AMD AM29DL, AM29SL, AND AM29LV LOW VOLTAGE FLASH MEMORY .....	125
AMD AM28f Flash Memory Family.....	125
SAMSUNG 128-MEGABIT FLASH MEMORY .....	126
TOSHIBA TC58512FT 512-MBIT NAND-BASED FLASH MEMORY.....	126
MARKET BY APPLICATION .....	126
TABLE 51 DISTRIBUTION OF FLASH MEMORY BY APPLICATION, 1998 (%).....	127
FIGURE 48 DISTRIBUTION OF FLASH MEMORY BY APPLICATION, 1998 (%).....	128
INDUSTRIAL CONTROLLERS .....	128
TABLE 52 COMPARISON AND FORECAST OF THE INDUSTRIAL CONTROLLER AND FLASH MEMORY MARKETS, 1998-2004 .....	129
FIGURE 49 COMPARISON AND FORECAST OF THE INDUSTRIAL CONTROLLER AND FLASH MEMORY MARKETS (MILLION/BILLION UNITS).....	130
TABLE 53 COMPARISON AND FORECAST OF THE INDUSTRIAL CONTROLLER AND FLASH MEMORY MARKETS, 1998-2004 (\$ MILLIONS).....	130
FIGURE 50 COMPARISON AND FORECAST OF THE INDUSTRIAL CONTROLLER AND FLASH MEMORY MARKETS (\$ MILLIONS).....	131
DIGITAL CAMERAS.....	131
TABLE 54 COMPARISON AND FORECAST OF THE DIGITAL CAMERA AND FLASH MEMORY MARKETS, 1998-2004.....	132
FIGURE 51 COMPARISON AND FORECAST OF THE DIGITAL CAMERA AND FLASH MEMORY MARKETS (MILLIONS/TRILLIONS).....	133
TABLE 55 COMPARISON AND FORECAST OF THE DIGITAL CAMERA AND FLASH MEMORY MARKET REVENUES, 1998-2004 (\$ MILLIONS).....	133
FIGURE 52 COMPARISON AND FORECAST OF THE DIGITAL CAMERA AND FLASH MEMORY MARKET REVENUES (\$ BILLIONS) .....	134
PERSONAL DATA ASSISTANTS .....	134
TABLE 56 COMPARISON AND FORECAST OF THE PDA AND FLASH MEMORY MARKETS, 1998-2004 (MILLIONS/TRILLIONS).....	135
FIGURE 53 COMPARISON AND FORECAST OF THE PDA AND FLASH MEMORY MARKETS (MILLIONS/TRILLIONS) .....	135



<i>TABLE 57 COMPARISON AND FORECAST OF THE PDA AND FLASH MEMORY MARKET REVENUES, 1998-2004 (\$ MILLIONS)</i> .....	136
<i>FIGURE 54 COMPARISON AND FORECAST OF THE PDA AND FLASH MEMORY MARKET REVENUES (\$ MILLIONS)</i> .....	136
<b>COMPUTER BIOS</b> .....	137
<i>TABLE 58 COMPARISON AND FORECAST OF THE PERSONAL COMPUTER, BIOS IC, AND FLASH MEMORY MARKETS, 1998-2004</i> .....	137
<i>FIGURE 55 COMPARISON AND FORECAST OF THE PERSONAL COMPUTER, BIOS IC, AND FLASH MEMORY MARKETS</i> .....	138
<b>ETHERNET CARDS</b> .....	138
<i>TABLE 59 COMPARISON AND FORECAST OF THE ETHERNET CARDS AND FLASH MEMORY MARKETS, 1998-2004</i> .....	139
<i>FIGURE 56 COMPARISON AND FORECAST OF THE ETHERNET CARDS AND FLASH MEMORY MARKETS (MILLIONS/TRILLIONS)</i> .....	140
<i>TABLE 60 COMPARISON AND FORECAST OF THE ETHERNET CARDS AND FLASH MEMORY REVENUES, 1998-2004 (\$ MILLIONS)</i> .....	140
<i>FIGURE 57 COMPARISON AND FORECAST OF THE ETHERNET CARDS AND FLASH MEMORY REVENUES (\$ MILLIONS)</i> .....	141
<b>PAGERS</b> .....	141
<i>TABLE 61 HISTORY AND FORECAST OF THE PAGER AND FLASH MEMORY MARKETS, 1998-2004</i> .....	142
<i>FIGURE 58 HISTORY AND FORECAST OF THE PAGER AND FLASH MEMORY MARKETS (MILLIONS/TRILLIONS)</i> .....	142
<i>TABLE 62 COMPARISON AND FORECAST OF PAGER AND FLASH MEMORY REVENUES, 1998-2004 (\$ MILLIONS)</i> .....	143
<i>FIGURE 59 COMPARISON AND FORECAST OF PAGER AND FLASH MEMORY REVENUES (\$ MILLIONS)</i> .....	143
<b>CELLULAR PHONES</b> .....	143
<i>TABLE 63 HISTORY AND FORECAST OF THE CELLULAR AND PCS PHONE AND FLASH MEMORY MARKETS, 1998-2004</i> .....	144
<i>FIGURE 60 HISTORY AND FORECAST OF THE CELLULAR AND PCS PHONE AND FLASH MEMORY MARKETS (MILLIONS/TRILLIONS)</i> .....	144
<i>TABLE 64 COMPARISON AND FORECAST OF THE CELLULAR AND PCS PHONE AND FLASH MEMORY REVENUES, 1998-2004 (\$ MILLIONS)</i> .....	145
<i>FIGURE 61 COMPARISON AND FORECAST OF THE CELLULAR AND PCS PHONE AND FLASH MEMORY REVENUES (\$ MILLIONS)</i> .....	145
<b>INDUSTRY STRUCTURE</b> .....	146
<i>TABLE 65 WORLDWIDE MARKET SHARE FOR DRAM (%)</i> .....	146
<i>FIGURE 62 WORLDWIDE MARKET SHARE FOR DRAM</i> .....	146
<i>TABLE 66 WORLDWIDE MARKET SHARE FOR FLASH MEMORY AND EMBEDDED DRAM, 1997 (%)</i> .....	147
<i>FIGURE 63 WORLDWIDE MARKET SHARE FOR FLASH MEMORY AND EMBEDDED DRAM, 1997</i> .....	147
<b>COMPANY PROFILES</b> .....	148
Atmel Corporation .....	148
Award Software International, Inc. ....	148
Fujitsu Microelectronics .....	149
Integrated Silicon Solution, Inc.....	149

LG Semicon .....	150
Mitsubishi Electronics .....	150
NEC Corporation .....	151
NeoMagic Corporation .....	152
Samsung Electronics.....	152
Sharp Corporation .....	153
<b>EMBEDDED SYSTEMS: BOARDS .....</b>	<b>154</b>
<b>TABLE 67 HISTORY AND FORECAST FOR THE EMBEDDED BOARD MARKET</b>	
<b>AND CPUs USED IN THE VMEBUS, 1998-2004 (\$ BILLIONS).....</b>	<b>154</b>
<b>FIGURE 64 HISTORY AND FORECAST FOR THE EMBEDDED BOARD MARKET</b>	
<b>AND CPUs USED IN THE VME BUS (\$ BILLIONS) .....</b>	<b>155</b>
<b>EMBEDDED BOARDS .....</b>	<b>155</b>
<b>PROCESSORS AND THE EMBEDDED BOARD MARKET .....</b>	<b>156</b>
<b>TABLE 68 EMBEDDED BOARDS USING DIFFERENT MICROPROCESSOR TYPES,</b>	
<b>1998-2004 (%) .....</b>	<b>156</b>
<b>FIGURE 65 EMBEDDED BOARD USING DIFFERENT MICROPROCESSOR TYPES</b>	
<b>(%).....</b>	<b>157</b>
<b>OPERATING SYSTEMS AND THE EMBEDDED BOARD</b>	
<b>MARKET .....</b>	<b>157</b>
<b>TABLE 69 OPERATING SYSTEMS USAGE IN EMBEDDED BOARDS, 1998-2004 (%</b>	
<b>INDUSTRY TOTAL) .....</b>	<b>158</b>
<b>FIGURE 66 OPERATING SYSTEMS USAGE IN EMBEDDED BOARD (% INDUSTRY</b>	
<b>TOTAL) .....</b>	<b>159</b>
<b>MARKET BY PRODUCT .....</b>	<b>159</b>
<b>TABLE 70 EMBEDDED COMPUTER CONFIGURATIONS, 1997 (%).....</b>	<b>160</b>
<b>FIGURE 67 EMBEDDED BOARD CONFIGURATIONS, 1997 .....</b>	<b>160</b>
<b>EMBEDDED BOARDS WITH A BACKPLANE .....</b>	<b>161</b>
<b>TABLE 71 HISTORY AND FORECAST FOR VME CPU REVENUES, 1998-2004 (\$</b>	
<b>MILLIONS).....</b>	<b>161</b>
<b>FIGURE 68 HISTORY AND FORECAST FOR VME CPU REVENUES (\$ MILLIONS).....</b>	<b>162</b>
<b>TABLE 72 SYSTEM BUS USAGE: EMBEDDED BOARD INDUSTRY TOTAL, 1998-</b>	
<b>2004 (%).....</b>	<b>163</b>
<b>FIGURE 69 SYSTEM BUS USAGE: EMBEDDED BOARD INDUSTRY TOTAL (%) .....</b>	<b>164</b>
<b>EMBEDDED BOARDS WITHOUT A BACKPLANE .....</b>	<b>164</b>
<b>TABLE 73 HISTORY AND FORECAST FOR THE EMBEDDED BOARD MARKET,</b>	
<b>1998-2004 (\$ BILLIONS).....</b>	<b>165</b>
<b>FIGURE 70 HISTORY AND FORECAST FOR THE EMBEDDED BOARD MARKET (\$</b>	
<b>BILLIONS) .....</b>	<b>165</b>
<b>MARKET BY APPLICATION .....</b>	<b>165</b>
<b>DATA ACQUISITION DEVICES .....</b>	<b>166</b>
<b>INDUSTRY STRUCTURE.....</b>	<b>166</b>
<b>COMPANY PROFILES .....</b>	<b>166</b>
<b>Dome Imaging Systems, Inc. ....</b>	<b>166</b>
<b>The Parvus Corporation .....</b>	<b>167</b>

Radisys Corporation.....	167
Signatec, Inc.....	168
Trenton Technology, Inc. ....	169
Ziatech Corporation .....	169
<b>MARKET ISSUES AND EMBEDDED SYSTEMS.....</b>	<b>170</b>
<i>TABLE 74 AMERICAN HOUSEHOLDS OWNING SELECTED PRODUCTS THAT     UTILIZE EMBEDDED SYSTEMS, 1998-2004 (%).....</i>	<i>170</i>
<i>FIGURE 71 AMERICAN HOUSEHOLDS OWNING SELECTED PRODUCTS THAT     UTILIZE EMBEDDED SYSTEMS (%) .....</i>	<i>171</i>
<b>MARKET ISSUES AND EMBEDDED SYSTEMS (CONTINUED) .....</b>	<b>172</b>
<b>MARKET ISSUES.....</b>	<b>173</b>
<b>MAJOR ISSUES AFFECTING THE EMBEDDED SYSTEMS</b>	
<b>MARKETPLACE.....</b>	<b>173</b>
<b>ECONOMIC GROWTH INDICATORS.....</b>	<b>174</b>
<b>STATE OF THE DOMESTIC TECHNOLOGY INDUSTRIES.....</b>	<b>174</b>
<b>PRODUCTION VS. SHIPMENTS.....</b>	<b>174</b>
<i>TABLE 75 HEALTH OF THE TECHNOLOGY INDUSTRY: PRODUCTION AND     SHIPMENTS, 1998-2004 (%).....</i>	<i>175</i>
<i>FIGURE 72 HEALTH OF THE TECHNOLOGY INDUSTRY: PRODUCTION AND     SHIPMENTS (%).....</i>	<i>175</i>
<b>REVENUES.....</b>	<b>176</b>
<i>TABLE 76 AVERAGE SPENDING PER HOUSEHOLD FOR CONSUMER     ELECTRONICS, 1998-2004 (\$).....</i>	<i>176</i>
<i>FIGURE 73 AVERAGE SPENDING PER HOUSEHOLD FOR CONSUMER     ELECTRONICS (\$).....</i>	<i>177</i>
<b>TABLE 77 COMPUTER AND OFFICE EQUIPMENT MARKET INDICATORS:     REVENUES, 1998-2004 (\$ BILLIONS).....</b>	<b>178</b>
<b>FIGURE 74 COMPUTER AND OFFICE EQUIPMENT MARKET INDICATORS:     REVENUES (\$ BILLIONS).....</b>	<b>179</b>
<b>TABLE 78 COMPUTER EQUIPMENT EXPORTS SUMMARY AND FORECAST, 1998-     2004 (\$ MILLIONS).....</b>	<b>180</b>
<b>FIGURE 75 COMPUTER EQUIPMENT EXPORTS SUMMARY AND FORECAST (\$     MILLIONS).....</b>	<b>180</b>
<b>TABLE 79 COMPUTER EQUIPMENT IMPORTS SUMMARY AND FORECAST, 1998-     2004 (\$ MILLIONS).....</b>	<b>181</b>
<b>FIGURE 76 COMPUTER EQUIPMENT IMPORTS SUMMARY AND FORECAST (\$     MILLIONS).....</b>	<b>181</b>
<b>TELECOMMUNICATIONS EQUIPMENT TRADE.....</b>	<b>181</b>
<b>TABLE 80 TOP TELECOMMUNICATIONS MARKETS WORLDWIDE (\$ BILLIONS).....</b>	<b>182</b>
<b>FIGURE 77 TOP TELECOMMUNICATIONS MARKETS WORLDWIDE (\$ BILLIONS).....</b>	<b>183</b>
<b>TABLE 81 TRENDS IN INTERNATIONAL TELEPHONY, 1998-2004.....</b>	<b>184</b>
<b>FIGURE 78 TRENDS IN INTERNATIONAL TELEPHONY.....</b>	<b>185</b>
<b>INTERNATIONAL MARKET ANALYSIS: EUROPE.....</b>	<b>186</b>
France.....	187
Market Opportunities .....	187

<i>TABLE 82 FRENCH TECHNOLOGY TRADE STATISTICS (\$ MILLIONS)</i> .....	187
Germany .....	188
<i>TABLE 83 GERMAN TECHNOLOGY TRADE STATISTICS (\$ MILLIONS)</i> .....	188
<i>TABLE 84 TECHNOLOGY PROFILE BY SELECTED COUNTRIES IN EUROPE</i> .....	189
INTERNATIONAL MARKET ANALYSIS: AFRICA.....	189
South Africa .....	190
Market Opportunities .....	190
<i>TABLE 85 SOUTH AFRICAN TECHNOLOGY TRADE STATISTICS (\$ MILLIONS)</i> .....	190
<i>TABLE 86 TECHNOLOGY PROFILE BY SELECTED COUNTRIES IN AFRICA</i> .....	191
INTERNATIONAL MARKET ANALYSIS: THE MIDDLE AND	
NEAR EAST .....	191
Egypt .....	191
Market Opportunities .....	192
<i>TABLE 87 EGYPTIAN TECHNOLOGY TRADE STATISTICS (\$ MILLIONS)</i> .....	192
Israel.....	192
<i>TABLE 88 ISRAELI TECHNOLOGY TRADE STATISTICS (\$ MILLIONS)</i> .....	193
<i>TABLE 89 TECHNOLOGY PROFILE BY SELECTED COUNTRIES IN THE MIDDLE</i>	
AND NEAR EAST.....	194
INTERNATIONAL MARKET ANALYSIS: ASIA AND THE	
PACIFIC RIM.....	194
<i>TABLE 90 AVERAGE PER CAPITA GROWTH FOR FRANCE, THE UNITED</i>	
KINGDOM, JAPAN, TAIWAN, AND SOUTH KOREA (%) .....	195
<i>FIGURE 79 AVERAGE PER CAPITA GROWTH FOR FRANCE, THE UNITED</i>	
KINGDOM, JAPAN, TAIWAN, AND SOUTH KOREA (%) .....	195
China .....	196
<i>TABLE 91 CHINA'S DEMAND FOR CONSUMER ELECTRONIC ICS, 1996 (MILLION</i>	
UNITS).....	196
<i>FIGURE 80 CHINA'S DEMAND FOR CONSUMER ELECTRONIC ICS, 1996</i>	
(MILLION UNITS).....	197
Market Opportunities .....	197
India .....	198
Market Opportunities .....	198
<i>TABLE 92 TECHNOLOGY TRADE STATISTICS FOR INDIA (\$ MILLIONS)</i> .....	198
Japan.....	198
Market Opportunities .....	199
<i>TABLE 93 JAPANESE TECHNOLOGY TRADE STATISTICS (\$ MILLIONS)</i> .....	199
Korea .....	199
Market Opportunities .....	200
<i>TABLE 94 KOREAN TECHNOLOGY TRADE STATISTICS (\$ MILLIONS)</i> .....	200
Malaysia .....	200
Market Opportunities .....	201
<i>TABLE 95 MALAYSIAN TECHNOLOGY TRADE STATISTICS (\$ MILLIONS)</i> .....	201
Singapore.....	201
Market Opportunities .....	202
<i>TABLE 96 TECHNOLOGY TRADE STATISTICS OF SINGAPORE (\$ MILLIONS)</i> .....	202

<i>TABLE 97 TECHNOLOGY PROFILE BY SELECTED COUNTRIES IN ASIA AND THE PACIFIC RIM.....</i>	<i>203</i>
<b>INTERNATIONAL MARKET ANALYSIS: THE AMERICAS .....</b>	<b>203</b>
<b>Brazil .....</b>	<b>203</b>
<i>TABLE 98 MARKET SEGMENTS OF COMPUTER EXPORTS TO BRAZIL, 1998 (%).....</i>	<i>204</i>
<i>FIGURE 81 MARKET SEGMENTS OF COMPUTER EXPORTS TO BRAZIL, 1998 (%) .....</i>	<i>204</i>
<b>Market Opportunities .....</b>	<b>205</b>
<i>TABLE 99 TECHNOLOGY TRADE STATISTICS FOR BRAZIL (\$ MILLIONS).....</i>	<i>205</i>
<b>Canada.....</b>	<b>206</b>
<i>TABLE 100 U.S. COMPUTER EQUIPMENT TRADE WITH CANADA (\$ MILLIONS) .....</i>	<i>206</i>
<i>FIGURE 82 U.S. COMPUTER EQUIPMENT TRADE WITH CANADA (\$ MILLIONS).....</i>	<i>206</i>
<i>TABLE 101 MARKET SEGMENTS OF COMPUTER EXPORTS TO CANADA, 1998 (%).....</i>	<i>207</i>
<i>FIGURE 83 MARKET SEGMENTS OF COMPUTER EXPORTS TO CANADA, 1998 (%) .....</i>	<i>207</i>
<b>Market Opportunities .....</b>	<b>208</b>
<i>TABLE 102 CANADIAN TECHNOLOGY TRADE STATISTICS (\$ MILLIONS).....</i>	<i>208</i>
<i>TABLE 103 TECHNOLOGY PROFILE BY SELECTED COUNTRIES IN THE AMERICAS.....</i>	<i>209</i>
<b>GOVERNMENT AND REGULATORY ACTIVITIES .....</b>	<b>210</b>
<b>REGULATORY OVERVIEW .....</b>	<b>210</b>
<b>THE INFORMATION TECHNOLOGY AGREEMENT .....</b>	<b>211</b>
<b>THE NORTH AMERICAN FREE TRADE AGREEMENT .....</b>	<b>212</b>
<b>UNITED STATES TELECOMMUNICATIONS ACT OF 1996 .....</b>	<b>213</b>
<b>UNITED STATES – JAPAN SEMICONDUCTOR AGREEMENT.....</b>	<b>214</b>
<b>WORLD TRADE ORGANIZATION TELCOMMUNICATIONS     AGREEMENT .....</b>	<b>215</b>