

INTRODUCTION	XXVII
STUDY GOALS AND OBJECTIVES.....	XXVII
REASONS FOR DOING THE STUDY	XXVII
CONTRIBUTION OF THE STUDY AND FOR WHOM	XXVII
SCOPE AND FORMAT	XXVIII
INFORMATION SOURCES.....	XXIX
ABOUT THE AUTHOR.....	XXIX
RELATED BCC WORK AND AUTHOR CREDENTIALS.....	XXIX
MONTHLY NEWSLETTERS	XXX
BCC ONLINE.....	XXX
SUMMARY.....	XXXI
<i>SUMMARY TABLE VALUE OF WORLDWIDE SHIPMENTS OF ASIC AND SOC,</i>	
<i>THROUGH 2007 (\$ MILLIONS)</i>	<i>XXXIII</i>
<i>SUMMARY FIGURE VALUE OF WORLDWIDE SHIPMENTS OF ASIC AND SOC,</i>	
<i>2000-2007 (\$ MILLIONS).....</i>	<i>XXXIII</i>
ASIC/SOC OVERVIEW	1
DEFINITION	1
TRADITIONAL ASIC CATEGORIES.....	1
BASIC ASIC	2
Standard Cell IC.....	2
Gate Array	2
Bipolar/Linear Array	2
PROGRAMMABLE LOGIC DEVICE/FIELD-	
PROGRAMMABLE GATE ARRAYS	2
SYSTEM-ON-A-CHIP.....	3
SOC BASED ON STANDARD CELLS.....	3
SOC BASED ON EMBEDDED IP	3
SoC Based on Micro Logic IP	3
SoC Based on Memory IP	4
SoC Based on Analog IP and Other Components	4
<i>FIGURE 1 ASIC/SOC INDUSTRY BREAKDOWN BY PRODUCT CATEGORY.....</i>	<i>5</i>
ANCILLARY AREAS — EDA AND FOUNDRY	5
INDUSTRY TRENDS OVERVIEW — FROM ASIC TO SOC	6
INDUSTRY TRENDS OVERVIEW —(CONTINUED)	7
TRADITIONAL ASIC MARKET.....	8
WORLDWIDE BASIC ASIC MARKET	8
BASIC ASIC MARKET FORECAST	8
<i>TABLE 1 WORLDWIDE BASIC ASIC MARKET: REVENUE AND SHIPMENTS,</i>	
<i>THROUGH 2007.....</i>	<i>9</i>
<i>TABLE 2 WORLDWIDE BASIC ASIC MARKET BY CATEGORY, THROUGH 2007 (\$</i>	
<i>MILLIONS)</i>	<i>10</i>
<i>FIGURE 2 WORLDWIDE BASIC ASIC CATEGORY PERCENTAGE SHARE, 2001</i>	
<i>AND 2007.....</i>	<i>10</i>

<i>FIGURE 2 CONTINUED)</i>	11
BASIC ASIC MARKETS BY REGION	11
<i>TABLE 3 WORLDWIDE ESTIMATED CMOS STANDARD CELL MARKET BY REGION, THROUGH 2007 (\$ MILLIONS)</i>	12
<i>TABLE 4 WORLDWIDE ESTIMATED CMOS GATE ARRAY MARKET BY REGION, THROUGH 2007 (\$ MILLIONS)</i>	12
<i>TABLE 5 WORLDWIDE ESTIMATED BIPOLAR ARRAY MARKET BY REGION, THROUGH 2007 (\$ MILLIONS)</i>	13
Basic ASIC Market — Americas.....	13
<i>TABLE 6 BASIC ASIC MARKET IN AMERICAS AND PERCENTAGE OF WORLD MARKET, THROUGH 2007 (\$ MILLIONS)</i>	13
Basic ASIC Market — Europe.....	14
<i>TABLE 7 BASIC ASIC MARKET IN EUROPE AND PERCENTAGE OF WORLD MARKET, THROUGH 2007 (\$ MILLIONS)</i>	14
Basic ASIC Market — Europe (Continued).....	15
Basic ASIC Market — Japan.....	16
<i>TABLE 8 BASIC ASIC MARKET IN JAPAN AND PERCENTAGE OF WORLD MARKET, THROUGH 2007 (\$ MILLIONS)</i>	16
Basic ASIC Market — Asia-Pacific.....	17
<i>TABLE 9 BASIC ASIC MARKET IN ASIA-PACIFIC AND PERCENTAGE OF WORLD MARKET, THROUGH 2007 (\$ MILLIONS)</i>	18
Basic ASIC Market — Asia-Pacific (Continued).....	19
Basic ASIC Market — Asia-Pacific (Continued).....	20
BASIC ASIC END-USE APPLICATIONS	21
<i>TABLE 10 BASIC ASIC MARKET BY APPLICATION CATEGORY, THROUGH 2007 (\$ MILLIONS)</i>	21
BASIC ASIC TECHNOLOGY DISCUSSION	22
Vertically Integrated versus Specially Focused Companies.....	22
<i>FIGURE 3 ASIC DESIGN/MANUFACTURING MODELS</i>	22
ASIC Design Layout.....	23
Full Custom Layout.....	23
Semicustom Layout.....	23
<i>TABLE 11 SAMPLING OF USABLE GATE COUNTS (%)</i>	24
<i>FIGURE 4 ASIC (STANDARD CELL AND GATE ARRAY) METAL LAYER TRENDS</i>	25
BASIC ASIC TRENDS FOR 2003 AND BEYOND	26
Design Cycle Time Struggles.....	26
Gate Arrays: On Their Last Legs.....	27
<i>FIGURE 5 PERCENTAGE (%) CHANGE OF USABLE GATES WITH SHRINKING GEOMETRIES</i>	28
Rays of Hope for Gate Arrays.....	29
Architecture as a Driver for Gate Arrays.....	30
Module-Based Arrays.....	31
<i>FIGURE 6 SLOW AND FAST DESIGN PROCESSES AND THEIR WINDOWS OF OPPORTUNITY</i>	32
Convergence of ASSP and ASIC Functionality.....	32
<i>FIGURE 7 MOTOROLA'S CSP DESIGN FLOW</i>	33
Escalating Gate Density in ASICs.....	34
IP Providers as a Threat to ASIC Vendors.....	35
The Age of Virtual ASICs.....	36

THE FUTURE.....	37
How to Run the ASIC Race	37
Leading-Edge Process Technology	38
Transition to Copper.....	38
Customer-Centric Process Flexibility	39
Focus on IP.....	39
Design Time as the Essence of Improvement.....	39
Embedding Memory in ASICs	40
Embedded Reprogrammability	41
Packaging — Escalating Pin Counts in ASIC	41
WORLDWIDE FPLD (PLD/FPGA) MARKET.....	42
<i>FIGURE 8 HISTORY OF FIELD-PROGRAMMABLE LOGIC DEVICES.....</i>	43
FPLD MARKET FORECAST	43
<i>TABLE 12 WORLDWIDE FPLD MARKET, THROUGH 2007 (\$ MILLIONS)</i>	44
FPLD END-USE APPLICATIONS	45
<i>TABLE 13 WORLDWIDE FPLD MARKET BY APPLICATION CATEGORY,</i> <i>THROUGH 2007 (\$ MILLIONS)</i>	45
RapidIO	46
Other Emerging Applications	46
The Role of FPLDs in WLAN and Consumer Applications	47
FPLD TECHNOLOGY DISCUSSION	48
<i>FIGURE 9 FPLD DESIGN PRODUCTIVITY GAP.....</i>	49
Complex FPLD versus FPGA.....	49
<i>TABLE 14 COMPLEX FPLD VERSUS FPGA FUNCTIONAL DIFFERENCES.....</i>	50
Types of FPGA Technologies	50
Static RAM Technology	51
AntiFuse Technology	51
EPROM/EEPROM Technology.....	51
Complex FPLD	52
FPLD TRENDS FOR 2003 AND BEYOND	52
FPLDs Taking on Traditional ASICs	52
In-System Programming in Complex FPLDs.....	53
FPGAs as an Alternative to End-of-Life Gate Arrays	53
FPLD as a System-on-a-Chip.....	54
FPLD as a System-on-a-Chip (Continued)	55
Innovations at Altera and Xilinx.....	56
Altera.....	56
Xilinx.....	56
Novel FPGA Complexities and Formats Vary	57
FPLD as SoC — The Contrary View	58
Increasing Design Complexity in FPLD	59
Buying Strategies for FPLDs	59
Bying Strategies for FPLDs.....	60
The Importance of Design Services.....	61

Will FPLD Replace ASIC?	62
THE FUTURE	63
TRADITIONAL ASIC COST EFFECTIVENESS	64
TRADITIONAL ASIC COST EFFECTIVENESS (CONTINUED)	65
STANDARD IC VERSUS ASIC: ADVANTAGES AND DISADVANTAGES	66
TABLE 15 STANDARD IC AND ASIC — ADVANTAGES AND DISADVANTAGES	66
The Drawback to Using ASIC	67
FIGURE 10 DEFECT RATE VERSUS FAULT COVERAGE IN ASIC DESIGN	68
Design Cycle and Cost Impact	69
NRE Cost Trends	69
Technology Factors and Cost Impact	70
FPLD Versus Gate Array Cost Structure	71
TABLE 16 FIXED COST CALCULATIONS FOR A 10K USABLE GATE DEVICE	71
Time Considerations as a Cost Driver	72
THE FUTURE	72
The Future (Continued)	73
OVERALL SYSTEM-ON-A-CHIP MARKET	74
WORLDWIDE OVERALL SOC MARKET	74
OVERALL SOC MARKET FORECAST	75
TABLE 17 WORLDWIDE SOC MARKET AS A PERCENT OF TOTAL ASIC/SOC MARKET, THROUGH 2007 (\$ MILLIONS)	75
TABLE 18 WORLDWIDE SOC MARKET BY PRODUCT CATEGORY, THROUGH 2007 (\$ MILLIONS)	76
Thin-Client Terminals	77
Automotive Markets	78
One Size Does Not Fit All	78
TABLE 19 WORLDWIDE SOC MARKET: REVENUES AND SHIPMENT, THROUGH 2007	79
SOC MARKET BY REGION	79
TABLE 20 WORLDWIDE SOC MARKET BY REGION, THROUGH 2007 (\$ MILLIONS)	79
SOC END-USE APPLICATIONS	80
TABLE 21 SOC MARKET BY APPLICATION CATEGORY, THROUGH 2007 (\$ MILLIONS)	80
SOC TECHNOLOGY DISCUSSION	81
SoC or ASSP?	81
SoC or Multichip Modules?	81
SoC Design Concerns	82
Architecture Strategy	83
Design-for-Test Strategy	84
Validation Strategy	84
Synthesis and Back-End Strategy	85
Integration Strategy	85
Design Reuse as a Factor in SoC	85
Technical Constraints in Building SoC	86

Noise Constraints	87
Layout Issues	88
SoC Design and the Cultural Context	88
SoC Design and the Cultural Context (Continued).....	89
Pessimist's View on SoC.....	90
Pessimist's View on SoC (Continued)	91
OVERALL SOC TRENDS FOR 2003 AND BEYOND.....	92
SoC's Implication for the Semiconductor Market	93
Trend 1: Shrinking Product Life Cycles and Increasing Design Times.....	93
Trend 2: Improving Quality of SoC IP	94
Trend 3: Availability of Complex Analog/Mixed- Signal IP	94
Trend 4: High Nonrecurring Engineering Charges.....	94
Trend 5: Codependency of Design Efforts.....	95
Trend 6: Silicon Foundries Implement SoC Initiatives.....	95
Trend 7: SoC as a Growing Market Advantage.....	95
THE FUTURE.....	96
The Analog Problem	96
The Analog Problem (Continued).....	97
Final Note	98
Final Note (Continued).....	99
SOC MARKET BY TYPE	100
SOC BASED ON STANDARD CELLS	100
<i>TABLE 22 STANDARD CELL MARKET — SOC AND NON-SOC BASED, THROUGH 2007 (\$ MILLIONS)</i>	100
SOC BASED ON EMBEDDED IP	100
<i>TABLE 23 VERTICAL DISINTEGRATION OF SEMICONDUCTOR INDUSTRY</i>	101
<i>FIGURE 11 SEMICONDUCTOR INDUSTRY EVOLUTION</i>	102
WHAT IS IP?	103
<i>FIGURE 12 DIFFERENCES BETWEEN SOFT, FIRM, AND HARD CORES</i>	103
<i>FIGURE 13 IP CORE FEATURES</i>	104
<i>FIGURE 14 PROBLEM SOLVING VIA THE IP CONCEPT</i>	105
WORLDWIDE EMBEDDED IP-IN-SOC MARKET FORECAST.....	105
<i>TABLE 24 WORLDWIDE EMBEDDED IP IN SOC REVENUES BY TYPE, THROUGH 2007 (\$ MILLIONS)</i>	105
<i>TABLE 25 NEW ASIC DESIGN STARTS, THROUGH 2007</i>	106
<i>FIGURE 15 IP MARKET BREAKDOWN BY COMPONENT CATEGORY, 2001 AND 2007 (%)</i>	107
<i>TABLE 26 SOC SHIPMENTS WITH AND WITHOUT IP CONTENT, THROUGH 2007 (MILLION UNITS)</i>	108
<i>FIGURE 16 GEOGRAPHICAL BREAKDOWN OF IP REVENUES, 2001 (%)</i>	108
<i>TABLE 27 CAPTIVE AND COMMERCIAL IP LIBRARY MARKET, THROUGH 2007 (\$ MILLIONS)</i>	109

EMBEDDED IP CORES IN SOC: TECHNOLOGY

DISCUSSION.....	109
<i>FIGURE 17 SOC VALUE FACTORS.....</i>	<i>109</i>
<i>FIGURE 18 SHIFTING PARADIGMS IN THE IC WORLD.....</i>	<i>110</i>
<i>FIGURE 19 PROCESS TECHNOLOGY AS A DRIVER OF THE IC INDUSTRY.....</i>	<i>111</i>
<i>FIGURE 20 PROJECTED ROAD MAP FOR SILICON PROCESS.....</i>	<i>112</i>
Design Process Advances	112
<i>FIGURE 21 SOC PROCESS AND DESIGN ADVANCEMENTS.....</i>	<i>113</i>
Trend Toward Core Integration.....	113
IP Quality — General Overview and Issues.....	114
IP Design Guidelines	115
Institutionalizing IP Reuse	116
Embedded IP Cores: Critical Considerations	117
Vendor Selection	117
IP Valuation	117
IP Design Reuse Trends	117
<i>TABLE 28 SOC DESIGNS WITH REUSABLE IP, THROUGH 2007.....</i>	<i>117</i>
IP Protection	118
IP Process Verification.....	118
Roles and Responsibilities.....	118
IP Challenges	118
IP Licensing Issues	119
IP Make-or-Buy Dilemma.....	119
IP Concept: Financial Considerations.....	120
<i>TABLE 29 COST PERCENTAGE OF TOTAL REVENUE FOR INTEGRATED</i> <i>VERSUS FABLESS COMPANIES (%).....</i>	<i>120</i>
<i>TABLE 30 COST PERCENTAGE OF TOTAL REVENUE FOR NO EXTERNAL IP</i> <i>VERSUS EXTERNAL IP (%).....</i>	<i>120</i>
IP Concept: Financial...(Continued)	121
<i>FIGURE 22 IP COMPONENT PRICES.....</i>	<i>122</i>
EXAMPLES OF EMBEDDED IP CORES IN SOC	122
<i>FIGURE 23 TYPICAL SOC STRUCTURE.....</i>	<i>123</i>
<i>FIGURE 24 SET-TOP BOX CHIP.....</i>	<i>124</i>
EMBEDDED IP TRENDS FOR 2003 AND BEYOND	124
Increasing I/O Density in ICs	124
Time to Production	125
IP Trading in the ASIC Arena	125
Royalty Issues.....	125
Blurring of Architectures	126
Media Processing in the ASIC World	126
Formal Design	127
Issues with Embedded Memory IP	127
Multiple Systems-on-a-Chip.....	128
Software Business Model	128
Asia’s Rise in IP	129
Virtual Prototyping as a Solution to Fragmentation.....	129
Putting the IP in FPLD.....	130

Smaller IP Designer Trends.....	131
THE FUTURE.....	132
TYPES OF EMBEDDED IP.....	133
Micro Logic IP in SoC.....	133
<i>TABLE 31 EMBEDDED MICRO LOGIC IN SOC BY TYPE: REVENUES AND SHARE OF TOTAL MARKETS, THROUGH 2007 (\$ MILLIONS).....</i>	<i>134</i>
Microprocessors in SoC.....	135
Embedded MPU Market Forecast.....	135
<i>TABLE 32 WORLDWIDE EMBEDDED MPU MARKET, THROUGH 2007 (\$ MILLIONS).....</i>	<i>136</i>
<i>TABLE 33 WORLDWIDE EMBEDDED MPU-AS-SOC MARKET, THROUGH 2007 (\$ MILLIONS).....</i>	<i>136</i>
<i>TABLE 34 WORLDWIDE EMBEDDED MPU MARKET, THROUGH 2007 (\$ MILLIONS).....</i>	<i>137</i>
Embedded MPU in SoC End-Use Applications.....	137
<i>TABLE 35 EMBEDDED MPU APPLICATION CATEGORIES, 2001 (MILLION UNITS).....</i>	<i>138</i>
Embedded MPU Technology Discussion.....	139
The MPU Make-or-Buy Dilemma	139
Synthesizable CPU Cores	140
Embedding an MPU Core — The Consequences	140
Digital Signal Processors and Microcontrollers in SoC	141
Embedded DSP Market Forecast	141
<i>TABLE 36 PERCENTAGE OF EMBEDDED DSP DESIGN STARTS, THROUGH 2007.....</i>	<i>142</i>
<i>TABLE 37 WORLDWIDE DSP MARKET, THROUGH 2007 (\$ MILLIONS).....</i>	<i>143</i>
<i>TABLE 38 WORLDWIDE DSP-IN-SOC MARKET, THROUGH 2007 (\$ MILLIONS).....</i>	<i>143</i>
Embedded DSP in SoC By Region.....	144
<i>TABLE 39 WORLDWIDE DSP-IN-SOC MARKET BY REGION, THROUGH 2007.....</i>	<i>144</i>
Embedded DSP in SoC End-use Applications.....	144
<i>TABLE 40 WORLDWIDE DSP-IN-SOC END-USE APPLICATIONS, THROUGH 2007 (\$ MILLIONS).....</i>	<i>145</i>
Embedded DSP Market Expectations	146
Embedded DSP Market...(Continued).....	147
Embedded MCU Market Forecast.....	148
<i>TABLE 41 WORLDWIDE MCU MARKET, THROUGH 2007 (\$ MILLIONS).....</i>	<i>149</i>
<i>TABLE 42 WORLDWIDE MCU-IN-SOC MARKET BY REGION, THROUGH 2007 (\$ MILLIONS).....</i>	<i>149</i>
Embedded MCU Market...(Continued)	150
Embedded MCU Market...(Continued)	151
Embedded DSP/MCU Technology Discussion.....	152
Embedded DSP/MCU...(Continued)	153
Control Issues	154
Adding DSP Functionality to an MCU	155
Adding DSP Functionality..(Continued).....	156
Bridging the DSP/RISC MPU Chasm.....	157
The RISC MPU-DSP Compilation Issue	158

	DSP-RISC MPU Implementation	159
	DSP/RISC MPU for Voice-over-Internet Protocol	159
	32-Bit MCUs: Hitting Primetime	160
	The Function and Algorithm-Specific IC Market	161
<i>TABLE 43</i>	<i>WORLDWIDE FASIC MARKET, THROUGH 2007 (\$ MILLIONS)</i>	<i>161</i>
	Embedded DSP/MCU Trends for 2003 and Beyond.....	161
	DSP, MCU Integration on the Way	161
	Synthesizable DSP Cores.....	162
	Searching for the Perfect MCU	162
	Searching for the Perfect....(Continued).....	163
	DSPs for Toys	164
<i>TABLE 44</i>	<i>WORLDWIDE DSP IN THE TOY MARKET, THROUGH 2007 (\$ MILLIONS)</i>	<i>165</i>
	DSPs for Toys (Continued).....	166
	DSP Considerations: The Three Ps.....	167
	DSP in SoC Product Examples.....	168
	DSP in SoC Product....(Continued).....	169
<i>FIGURE 25</i>	<i>REAL DSP IN SOC</i>	<i>170</i>
	Embedded Memory in SoC	170
	Embedded Memory in SoC (Continued).....	171
	Embedded Memory-in-SoC Market Forecast	172
<i>TABLE 45</i>	<i>WORLDWIDE EMBEDDED MEMORY-IN-SOC MARKET, THROUGH 2007 (\$ MILLIONS)</i>	<i>172</i>
<i>TABLE 46</i>	<i>WORLDWIDE EMBEDDED MEMORY MARKET BY PRODUCT CATEGORY, THROUGH 2007 (\$ MILLIONS)</i>	<i>173</i>
	Embedded Memory Technology Discussion.....	174
	The Embedded Memory Advantage	174
	Reduced Cost.....	174
	Lower Power.....	174
	Increased Performance.....	175
	Multiple Memory Types	175
	Multiple Configurations	175
	Design Reuse Enabler	175
	Silicon — Proven from Multiple Sources	176
	Embedded Arrays.....	177
	Disadvantages of Embedded Arrays	177
	Analog IP in SoC.....	177
	Analog IP in SoC (Continued)	178
	Analog IC in SoC Market Forecast	179
<i>TABLE 47</i>	<i>WORLDWIDE ANALOG IC-IN-SOC MARKET, THROUGH 2007 (\$ MILLIONS)</i>	<i>179</i>

SOC ENABLERS	180
EDA INDUSTRY	180
WORLDWIDE EDA MARKET FORECAST	180
<i>TABLE 48 WORLDWIDE EDA MARKET, THROUGH 2007 (\$ MILLIONS)</i>	181
Forecast Risk Factors	182
<i>TABLE 49 EDA REVENUES AS A PERCENTAGE OF THE TOTAL SEMICONDUCTOR MARKET, THROUGH 2007 (\$ MILLIONS)</i>	183
EDA VERSUS PROCESSING DESIGN GAP	183
EDA TECHNOLOGY DISCUSSION	184
Industry Standards in EDA	184
ASIC Product Categories and the EDA Factor	185
Embedded Arrays and EDA	186
FPGAs and EDA	187
EDA TRENDS FOR 2003 AND BEYOND	188
EDA and the SoPC Phenomenon	188
New EDA Landscape	189
Tools Discussion — Silicon Vendors	190
Tools Discussion — EDA Vendors	191
EDA Design Styles	192
EDA Design Styles (Continued)	193
THE FUTURE	194
Design Chain Management	195
EDA as a Core Enabler of Cost-Effective SoCs	196
EDA as a Core Enabler of...(Continued)	197
FOUNDRY FACTOR	198
TYPES OF PURE-PLAY FOUNDRIES	199
WORLDWIDE FOUNDRY MARKET FORECAST	200
<i>TABLE 50 WORLDWIDE PURE-PLAY FOUNDRY MARKET, THROUGH 2007 (\$ MILLIONS)</i>	200
Capital Investments	201
<i>TABLE 51 RATIO OF FOUNDRY CAPITAL SPENDING TO SEMICONDUCTOR SALES, THROUGH 2007 (\$ MILLIONS)</i>	201
Foundry Capacity Trends	202
<i>TABLE 52 CAPACITY UTILIZATION, IDMS VERSUS FOUNDRIES, THROUGH 2007 (%)</i>	202
Foundry Capabilities	203
TSMC	203
<i>TABLE 53 TSMC PROCESS TECHNOLOGY PORTFOLIO</i>	203
UMC	204
<i>TABLE 54 UMC PROCESS TECHNOLOGY PORTFOLIO</i>	204
Chartered Semiconductor Manufacturing	205
<i>TABLE 55 CHARTERED PROCESS TECHNOLOGY PORTFOLIO</i>	205
FOUNDRY MARKET: TECHNOLOGY DISCUSSION	205
Economics of IC Manufacturing	206
<i>FIGURE 26 ECONOMICS OF SUBMICRON ICS</i>	206
Process Feature Sizes	207
Wafer Diameter	207

<i>TABLE 56 WAFER USAGE BY DIAMETER, THROUGH 2007 (%)</i>	208
Masking and Metal Levels	208
Packaging and I/O Requirements	209
FOUNDRY TRENDS FOR 2003 AND BEYOND	209
Revisiting the Foundry's Role in SoC	210
Revisiting the Foundry's Role in SoC (Continued).....	211
THE FUTURE — FABLESS INDUSTRY CONCEPT	212
Drivers for the Fabless Sector.....	213
Mitigation of Transaction Costs	213
IP and Holdup Risks	213
Communication Difficulties	214
Reduction in R&D Costs.....	214
Increase in Minimum Efficient Scale of Manufacturing	215
Increased Range of Process Technology Requirements.....	215
Cost Improvements Due to Learning Effects	216
Value Generation and Capture Under the Fabless Model.....	216
Value Generated by Foundries	216
Value Generated by Fabless Companies	217
Value Captured by Foundries.....	217
Value Captured by Fabless Companies	218
Value Captured by....(Continued).....	219
ASIC/SOC APPLICATION MARKETS AND DRIVERS	220
<i>TABLE 57 OVERALL ASIC/SOC REVENUES BY APPLICATION, THROUGH 2007</i> (\$ MILLIONS).....	220
CONSUMER MARKETS.....	221
<i>TABLE 58 ASIC/SOC REVENUES IN CONSUMER APPLICATIONS, THROUGH</i> 2007 (\$ MILLIONS).....	221
DVD — THE HOT NEW MARKET.....	222
Refining the DVD Technology.....	222
DVD Supplier Base and the Competition.....	223
SATELLITE TERMINALS	223
PERSONAL DIGITAL ASSISTANTS AND MOBILE-PHONES.....	224
PDA Technical Challenges	224
CELLULAR PHONES	225
SET-TOP BOXES AND HIGH-DEFINITION TELEVISION	225
VIDEO GAMES	226
COMPUTER MARKETS	226
<i>TABLE 59 ASIC/SOC REVENUES IN COMPUTING APPLICATIONS, THROUGH</i> 2007 (\$ MILLIONS).....	226
CURRENT PROCESSOR TECHNOLOGY.....	227
COMMUNICATIONS MARKETS.....	228

<i>TABLE 60 ASIC/SOC REVENUES IN COMMUNICATIONS APPLICATIONS, THROUGH 2007 (\$ MILLIONS)</i>	229
RECENT COMMUNICATIONS SECTOR TRENDS	230
VOICE TECHNOLOGIES	231
FUTURE TRENDS	231
Home-based Sector Applications.....	232
COMMUNICATIONS MARKET GROWTH	232
AUTOMOTIVE MARKETS	233
<i>TABLE 61 ASIC/SOC REVENUES IN AUTOMOTIVE APPLICATIONS, THROUGH 2007 (\$ MILLIONS)</i>	233
INNOVATIONS WITHIN THE AUTOMOTIVE MARKET	234
Telematics	234
Other Electronic Features and Market Growth.....	235
Other Electronic Features and....(Continued).....	236
<i>TABLE 62 INNOVATIVE FEATURES IN THE AUTOMOTIVE INDUSTRY, 2003 THROUGH 2007</i>	237
INDUSTRIAL MARKETS	238
<i>TABLE 63 ASIC/SOC REVENUES IN INDUSTRIAL APPLICATIONS, THROUGH 2007 (\$ MILLIONS)</i>	238
MILITARY AND GOVERNMENT MARKETS	239
<i>TABLE 64 ASIC/SOC REVENUES IN MILITARY/GOVERNMENT APPLICATIONS, THROUGH 2007 (\$ MILLIONS)</i>	239
THE FUTURE.....	240
WHAT ARE THE NEXT DRIVERS FOR CHIPS?	241
EMERGING MARKETS	241
Eight Emerging Markets in the New Millenium	241
Infophones in the Mainstream	241
Wave of Multinetwork Imaging.....	242
Videoconferencing on Internet Protocols	243
Wireless to Get (Ultra) Wider	244
Cars to Dock Cell Phone	245
World Phone and Adaptive Computing	246
Antennas and Multi-User Detection	247
Broadband Convergence, Finally	248
MARKET SHARES.....	249
TRADITIONAL ASIC	249
BASIC ASIC	249
<i>TABLE 65 WORLDWIDE STANDARD CELL SUPPLIERS REVENUE AND MARKET SHARE, 2000 AND 2001 (\$ MILLIONS)</i>	249
<i>TABLE 66 WORLDWIDE GATE ARRAY SUPPLIERS REVENUE AND MARKET SHARE, 2000 AND 2001 (\$ MILLIONS)</i>	250
<i>TABLE 67 WORLDWIDE BIPOLAR ARRAY SUPPLIERS REVENUE AND MARKET SHARE, 2000 AND 2001 (\$ MILLIONS)</i>	250
<i>TABLE 68 WORLDWIDE TOTAL BASIC ASIC SUPPLIERS, 2000 AND 2001 (\$ MILLIONS)</i>	251
IBM.....	251
IBM (Continued)	252

Agere	253
NEC	253
LSI Logic	253
Texas Instruments.....	254
Motorola	254
ASIC-BASED PRODUCT LINES	254
FPLD MARKET SHARES	255
TABLE 69 WORLDWIDE FPLD SUPPLIERS REVENUES AND MARKET SHARE, 2000 AND 2001 (\$ MILLIONS).....	255
The High-Speed Communications Marketplace.....	256
SOC.....	257
STANDARD CELL SOC	258
TABLE 70 WORLDWIDE STANDARD CELL SOC SUPPLIERS, REVENUES AND MARKET SHARE, 2000 AND 2001 (\$ MILLIONS).....	258
MICRO LOGIC	259
Embedded MPU	259
TABLE 71 WORLDWIDE MPU-AS-SOC SUPPLIERS, REVENUES AND MARKET SHARE, 2000 AND 2001 (\$ MILLIONS)	259
Embedded MCU.....	260
TABLE 72 WORLDWIDE MCU-AS-SOC SUPPLIERS, REVENUES AND MARKET SHARE, 2000 AND 2001 (\$ MILLIONS)	260
Embedded DSP	260
TABLE 73 WORLDWIDE DSP SUPPLIERS, REVENUES AND MARKET SHARE, 2000 AND 2001 (\$ MILLIONS).....	261
TABLE 74 WORLDWIDE DSP-AS-SOC SUPPLIERS REVENUES AND MARKET SHARE, 2000 AND 2001 (\$ MILLIONS)	261
Making the Best of the Worst of Times	262
Making the Best of the Worst...(Continued)	263
Cell-Phone Demand — Reliable and Steady.....	264
EMBEDDED MEMORY IN SOC	265
TABLE 75 WORLDWIDE EMBEDDED MEMORY-AS-SOC SUPPLIERS, REVENUES AND MARKET SHARE, 2000 AND 2001 (\$ MILLIONS).....	265
ANALOG IN SOC	266
TABLE 76 WORLDWIDE ANALOG IC-AS-SOC SUPPLIERS, REVENUES AND MARKET SHARE, 2000 AND 2001 (\$ MILLIONS).....	266
SOC ENABLERS	266
EDA.....	266
TABLE 77 WORLDWIDE EDA SUPPLIERS, REVENUES AND MARKET SHARE, 2000 AND 2001 (\$ MILLIONS).....	267
Current Complexities and Difficulties.....	268
FOUNDRY	268
TABLE 78 WORLDWIDE PURE-PLAY FOUNDRY SUPPLIERS, REVENUES AND MARKET SHARE, 2000 AND 2001 (\$ MILLIONS).....	268
Foundry (Continued)	269
COMPANY PROFILES	270
COMPANY PROFILES — THE TOP FIVE	270
IBM	270

Profile	270
ASIC Product Spotlight.....	270
New Developments	271
AGERE.....	271
Profile	272
ASIC Product Spotlight.....	272
New Developments	272
LSI LOGIC.....	273
Profile	273
ASIC Product Spotlight.....	274
New Developments	274
NEC.....	275
Profile	275
ASIC Product Spotlight.....	275
New Developments	275
TEXAS INSTRUMENTS	276
Profile	276
ASIC Product Spotlight.....	276
New Developments	276
COMPANY PROFILES — THE OTHER PLAYERS	277
1ST SILICON	277
Profile	277
New Developments	277
3DLABS	278
Profile	278
New Developments	278
ACCEL STL.....	279
Profile	279
New Developments	279
ACTEL	279
Profile.....	279
New Developments	280
AGILENT.....	280
Profile	280
New Developments	281
ALLEGRO MICROSYSTEMS	281
Profile	281
New Developments	282
ALLIANCE	282
Profile	282
New Developments	282
ALTERA.....	283
Profile	283
New Developments	283

AMD.....	284
Profile	284
New Developments	284
AMI SEMICONDUCTOR	285
Profile	285
New Developments	285
ANALOG DEVICES.....	285
Profile	286
New Developments	286
ANSOFT	286
Profile	287
New Developments	287
ATELIC.....	287
Profile	288
New Developments	288
ATMEL	288
Profile	288
New Developments	289
AURACOMM.....	289
Profile	289
New Developments	290
BROADCOM.....	290
Profile	290
New Developments	290
CADENCE	291
Profile	291
New Developments	291
CENTILLIUM	292
Profile	292
New Developments	292
CHARTERED	293
Profile	293
New Developments	293
CHIP EXPRESS	294
Profile	294
New Developments	294
CIAN SYSTEMS.....	294
Profile	295
New Developments	295
CIRRUS LOGIC	295
Profile	295
New Developments	295
CLEARSPPEED	296
Profile	296

New Developments	296
COMPORT DATA	296
Profile	296
New Developments	297
CRESCENTEC	297
Profile	297
New Developments	297
CYPRESS.....	297
Profile	298
New Developments	298
DSPFACTORY	298
Profile	299
New Developments	299
DSP GROUP	299
Profile	299
New Developments	300
EASIC	300
Profile	301
New Developments	301
EINFOCHIPS	301
Profile	301
New Developments	302
ESILICON	302
Profile	302
New Developments	302
ESS TECHNOLOGY	303
Profile	303
New Developments	303
EZCHIP.....	303
Profile	304
New Developments	304
FAIRCHILD	304
Profile	304
New Developments	304
FUJITSU	305
Profile	305
New Developments	305
GENESIS MICROCHIP	306
Profile	306
New Developments	306
HITACHI	307
Profile	307
New Developments	307
HYNIX	307

Profile	308
New Developments	308
HYPERSTONE.....	308
Profile	308
New Developments	309
ICT PLD.....	309
Profile	309
New Developments	309
IDT	310
Profile	310
New Developments	310
INFINEON	310
Profile	310
New Developments	311
INTEL.....	311
Profile	312
New Developments	312
INTERSIL.....	313
Profile	313
New Developments	313
ISSI	313
Profile	313
New Developments	314
LATTICE	314
Profile	314
New Developments	314
LEGEND SILICON.....	315
Profile	315
New Developments	315
LEXRA	316
Profile	316
New Developments	316
LIGHTSPEED	316
Profile	317
New Developments	317
LOGIC DEVICES	317
Profile	317
New Developments	318
MACRONIX.....	318
Profile	318
New Developments	318
MAXIM	319
Profile	319
New Developments	319

MELEXIS.....	319
Profile	320
New Developments	320
MENTOR GRAPHICS	320
Profile	320
New Developments	320
MICROCHIP.....	321
Profile	321
New Developments	321
MITSUBISHI.....	322
Profile	322
New Developments	322
MOTOROLA.....	323
Profile	323
New Developments	323
NATIONAL SEMICONDUCTOR.....	324
Profile	324
New Developments	325
NEOMAGIC.....	325
Profile	326
New Developments	326
NVIDIA.....	326
Profile	326
New Developments	326
OAK TECHNOLOGY.....	327
Profile	327
New Developments	327
OASIS SEMICONDUCTOR	328
Profile	328
New Developments	328
OPTI.....	328
Profile	329
New Developments	329
PHILIPS	329
Profile	329
New Developments	329
PMC-SIERRA	330
Profile	330
New Developments	330
PANASONIC SEMICONDUCTOR	331
Profile	331
New Developments	332
QUICKLOGIC	332
Profile	332

New Developments	332
RISE.....	333
Profile	333
New Developments	333
SAMSUNG.....	333
Profile	334
New Developments	334
SANDCRAFT.....	335
Profile	335
New Developments	335
SEIKO EPSON	335
Profile	336
New Developments	336
SILICON LOGIC	337
Profile	337
New Developments	337
SILICON MAGIC	337
Profile	337
New Developments	338
SILTERRA	338
Profile	338
New Developments	338
SIMTEK.....	339
Profile	339
New Developments	339
SIPEX	340
Profile	340
New Developments	340
SONICS, INC.....	340
Profile	341
New Developments	341
SONY SEMICONDUCTOR	341
Profile	341
New Developments	342
STMICROELECTRONICS	342
Profile	342
New Developments	343
SUNPLUS TECHNOLOGY	343
Profile	343
New Developments	344
SYNOVA.....	344
Profile	344
New Developments	344
SYNOPSYS.....	344

Profile	344
New Developments	345
SYSTEM TO ASIC	345
Profile	345
TACHYON	346
Profile	346
New Developments	346
THESEUS	346
Profile	346
New Developments	347
TOSHIBA	347
Profile	347
New Developments	347
TAIWAN SEMICONDUCTOR MANUFACTURING CO.	348
Profile	348
New Developments	349
TUNDRA SEMICONDUCTOR	349
Profile	349
New Developments	350
UMC	350
Profile	350
New Developments	351
UTRON TECHNOLOGY	351
Profile	352
VARIAN	352
Profile	352
New Developments	352
VITESSE	352
Profile	353
New Developments	353
VIA TECHNOLOGIES	353
Profile	354
New Developments	354
WELTREND SEMICONDUCTORS	354
Profile	354
New Developments	354
XILINX	355
Profile	355
New Developments	355
ZARLINK	356
Profile	356
New Developments	356
ZILOG	356
Profile	357

New Developments	357
ZMM.....	357
Profile	357
New Developments	358
ZORAN.....	358
Profile	358
New Developments	358
New Developments	359
APPENDIX: SEMICONDUCTOR INDUSTRY ACRONYMS	360
APPENDIX: SEMICONDUCTOR INDUSTRY....(CONTINUED)	361
APPENDIX: SEMICONDUCTOR INDUSTRY....(CONTINUED)	362
APPENDIX: SEMICONDUCTOR INDUSTRY....(CONTINUED)	363
APPENDIX: SEMICONDUCTOR INDUSTRY....(CONTINUED)	364