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## **X86 FORECAST TO GROW FASTEST IN THE BATTLE FOR THE DIGITAL HOME, BUT ARM SET TO REMAIN THE LARGEST ARCHITECTURE**

**London, England; September 4, 2013; Findings from the recently published Semicast report “Opportunities for Embedded Processors in the Digital Home — 2013 Edition” show ARM significantly increased its position as the leading architecture for embedded processors in digital home applications in 2012. While the findings suggest that ARM’s lead in the digital home is set to increase further in the next five years, it is x86 which is forecast to emerge as the main challenger, ahead of MIPS and Power Architecture.**

Historically x86 has had limited presence in the digital home, with the main application the original Xbox console, which was in production from 2001 to 2008. Power Architecture then achieved a dominant position in consoles, with design-wins for the Nintendo Wii, Xbox 360 and PlayStation 3, resulting in a period of very limited sales for x86 in the digital home. However the forecast for x86 has changed dramatically in 2013 with the announcement of the next generation of consoles. Console specifications show that Microsoft and Sony have changed from Power Architecture to x86-based processors for the Xbox One and PlayStation 4, with each using broadly the same technology from AMD. These changes leave Nintendo’s Wii U as the only console in the next generation based on Power Architecture and Semicast judges that Power Architecture’s presence in the digital home will not extend beyond this decade.

Semicast views tablets as the key application in the digital home where ARM and x86 will do battle in the coming years. While ARM has so far been the dominant architecture for applications processors in tablets, Intel is very aggressively targeting this market with processors such as the Atom Z2580 Clover Trail+ and Atom Bay Trail. Colin Barnden, Principal Analyst at Semicast Research and study author, commented “Intel has a record of out-engineering entrenched technologies and suppliers, as witnessed with the switch from Power Architecture to x86 processors by Apple in 2005 and ARM and its semiconductor partners are certain to take the challenge very seriously”.

While x86 is forecast to record the highest revenue growth in the digital home to 2018, Semicast does not see ARM’s leading position challenged any time soon. Semicast has ranked ARM as the leading embedded processing architecture in the digital home since its first analysis of this market in 2007, although in the past its main competitor was MIPS. Past research showed ARM and MIPS engaged in a ferocious battle in applications such as home networking gear, MP3 players, digital

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Page 2 of 2

cameras, digital TVs, set-top boxes and DVD recorders. However a combination of factors moved this battle in ARM's favor; the emergence of smartphones and tablets (where ARM dominates) reducing the market for single function devices such as MP3 players and digital cameras; a greater number of ARM licensees targeting the digital home; uncertainty surrounding the long-term future of the MIPS architecture. While MIPS' acquisition by Imagination Technologies gives the architecture a secure future, the recent uncertainty has clearly caused a loss of momentum. Semicast forecasts broadly flat revenues for MIPS in the digital home over the next five years, with revenues for x86 forecast to pass those for MIPS in 2014.

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### Notes for Editors

1. Semicast has a strategic focus on embedded processing and provides on-going research services to the global industry. Its Embedded Processing Service has been developed specifically for semiconductor and software suppliers to understand detailed trends in 23 key application areas across the five main end-use sectors. The service has a particular focus on trends for the ARM, MIPS, Power Architecture and x86 product families in embedded processing.
2. Semicast is always willing to work with journalists to provide quotations, opinions and market information for articles. If you require further information, please contact us at [press\[at\]semicast.net](mailto:press[at]semicast.net)
3. Semicast is a respected provider of independent market research on the semiconductor and electronics industry. It specializes in coverage of industrial and medical semiconductors, automotive electronics, telematics/infotainment, automotive semiconductors and embedded processing.