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## **Blu-ray's European Ascendance: BD Sales will continue to outstrip early DVD market performance**

Commentary by Jim Bottoms, MD Corporate Development,  
Futuresource (formerly MD of Understanding & Solutions).

"One of the questions we are asked on a regular basis is how does Blu-ray (BD) uptake compare with the uptake of DVD in the early years, and how do the BD player forecasts look alongside DVD player adoption.

"Focusing on like-for-like coverage of Western Europe and comparing the first few years of uptake, the early indications are that BD player sales are running way ahead of DVD after the same time period. 2008 represents year 3 for BD and here at Futuresource Consulting, we anticipate more than 10 million players, including PS3, in use by the end of this year. Looking back to DVD's early years, we see that closer to 1.5 million DVD players were installed by the end of year 3.

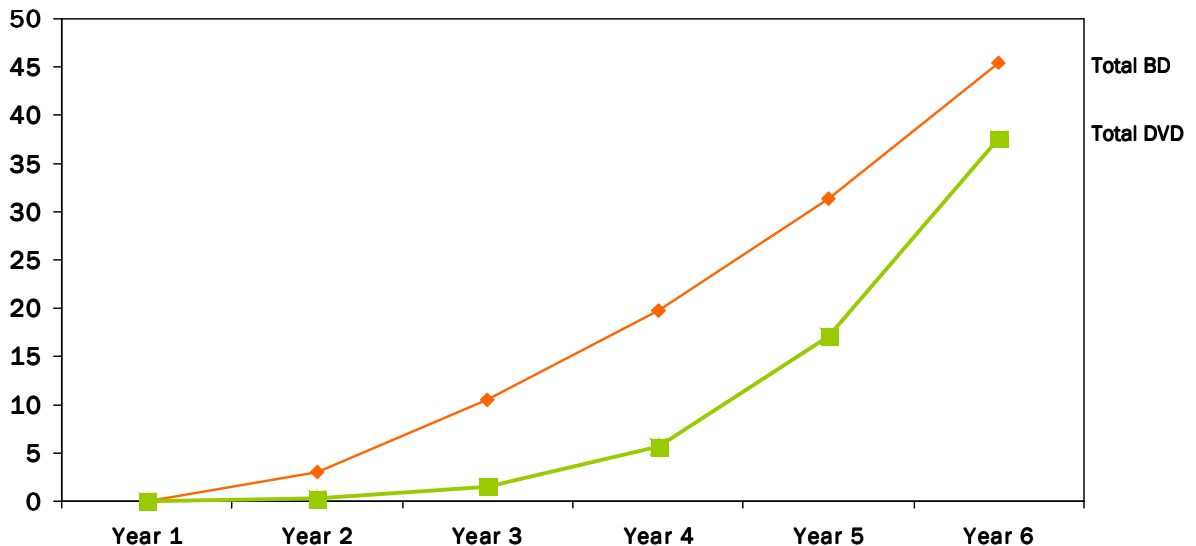
"Looking forward, as the attached Futuresource analysis shows, BD installations are projected to continue to run significantly ahead of DVD. The timing of the PS3 launch has clearly provided a big boost to the initial uptake of BD; with a number of hot games titles now starting to emerge and console prices continuing to fall we can expect to see continued strong uptake.

"Also important is the competitive retail environment, with high street names vying for market share in BD video player sales. This is continuing to encourage player prices downwards and is keeping the product in the public eye. As we move towards Q4 we expect this to really intensify.

"Longer term, as player prices continue to fall, title availability grows and awareness increases, BD players will become the product of choice – given the fact that they also play DVD and CD media – and there will come a time when the branded suppliers focus on this higher capacity drive, mirroring the trend we saw with DVD players replacing CD decks."

## DVD Hardware Development: Western Europe

Installed Base (Million Units)



	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Total BD	2006 = 0.01	2007 = 3.03	2008 = 10.48	2009 = 19.70	2010 = 31.39	2011 = 45.42
Total DVD	1997 = 0.05	1998 = 0.30	1999 = 1.58	2000 = 5.64	2001 = 17.08	2002 = 37.51

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### Further Information

For industry comment, forecasting and trends, contact:

Andy C Watson

Head of Marketing & PR

Futuresource Consulting

Direct Dial: +44 1582 500169

Email: andy.watson@futuresource-hq.com

Web: www.futuresource-consulting.com

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