Power IC Market makes a full recovery in 2010

Following a decline of over 14% in 2009, the world market for power management and driver ICs is forecast to recover fully in 2010, growing by 20% to over $12 billion. Strong annual growth is projected for the next four years. This is according to the latest analysis from IMS Research.

All sixteen of the power IC markets analyzed in 2010 have outperformed previous growth predictions. Strong growth is projected to continue into 2011 and for most products through to 2014, driven by strong forecast demand in applications such as lighting, PC notebooks, servers and cellular infrastructure. It has however been questioned by some involved in the industry as to whether growth is being driven by real underlying demand.

Ryan Sanderson, Senior Market Analyst for IMS Research's Power and Energy group, commented "Growth in the first half of 2010 was much stronger than many power semiconductor suppliers had predicted and has continued into the second half of the year. Whilst demand for end equipment certainly accelerated in 2010, there is also an element of over-spending; which has been driven by low capacity causing the lead times for many components to be extended. This has inflated revenue growth and also helped to stabilize average selling prices".

Sanderson added, "IMS Research predicts increasing demand in 2011, another year when revenues will increase more than the historical average. Demand for consumer appliances such as notebooks and flat panel TVs remains high; whilst the industrial market continues to recover, driving further demand.10% growth a year is projected for 2012 to 2014."

Further findings from "The World Market for Power Management & Driver ICs – 2010" identified Texas Instruments as the leading supplier, with over 10% of the 2009 world market. Of the top five suppliers in the market, which account for almost 40% of the world total, three lost market share from 2008 to 2009.

About IMS Research
IMS Research (www.imsresearch.com [1]) is a supplier of market research and consultancy services on a wide range of global electronics markets. The company headquarters is in Wellingborough, UK with offices in Austin, Texas and Shanghai, China. IMS Research regularly publishes detailed research on the power management and control markets, among others.

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