

For Immediate Release
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Mainstream Adoption of 3D in the Home Moves One Step Closer

In line with the BDA's announcement this month on the finalisation and release of their 'Blu-ray 3D' specification, a recent strategic 3D report from Futuresource Consulting shows an upsurge in the adoption of High Definition and Blu-ray hardware in 2010, strengthened by a clearly defined 3D roadmap.

"Following the success of 3D in the cinema there is a major industry push to establish 3D in the home," says Jim Bottoms, Director, Futuresource, "and today's announcement by the BDA ensures a unified route forward. The quality and experience of High Definition via Blu-ray disc is unparalleled, and for those consumers not yet convinced by the HD experience, 3D will be another key selling point and a highly persuasive reason to upgrade. Our research shows that 3D-enabled BD players will be available in Q2 next year to support the major push on 3D TVs that will start at CES and build throughout the year. Further interest will be driven by owners of PS3 consoles, which will be able to play 'Blu-ray 3D' content.

"At the beginning of this year many were concerned that consumers may retain their standard definition equipment in the light of a tightening economic environment. However, in line with Futuresource expectations, consumers have continued to upgrade to High Definition, encouraged by falling prices, growing awareness and the fact that home entertainment represents good value for money in tough economic times. Factor in the impact of a definitive 3D platform, coupled with the consistent advertising and education this will bring and we'll see the robustness of the packaged media business continue to surprise the industry, with its lifespan prolonged for some time to come."

Hollywood is currently releasing around 30 major 3D movie titles per annum, and indications are that this is going to double over the next 12 to 18 months. In the USA, titles such as Bolt and Ice Age have generated more than 50% of their theatrical revenues from the 3D version, and consumers on both sides of the Atlantic are demonstrating that they are prepared to pay a premium for 3D content. With many high profile 3D BD title releases planned from the middle of next year, the industry's eagerness to maximise the 3D in-home experience will go hand in hand with people's eagerness to consume the content.

"Looking to the TV display market, manufacturers are already promoting 3D-ready sets and there is expected to be a major US push on these devices early in 2010," says Mike Fisher, Convergence & New Technologies Consultant, Futuresource. "These TVs are a prerequisite

to consumer adoption in much the same way as HD-Ready sets were used to seed the high definition market five years ago.

“3D chipsets can be embedded into next gen hardware at relatively low cost. Combine this with an integrated consumer awareness programme and a coherent ‘3D-Ready’ branding strategy, and there will be few obstacles to consumer adoption. Further, the determination of a number of leading hardware brands to carve an early position in the 3D TV and BD market will inevitably result in some attractive 3D bundling deals, which we have factored into our detailed 3D hardware and content forecasts.”

With the World Cup in June and July set to be shot in 3D, this will help to significantly raise the profile of the technology. Given the positive impact that this sporting festival always has on TV demand we can expect the retail trade to put its full weight behind 3D very quickly.

Save the date

**The Futuresource Entertainment Summit
10-11 June 2010, London, UK**

Covering all business opportunities presented by new home entertainment technologies, platforms and delivery systems, this year’s conference focuses on the strategic impact of 3D, the rise of IP connected devices and the changing face of retail, plus revenue stream development and optimisation for Blu-ray and online content services.

Find out more at www.fes2010.com

Notes

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Media Contact

For industry comment, forecasting and trends, contact Andy C Watson at Futuresource.

Direct Dial: +44 1582 500169

Email: andy.watson@futuresource-hq.com

Web: www.futuresource-consulting.com

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