



Strategy Analytics: Slotted Phone Shipments to Swell to 990 Million by 2013

Rapid Shift to microSDHC Format

Boston, MA - October 5, 2009 – Shipments of slotted phones—nearly 70 percent of all phone shipments—will increase to 990 million handsets by 2013, according to Strategy Analytics. Updating its long-term forecast for the penetration of slotted phones in “Removable Memory Card Forecast: Slotted Phone Shipments to Reach 990 Million in 2013,” the Strategy Analytics Handset Component Technology service revealed that shipments of phones with a removable memory card slot totaled almost 685 million units in 2008, representing almost 60 percent of all cellphones shipped in 2008. Additionally, the trend for the higher capacity microSDHC format continued, with that format growing from 3.5% of slotted phones in 2007 to 22% in 2008 – and to an estimated 54% in 2009.

Stuart Robinson, author of the report and Director of the Handset Component Technologies service, said, “This Strategy Analytics revised forecast on slotted phones is based on the view that within the next 2 or 3 years, if the cost of NAND Flash memory continues its rapid decline, then the cost of including high capacity embedded memory will be less than that of many components such as the display and the baseband processor. It is possible that we will see more high-end phones with significant embedded memory and no slot.”

Steve Entwistle, Vice President of the Strategic Technologies within Strategy Analytics, added, “Strategy Analytics believes that the introduction of new formats has slowed since the domination of microSD. New developments will be essential however, in order to increase capacity beyond 32GB and to improve read/write speeds above 100mbps.” Entwistle added, “New initiatives from the industry-- like microSDXC -- could steer slotted phones in the right direction to be competitive with embedded memory in cellphones.”

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