



Blu-ray Disc News

News and Views from the Blu-ray Disc Association

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Blu-ray Disc movie sales treble in US, hardware sales set to boom

Blu-ray Disc sales have led to the first increase in consumer spending on home video in two years. In 2007, total sales fell 0.5 percent and they decreased 0.4 percent in 2006.

Home Media Magazine

According to research from US-based Home Media Magazine, US Blu-ray disc sales jumped 351 percent in the first three months of this year. The high-def disc format benefited from increased awareness of the category and Toshiba's decision to exit the HD DVD business at the end of March.

Sounding an optimistic note for the Home Entertainment industry, Home Media reports that the rise in Blu-ray Disc sales led to the first increase in consumer spending on home video in two years. In 2007, total sales fell 0.5 percent and they decreased 0.4 percent in 2006.

However, the magazine writes that consumer spending was up one percent in the first three months of 2008, totaling \$5.51 billion, compared to the first three months of 2007. Sales rose 2.3 percent while rental spending fell 1.6 percent.

The rise in Blu-ray sales explains why the Hollywood film studios are actively promoting Blu-ray Disc since many executives believe it can help revitalize the dormant DVD industry.

Home Media writes that *I Am Legend*, starring Will Smith, was the number one selling title. *Enchanted* was second, followed by *American Gangster*, *Bee Movie* and *3:10 to Yuma*.



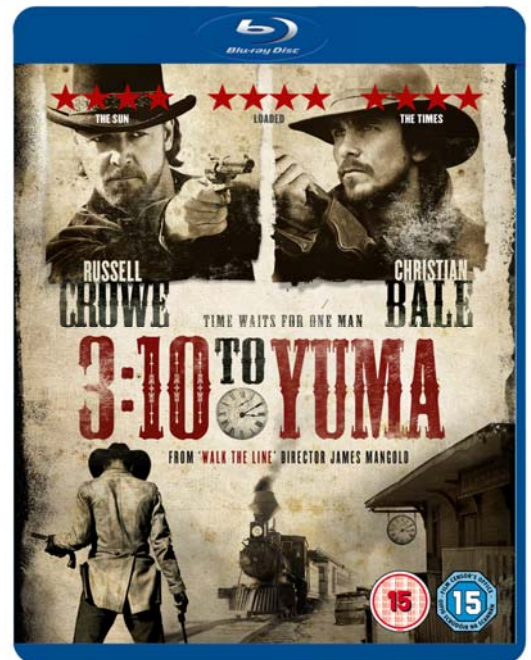
In other States-side news, it is predicted that Blu-ray players will be in roughly 25 percent of U.S. homes in three years. That's according to a new report from Bernstein Research analyst Michael Nathanson, as reported by Reuters.

Nathanson says Blu-ray players will be in approximately one percent of U.S. households at the end of this year, suggesting the high-def disc format will experience a boom over the next three years.

To help fuel that growth, the analyst estimates that the average price of a Blu-ray disc will drop from \$28.50 this year to \$24.43 in 2011. He says overall Blu-ray revenue will jump from \$260 million this year to \$4.24 billion in 2011.

Thanks to Blu-ray Disc, Nathanson believes that the home video industry might net a 2.4 percent annual growth rate in revenue over the next three years. Without Blu-ray, he says, the industry would have lost 2.2 percent each year.

Nathanson's report says there were about 3.5 million Blu-ray players in U.S. homes at the end of 2007, including PLAYSTATION3 consoles. He predicts that a sudden rise in Blu-ray sales will occur when the player price drops from around \$399 to under \$200, probably not until next year.



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*Michael Nathanson
Analyst
Bernstein Research*

Chinese home entertainment industry shows support for Blu-ray Disc

The strategic importance of the Chinese market to any next generation High Definition home entertainment platform has long been recognized. So news of significant developments in both the Chinese consumer hardware and software markets is regarded as key by the Blu-ray Disc Association.

During the Intel Information Technology Summit of 2008 in China last month, Chinese consumer electronics manufacturer Haier announced the introduction of its "Blue Box (Lan Bao) V9", a Blu-





ray device which they describe as the “Haier HD digital entertainment Center”

Haier regards Blue Box V9 as a next generation home entertainment platform – not just a PC nor a stand-alone Blu-ray player. Its main features include:

- CPU: Intel Core 2 TM Quad Q9300 Quad-core processor;
- NVIDIA GeForce graphics card; HDMI V1.3 interface;
- BD Drive built-in; Supports Full HD 1080P; Dolby TrueHD 7.1Chs output;
- Storage with 2TB;
- Internet ready,
- Remote Control.

Further news from China tells of Blu-ray Disc music videos being offered for sale. At its Austrian headquarters, Sony DADC has produced 2000 units of what is believed to be one of the first Blu-ray Disc music releases developed specifically for the Chinese market.

Blu-ray Disc sales grow ten-fold in Ireland

“We believe that a single format will benefit both consumers and the industry, and will accelerate the expansion of the market.”

*Sushil Teji
General Manager
Sony Consumer
Electronics, Ireland*

Ireland is becoming one of the fastest growing Blu-ray markets in Europe.

At a press event organised in Dublin, Sony Consumer Electronics Ireland celebrated the success of the next generation of optical disc technology for High Definition digital video with the

announcement that it is to reposition the Recommended Retail Price of its BDP-S300 Blu-ray player from €499 to €399 from the beginning of May.

According to Sushil Teji, General Manager from Sony Consumer Electronics, Ireland, the move will be a further boost to a format that Sony expects to account for 20 per cent of Ireland’s Home Vision electronic sales in 2008.

"Overwhelming support from all the relevant industries, including Hollywood studios, consumer electronics and IT companies, retailers and video rental stores is clear proof that consumers have chosen Blu-ray as the next generation optical disc format. We believe that a single format will benefit both consumers and the industry, and will accelerate the expansion of the market.

"Blu-ray has been and will continue to be a core part of Sony's 'HD World' strategy. We will continue to promote the benefits of HD throughout the value chain including Blu-ray products, BRAVIA LCD TVs, PLAYSTATION 3, VAIO PCs,



Sony Ireland’s team toast the success of Blu-ray

camcorders, entertainment content, and broadcast and professional products," said Teji.

Belgian radio stages 'Blu-ray Week' as BD becomes 'must have' device

News from Belgium provides a strong indicator that Blu-ray Disc is entering the mainstream.

Brussels-based *Pure FM* is part of national public broadcaster rtbf and one of the country's leading young people's radio stations. This month the radio station will hold its own 'Blu-ray Week'.

Everyday from 12 – 16 May listeners will be provided with opportunities to call in and win a state-of-the-art Panasonic BD30 Blu-ray Disc player. Also, all day long, listeners will have a chance to win the latest hit movies on Blu-ray Disc.



"*Pure FM* is the young generation's radio channel within the rtbf group and it is logical that we should organize our big competition around the Blu-ray format," explained Olivier Steels, Conseiller Promotion et Relations Exterieures at rtbf. "*Pure FM* addresses a young audience, a trendy audience that has an appetite for the very latest advances in technology and particularly music-related technology.

"For this reason, we could not pass by Blu-ray Disc, which is the only High Definition format on the market. Every day of the week, one lucky listener will win a Panasonic Blu-ray Disc player and others will win many tens of Blu-ray movies."



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