



# Blu-ray Disc News

News and Views from the Blu-ray Disc Association

05 June 2008

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## Blu-ray makes large gains in US Home Entertainment market

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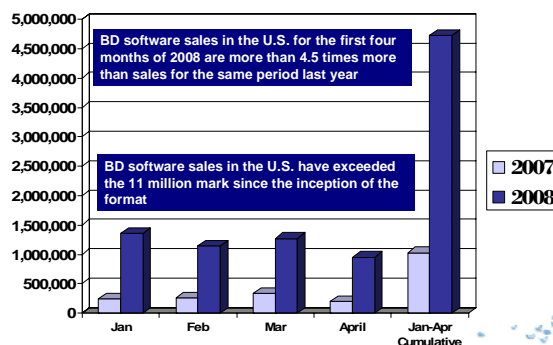
*Redhill Group for Home Media Magazine*

The Blu-ray Disc Association US Promotions Committee has released market intelligence that indicates very significant in-roads being made by the Blu-ray Disc format in North America. The data indicates that although hardware supplies are limited at retail, demand is extremely high for both BD hardware and software.

According to a study released by market analyst, NPD Group, on June 3 almost four million US HDTV owners plan to buy a BD-capable disc player in the next six months. The study also reports that amongst consumers who purchased a Blu-ray Disc set-top player the majority cited 'leading-edge technology' and a 'superior viewing experience' as primary reasons for making the purchase. Consumers stated a clear preference for Blu-ray content.

At the same time Sony Computer Entertainment America has announced the results of an internal survey conducted during the first half of May 2008 amongst almost 3,000 US PLAYSTATION3 (PS3) owners.

## U.S. BD Software Sales Comparison Jan-Apr 2007 v. Jan-Apr 2008



Of those interviewed, more than 40 per cent reported increased movie viewing at home since purchasing their PS3. Almost 52 per cent indicated plans to buy six or more movie titles during the next 12 months. Half of the interviewees said that they prefer to exclusively purchase or rent movies in the Blu-ray format, even if they have to wait longer for the title release.



**Andy Parsons**

*There are approximately six million Blu-ray capable players in the hands of US consumers. According to the BDA, there are currently more than 80 Blu-ray options on the market for consumers to choose from including 12 PC drives, 40 PC options and 15 players (including PS3). A further 13 players have been announced for market introduction later this year.*

Looking at US Blu-ray Disc movie sales generally, according to Redhill Group research for Home Media Magazine, the total number broke through the 11 million mark by May 18 2008. Blu-ray Disc software sold in the first four months of 2008 are more than 450 per cent higher the sales volume in the same period last year.

In the first quarter of 2007, Blu-ray Disc sales for day-and-date titles represented 1.7 per cent of total sales for the top 10 selling titles in comparison to the DVD version of the same title. In the first quarter of 2008, that percentage has risen to 14.3%.

And looking at the CE hardware market there is significant sales growth to report despite inventory shortages of Blu-ray Disc players. According to the Blu-ray Disc Association, there are approximately six million Blu-ray capable players in the hands of US consumers. According to the BDA, there are currently more than 80 Blu-ray options on the market for consumers to choose from including 12 PC drives, 40 PC options and 15 players (including PS3). A further 13 players have been announced for market introduction later this year.

Commenting on recent CE hardware sales, BDA US Promotions Committee Chairman, Andy Parsons, indicated that restricted supplies of BD players was only a short-term challenge. "No manufacturer or retailer anticipated a quick, decisive end to the format war, so none had a deep supply of the players on hand when it became clear that Blu-ray had won," Parsons said. "There was a sudden increase in demand when there was a sudden decrease in supply."

Brian Lucas, a spokesman for Best Buy, agreed. "When the format war ended, we didn't do as much promotion around [Blu-ray] as we would've liked," Lucas said. "We didn't want to send people into stores where there wouldn't be players." Lucas said that player supply has been improving.

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## Blu-ray recorder sales boom in Japan and debut in Australia

Sales of High Definition Blu-ray Disc recorders are booming in Japan as consumers take to the new generation of home movie entertainment after the end of the format war.

Last month the more expensive Blu-ray recorders topped the old generation recorders in the value of sales for the first time, with around a third of machines sold now carrying the new format, research firm BCN Ltd said in a statement.

"Full High Definition picture quality has become a main stream for big-screen TVs, and camcorders with higher picture quality are getting popular, too," said BCN chief analyst Shigehiro Tanaka. "From the input of data to output, High Definition is taking root in Japan."

Japan was at the heart of the format war, which pitted the Blu-ray discs against Toshiba Corp's HD-DVD discs. Consumers held back waiting to see who would win. April sales for Blu-ray Disc in Japan were almost three times the 12.4 percent

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*Shigehiro Tanaka  
Chief Analyst  
BCN*



**Panasonic DMR-BW500**

share for both formats in January, before HD-DVD's demise, BCN's survey figures showed.

Sales of the Blu-ray are expected to rapidly expand in coming months as makers are likely to cut down prices in a lead-up to the Beijing Olympics, BCN said.

In associated news, Australia is the first country outside of Japan to receive Panasonic's first stand-alone Blu-ray Disc recorder. The DMR-BW500 will have a 500GB HDD, Blu-ray recording functions, and twin DVB-T HD tuner with 7-day EPG.

Panasonic says that this Blu-ray Recorder has been designed and manufactured in Japan to the company's precise manufacturing standards and is styled in black to match the latest range of Viera TVs. And at just 59mm high, this Blu-ray Recorder is a slim device you can put anywhere.

The DMR-BW500 can record up to 72 hours (using its 500GB HDD) or up to 6 hours and 40 minutes (using a 50GB double layer Blu-ray disc) of 1080p content and can also record 5.1-channel Dolby Digital surround sound broadcasts without deterioration in sound quality or surround effects.

Panasonic Australia's Director for Consumer Electronics Group, Paul Reid said, "Panasonic has led the way in home entertainment products and continues to bring innovation to the market with Australia's first Blu-ray Recorder for the living room. This product is a significant breakthrough for Blu-ray and sets the standard in Full High Definition recording. With a twin High Definition Tuner and 500 GB Hard Disk Drive it is the ideal one-box solution for any home."

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## Universum Film launches Germany's first BD-Live enabled disc

With many manufacturers planning to release BD-Live capable players later this year the content creation industry is busy applying this advanced interactive technology to their movie releases.

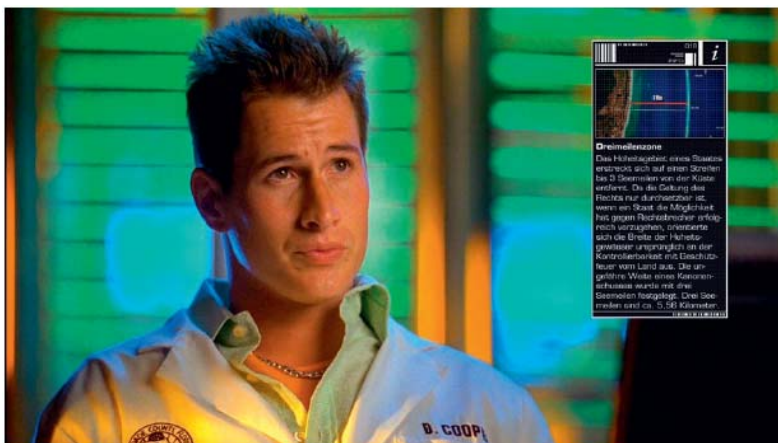
In Europe, this trend sees independent film distributors joining the major movie studios in developing their BD-Live catalogue. On June 30, German independent Universum Film will release the popular television series CSI: Miami Season 5.1, for the first time in the Blu-ray format and thus will herald the BD-Live age in Germany.

Alongside first class High Definition video, the 2-disc Blu-ray Edition features an interactive "Investigation Mode" as well as additional BD-Live functionality via dynamicHD. This technology was developed by German authoring house Imagion AG to easily integrate BD-Live features to any BD movie title. It offers the option of adding additional content to Blu-ray discs via the Internet at any time.

The "Investigation Mode" provides forensic and other information and picture-in-picture interviews with cast & crew during feature playback on Bonus-View



equipped Blu-ray players, and can be switched on and off like an audio commentary.



**CSI: Miami Season 5.1 – Investigation Mode**

The first-time integration of a dynamicHD client ([www.dynamicHD.com](http://www.dynamicHD.com)) for BD-Live access offers the option of adding additional content, such as background information, news, new CSI trailers, picture galleries and many more via the Internet.

A planned future feature will be the opportunity for CSI: Miami fans to interact with other CSI enthusiasts via the online community [www.tuneHD.net](http://www.tuneHD.net) directly from their Blu-ray player.

These BD-Live features are available on all current Profile 2.0 Blu-ray players as well as on Sony's PLAYSTATION 3.

## Chinese companies authorized to develop Blu-ray



Eleven Chinese disc manufacturers, including TCL, Malata and Desay, have been authorized by Blu-ray Disc Association to produce Blu-ray Discs and disc players next year.

According to the Blu-ray Disc Association's China Promotions Taskforce, Greg Zhao, each of the manufacturers have now turned to BD development since Toshiba's withdrawal from the HD DVD camp in February this year and BDA's membership has increased to 187.

In China, these 11 companies have signed 16 license agreements with the BDA, which represents a similar amount to Hong Kong-based companies. In total, the Blu-ray Disc Association has already signed over 190 licence agreements indicating the high number of companies globally that are developing products and services based on the Blu-ray Disc format.

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