



Blu-ray Disc News

News and Views from the Blu-ray Disc Association

27 June 2008

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Gfk predicts strong growth in global Blu-ray market

"Blu-ray sales will more than quadruple this year, to \$1.5 billion worldwide, according to Gfk, then grow 184% in 2009 to \$4.1 billion and another 94%, to hit \$8 billion in 2010."

Worldwide home entertainment software revenue will grow 17% between 2008 and 2010 to \$78.2 billion, fueled by growing consumer demand for next-generation videogames and Blu-ray Disc, according to a new forecast from Media Control GfK International.

The report, which covers videogame and home video software, predicts worldwide consumer spending of \$67.1 billion in 2008, up 10% from 2007 (including a foreign exchange gain on the dollar of about 2%).

"Worldwide, consumers spent \$61 billion at retail on DVD and games software in 2007, more than double what was spent at the worldwide box office," said Amy Heller, GfK U.S. president.

grow to \$67 billion new formats like the Wii. be able to band together on data gathering for this as clearly it will be an manage as the transition to



"That amount is expected to in 2008 thanks to growth of Hopefully, the industry will information sharing and somewhat elusive market, important segment to digital copy is made."

Growth for this year and the next several years will be almost exclusively from the games sector, with game software for all console, PC and handheld platforms expanding to \$33.3 billion this year, up 22% from 2007. Games growth will be about 18% in 2009 and 12% in 2010, according to the report.

Home video, meanwhile, will remain virtually flat at either side of \$34 billion worldwide through 2010, with growth from the Blu-ray Disc format compensating for declines in the aging standard DVD.

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In presenting the forecast to the Entertainment Supply Chain Academy in Los Angeles last week, Heller said projections assume that Blu-ray set-top players will grow from an installed base of 4.5 million this year, to 18 million in 2010, while PLAYSTATION 3 grows from 20 million to 50 million in the same time.

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During the forecast timeframe, DVD sales will fall from \$32.2 billion in 2008 to \$26.2 billion in 2010, GfK projects. There are some bright spots globally, with home video sales in smaller territories including Italy, Germany and Australia expected to grow more than 10% this year.

The U.S. accounts for the largest share of the global home entertainment market by far, about 39% this year. In the U.S., home video revenue is expected to decline about 3% this year, with DVD down 8%, to \$13.9 billion, and Blu-ray more than quadrupling, to \$888 million. Videogames in the U.S. will hit \$11.4 billion in 2008, up 19%.

Media Control GfK collects point-of-sale retail data in a dozen countries outside the U.S. Where it does not have point-of-sale data, it used partner data and industry interviews to develop its forecast.

Bond, James Bond on disc, Blu-ray Disc

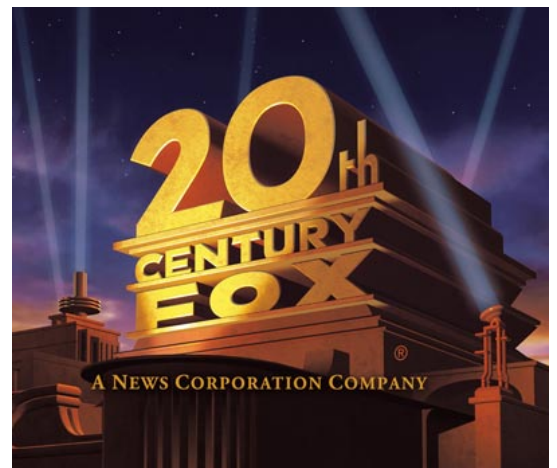
“With Quantum of Solace on the horizon, Bond fever is building once again and there is no better time to re-introduce these beloved films featuring the best picture and sound quality available today to the 60 million+ HD-capable households worldwide.”

*Eric Doctorow
General Manager Worldwide
MGM Home Entertainment.*

The world's most well known secret agent and his bevy of babes are even hotter in High Definition when six must-have, classic James Bond films debut worldwide on Blu-ray Disc - (OCT. 21 North America / OCT. 20 UK/International) - from MGM and Twentieth Century Fox Home Entertainment.

Recently restored and re-mastered for the highest quality picture and sound quality via the state-of-the-art Lowry process digital frame-by-frame restoration and featuring special features galore, Bond is primed for Blu-ray Disc with a selection of 007 adventures spanning the storied career of cinema's most recognizable spy. Bond titles arriving on Blu-ray Disc, timed to the highly anticipated worldwide theatrical premiere of the 22nd James Bond mission *Quantum of Solace* this November, include *Dr. No*, *Die Another Day*, *Live and Let Die*, *For Your Eyes Only*, *From Russia With Love* and *Thunderball*.

The world's most successful film franchise, Bond... James Bond has generated more than one billion in global box office gross and boasts an astounding 98% global consumer awareness. *Casino Royale*, the most recent James Bond film



starring Daniel Craig, debuted on BD March 2007, and continues to rank as one of the best selling Blu-ray Disc releases to-date.

“With *Quantum of Solace* on the horizon, Bond fever is building once again and there is no better time to re-introduce these beloved films featuring the best picture and sound quality available today to the 60 million+ HD-capable households worldwide,” said Eric Doctorow, General Manager Worldwide, MGM Home Entertainment.

Exact worldwide market release dates and title configurations will be announced in the coming weeks.

Panasonic launches six-times speed write-once BD media

Panasonic has developed what it claims is the world's first write-once Blu-ray disc (BD-R) with 6x writing speed. The 6x discs have a maximum data transfer speed of 216Mbps, which is 20% faster than that of 16x DVD-R discs. This transfer speed, along with the discs' high capacity, allows consumers to use these discs for a variety of applications such as storing HD video or backing up PC data.

The discs have a wide power margin at any writing speeds from 1x to 6x. This enables high-quality recording, even if the drive's laser power fluctuates, resulting in greater overall drive compatibility.

The adoption of a new disc technology produces extremely level and well-balanced discs with highly precise signal grooves. This improves servo characteristics and enables the laser beam to focus to the right position even when the disc is rotating with 6x high speed, thus providing optimum reading and writing performance.

The discs will be available in Japan in both 25GB and 50GB capacities in July. Blu-ray disc drives compatible with 6x write-once Blu-ray discs are planned to be commercialized in Japan by the end of September 2008.

Panasonic
ideas for life

Disney and Panasonic showcase BD- Live

At a special event in Washington D.C. last week, Walt Disney Home Entertainment and Panasonic unveiled many of the features that consumers can expect from BD-Live.

Since Blu-ray technology won the media war over HD DVD, Blu-ray player manufacturers and studios alike have focused on developing technologies that can take advantage of the enormous amounts of free data capacity found on the discs, which can hold about nine hours of High Definition footage, said Peter Fannon, Panasonic's vice president of technology policy, government and regulation.

Many of those studios and player manufacturers have adopted BD-Live, which uses Java programming to allow users to play interactive quiz games and other features.

In Disney's case, the BD-Live films will have networking abilities that will allow fans of a film to chat while watching a synchronized film across the globe, send each other videos that can be embedded into the film and challenge each other in quiz games.

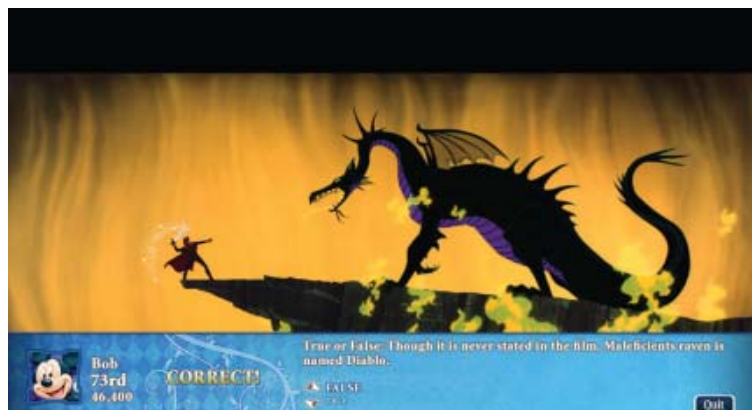


Movie Chat enables live chat whilst watching BD movies

"We're trying to turn passive viewing into an active experience," Dave Hollis, Disney Studio's senior vice president of Worldwide Business Development and New Technologies, said at the unveiling in Washington, D.C. The BD-Live enabled Blu-ray discs will not cost more than previous Disney releases, Hollis said.

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*Dave Hollis,
Senior vice president of
Worldwide Business
Development and New
Technologies,
Walt Disney Home
Entertainment*



MovieChallenge tests movie fans' knowledge of trivia

Disney intends to feature BD-Live on all future Blu-ray releases under the Disney Home Entertainment name and expects that other Disney companies such as ABC and

Miramax will slowly incorporate it.

Fannon said he expects the prices to drop over time as production meets demand and Hollis said he expects this technology to become standard in most new Blu-ray players by October.

Disney's first BD-Live releases, *Sleeping Beauty* and *Tinkerbell*, will come out in October. *Wall-E* and *Prince Caspian* are in the pipeline but no release date has been set.



Delkin Devices launches 200 year archival Blu-ray Disc



Delkin Devices is now shipping Archival Gold Blu-ray recordable media, the first archival Blu-ray (BD-R) disc guaranteed to preserve data safely for over 200 years.

Delkin Blu-ray discs feature an unprecedented 200-year longevity rating, as well as a market-leading 4x write speed, enabling users to burn 25GB of data in only 23 minutes. Proprietary ScratchArmor scratch-proof coating protect the discs over fifty times better than typical coatings found on other optical discs, making Delkin Blu-ray the most durable in the market, claims the company.

The disc can withstand the effects of UV light, heat and humidity without damage owing to the patented “phase-change” recording materials that enable durability and recording properties over a long period of time. The 4x speed rating enables a burn that is at least twice as fast as any other Blu-ray disc

Delkin BD-R discs are available in a variety of packages, including a single jewel case, a five disc binder, a ten disc spindle, or a 25 disc spindle, and can be purchased at a variety of retailers internationally.

Magnavox launches first sub-\$300 Blu-ray Disc player in North America

Magnavox has introduced the first sub-\$300 Blu-ray player to the North American market – spotted at Wal-Mart for \$298.

The player supports Profile 1.1, allowing Picture-in-Picture, Dolby Digital 5.1 and support HDMI 1.3a. The player delivers 1080p output, up-conversion from DVD to 1080p, Deep Color, high-bit-rate audio stream out and HDMI-CEC. SD Card Slot extends the player's usability for data playback from digital video.



Finland's first Blu-ray Disc rocks the joint

The first half of 2008 has witnessed exponential growth in the Blu-ray Disc format on a global basis. All types of content distributor – from major studios to small independent distributors – are developing their Blu-ray Disc business model and are fast-tracking releases for Blu-ray release.

The format is gaining popularity worldwide – the exceptionally high storage capacity on the disc enables smaller countries to release titles with extra language versions. In Europe, many countries are seeing their first ‘mother tongue’ releases emerging.

“FS Film has certainly pulled out all the stops for this release. The original 5.1 channel soundtrack has been expanded to 7.1 channels and remixed for home theater sound systems. The movie has a gritty and grainy 16mm look which is a massive challenge for video compression, but Blu-ray manages to reproduce the look faithfully.”

*Petri Teittinen
Independent quality control
consultant and technology
journalist*

As reported on the specialist industry website, DVD Intelligence, FS Film Oy, one of Finland's leading film and video distributors, is to release next month its first Blu-ray Disc, with BonusView features. *Ganes*, directed by JP Siili and produced by Helsinki-Filmi Oy, is based on the life of Remu Aaltonen, legendary drummer, singer and songwriter of the infamous Finnish rock band - Hurriganes.

The title was authored by Craft Finland Oy, a Finnish authoring house with a proven track record spanning thousands of DVD projects. “From the very start, our aim was to take advantage of Blu-ray's various abilities, including pop-up menus, a BonusView-specific picture-in-picture video commentary and playback of lossless compressed audio,” said Markus Castrén, CTO of Craft Finland.



“The biggest challenge turned out to be subtitling. We are, to my knowledge, the first authoring house to use player-generated subtitles, allowing the viewer to select from six different styles of subtitles that vary in size and screen positioning. We've also created a special application for converting subtitles from various DVD formats to the subtitle format on Blu-ray.” The disc includes English subtitles.

“FS Film has certainly pulled out all the stops for this release,” enthused Petri Teittinen, an independent quality control consultant and a technology journalist with more than 20 years of experience. “The original 5.1 channel soundtrack has been expanded to 7.1 channels and remixed for home theater sound systems. The movie has a gritty and grainy 16mm look which is a massive challenge for video compression, but Blu-ray manages to reproduce the look faithfully.”

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to help

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