Chinese Conditional Access Providers Gaining Market Share

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10 June 2008 Â Considering the strength of the digital cable market in China, those conditional access system (CAS) providers that have been successful in selling in that market are poised to substantially increase their market share. Over the next three years, China Digital TV, the leading CAS supplier in that market is set to increase its worldwide market position from 8th as of the end of 2007 to 4th or 5th as of the end of 2010.

The growth of Chinese digital cable has rapidly become the single largest force in digital television. As a result, the conditional access system (CAS) providers that have been successful in China and are forecast to continue to gain share against all of the major western CAS providers.

IMS Research analyst Stephen Froehlich notes, â€œNDSâ€™s own success in China along with its upcoming switchovers of about 4 million Premiere (Germany) and Astro (Malaysia) subscribers are the only reasons NDS is able to keep its subscriber additions ahead of China Digital TV during 2008.â€•

Froehlich adds, â€œAssuming no new major switchovers, by 2010, the leading position of China Digital TV Holding Co., Limited (also formerly called Novel SuperTV or Novel Tongfang) in the Chinese market is likely to make it the 4th or 5th largest CAS provider in the world in terms of the number of subscribers (households) it secures.

IMS Researchâ€™s 2008 Conditional Access Market report forecasts that both China Digital TV and Motorola will each secure nearly 10% of the worldâ€™s digital TV subscriptions at the end of 2010. Amongst western CAS providers, Irdeto leads in China and is followed by NDS.

IMS Research has recently published The Conditional Access Market: A Complete Analysis of Content Protection and DRM in Digital TV â€“ 2008. The report covers market shares for the satellite, cable, and terrestrial conditional access system (CAS) providers and IPTV digital rights management (DRM) providers in terms of active subscribers and households; active set-top boxes (STBs) and integrated digital televisions (iDTVs); and shipments of STBs and iDTVs.Â