

Siano eyeing China's fast-growing mobile TV market - executive

Shanghai. March 15. INTERFAX-CHINA - Siano Mobile Silicon Ltd., an Israel-based mobile digital television (MDTV) chip maker, expects China shipments of its components to surge this year due to lower manufacturing costs and rising interest in MDTV, a company executive told *Interfax* in an interview.

The indigenously-developed China Multimedia Mobile Broadcasting (CMMB) standard is the country's only MDTV format, and operated exclusively by China Mobile Communications Corp (China Mobile). It enables television broadcasts and videos to be streamed to compatible mobile devices, including handsets and in-car navigators.

Mass production of CMMB handsets is now feasible as the cost of equipping mobile phones with CMMB functionality has fallen from \$12 to \$5 per unit in the past two years, said Wang Wei, general manager of Siano's China arm.

Wang also dismissed concerns that third generation (3G) mobile networks in China are better suited to MDTV applications because of their high-speed wireless Internet connections. He pointed out that video streaming on a 3G network can be prohibitively expensive because of mobile data traffic charges, but an annual subscription to China Mobile's all-inclusive MDTV service costs RMB 72 (\$11).

China's MDTV market is poised for explosive growth. CMMB signal coverage spans nearly all of China's prefecture-level cities and above. China Mobile also recently issued an open tender for 12 million CMMB-capable handsets, many of which will contain Siano chips, Wang added.

Siano holds a 40 percent to 50 percent share of China's MDTV chip market, according to Wang. The company has partnered with several leading manufacturers to add CMMB functionality to their handsets, including Lenovo Group Ltd., ZTE Corp. and Huawei Technologies Co. Ltd.

Siano's main competitors are a slew of domestic companies, led by Beijing-based Innofidei Inc. Last July, Wang told *Interfax* that a patent infringement lawsuit allegedly filed by Innofidei against Siano was "groundless."

Founded in June 2004, Siano distributes MDTV chips to the U.S., South Korea, Brazil, Taiwan and China. In January this year, the company joined the Next Generation Broadcasting working group, established by the State Administration for Radio, Film and Television (SARFT) to develop China's MDTV technology and networks.