

**FEATURE: Siano eyes key factors for mobile digital TV adoption - Regional**

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Mobile digital TV (MDTV) receiver chip developer Siano Mobile Silicon is expecting a boom in devices equipped for mobile digital TV in Latin America with some 5mn devices sold in the region in 2010 and 25mn estimated in 2011, Siano's general manager for the Latin American region, Pompilio Roselli, told BNamericas.

Of the 5mn this year, Roselli expects two-thirds to be sold in Brazil which is one of the most advanced countries in the region in terms of digital TV deployments. To date, some 2.5mn phones in use in Brazil are equipped to receive the digital signal.

Siano is currently importing 400,000 digital TV compatible handsets per month into the region.

#### GROWING DEMAND

Brazil was the first Latin American market to select the Japanese ISDB-T standard and since then Peru, Argentina, Ecuador, Chile, Venezuela and Costa Rica have followed suit, making it the most widely adopted standard in the region.

Brazil has made most progress so far and has a total of 13 digital TV channels being broadcast in more than 40 cities covering a population of more than 70mn. The services are free, though there are concrete plans to introduce advanced data and interactive services in 2011.

The company recently announced the launch of the SMS2130 chip, also known as ISDB-T "1-Seg" that is especially thought of for the Latin American markets adopting ISDB-T.

According to Roselli, the chips are designed to ensure interactivity, which he sees as essential for growth of the mobile TV model, as well as mobility.

"Our new single-device receiver chip enables us to further expand our market share and help our customers introduce mobile TV to a whole new set of products such as personal navigation devices, personal media players, portable TVs and more, first in Brazil but very soon in Argentina, Chile and other Latin American countries," Siano's CEO Alon Ironi said in a statement.

According to Roselli, the mobile-enabled digital TV devices that are likely to be the most in demand initially will be devices for automobiles. However, the executive sees mobile phones taking over in the long term given they are ubiquitous and there is a trend towards converged communications.

#### KEY FOR SUCCESS

According to Roselli, the factors that will be fundamental for success of mobile digital TV in Latin America include sufficient coverage on mobile networks to make sure users can access it spontaneously from wherever they are.

Secondly, the content available will need to be adjusted for the time of day and type of user likely to access it.

"People are likely to watch mobile TV on the move for 45 minutes to one hour. The content has to be adjusted. Here in Brazil it is common to have cooking programs in the morning, but that is probably not the best content for someone stuck in traffic. Maybe it would be better to show them sports content, traffic updates or weather news," he said.

Thirdly, it will be essential to have a wide variety of devices available. According to Roselli, currently there are some five mobile digital TV devices available in Brazil - two of which are USB-based for computers and three are mobile phones.

Fourthly it will be important to have a combination of both free open content as well as pay premium content on digital TV channels. If it is all pay content as was the case in Europe, adoption will be slow, he said.

According to Roselli, some 60% of Brazilian viewers access open content and it is probably similar throughout the rest of the region.

#### ECONOMIES OF SCALE

The benefit of the fact that the majority of countries in the region have chosen Japan's ISDB-T standard is that it will help bring about economies of scale in handsets.

According to Roselli, all of the devices sold in the region at the moment come ready to use with the chipsets incorporated. Providers include Honda and ZTE.

However, given the high import taxes in Brazil, considerable interest has been shown from device makers to manufacture locally, the executive added.

"It's going to be very interesting. The TV companies really want to increase their audience. It is good the majority of countries have adopted the same standard as we will see more interest from the device makers to produce not only for Brazil but for the rest of the region. They'll get scale," he said.

"This is the beginning and we believe it is going to grow a lot. We believe that mobile digital TV is going to become as common a feature as a camera or FM radio," he said.

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