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Darnell Group

NEWS

Tectonic Shifts Occurring in DC-DC Converter Markets

Corona, California, November 4, 2008 – The global market for dc-dc converters is undergoing a dramatic restructuring. Like the tectonic plates whose motions cause destructive earthquakes, the causes of shifting demand for dc-dc converters are at the same time largely hidden and massively destructive. Worse, they are not a short-term effect, but are manifestations of long-term changes in power system architectures and dc-dc converter designs. The Tenth Edition of Darnell’s “DC-DC Converter Modules and ICs: Economic Factors, Application Drivers, Business Models, Packaging and Technology Developments” details the causes of these disruptions and projects the new trajectory for this important industry.

The overall dc-dc converter market is projected to grow at a healthy rate. But makers of dc-dc converter modules will not benefit from that continued growth nearly as much as makers of semiconductor devices. So-called “down” solutions will dominate the non-isolated dc-dc converter market. Major system makers may purchase one commodity-priced, isolated bus converter to feed a growing number of embedded (“down”) point-of-load (POL) dc-dc converters.

“A tsunami of change is washing over the dc-dc converter market. This will be an especially difficult time for makers of POLs and other dc-dc modules,” stated Jeff Shepard, President of Darnell Group. “A number of factors ranging from the replacement of today’s intermediate bus architecture with the centralized control architecture, adoption of digital power management, the growing selection of DrMOS solutions, improved on-line design tools offered by makers of controller ICs, and more, are driving system makers to abandon module-based power architectures for lower-cost ‘down’ solutions in the latest system designs.”

Application dynamics are also playing a key role in the evolution of the dc-dc converter module market. This report provides the most detailed application analysis ever offered for the dc-dc converter market. Various application segments are broken down into numerous sub-segments including: Communications (6 sub-segments), Computers (11 sub-segments), Consumer (7 sub-segments), Industrial (3 sub-segments), Medical (4 sub-segments), and Military/Aerospace (2 sub-segments).

Despite falling prices and the concurrent decline in revenue forecasts, however, opportunities still exist for modules. The business and technology climates may be changing, but if power supply makers are aware of these shifts, they can take advantage of the opportunities that such shifts present.

“Since the bursting of the communications bubble in 2001, this market has been in a constant state of flux. Throughout the continuing dangerous and dynamic period, power conversion efficiencies and digital power management will be lurking in various forms. Many of today’s opportunities will be washed away in this sea of change. But for companies that understand the changing dynamics, opportunities still exist,” Shepard concluded.

The Tenth Edition of Darnell’s “DC-DC Converter Modules and ICs: Economic Factors, Application Drivers, Business Models, Packaging and Technology Developments” report is available for immediate delivery. For more information, or to sponsor the report, please contact Darnell by phone at (951) 279-6684 x251; by e-mail Traci at tshepard@darnell.com; or visit http://www.darnell.com/store/product_info.php?cPath=2_24_27&products_id=35 .

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