

PRESS RELEASE

New Technologies Create Market Opportunity for Gateway Processor Vendors

MOUNTAIN VIEW, CA—July 20, 2006—The Linley Group, the leading supplier of technology analysis and strategic consulting for semiconductors in networking, communications, and consumer electronics, has released "A Guide to SOHO Gateway Processors," a new report providing in-depth analysis of processors for wireless LAN access points, broadband gateways, and VoIP gateways.

The report reveals that chip suppliers are developing advanced processors to support new IP-based services as well as the step-change increase in data rates provided by VDSL2, PON, and 802.11n. Key factors in the new designs are cost reduction, VoIP support, faster CPUs, multithreading, and separate control- and data-plane processing. Many current products, which were originally designed for ADSL, cannot deliver these new services without significant redesign.

“In theory, large semiconductor companies with established positions in the market should have insurmountable advantages,” says Joseph Byrne, coauthor and senior analyst. “However, the step to VDSL and PON data rates creates an opportunity for aggressive vendors, both startups and established companies new to gateway technologies, to displace the current market leaders.”

For example, Infineon has improved its position with a new high-performance DSL processor. Ikanos acquired a fast processor from Analog Devices to pair with its leading VDSL technology. PMC-Sierra acquired Passave, the top PON vendor, and launched a new gateway processor for DSL. These companies have made bold moves in the face of incumbent leaders Broadcom, Conexant, and Texas Instruments.

The new report provides an in-depth look at the technologies, vendors, and products driving this rapidly developing market, as well as market share, trends among service providers, and home-networking trends. The authors pay particular attention to product features, performance, architectural strengths and weaknesses, system design, and vendor



roadmaps. The Linley Group's expert analysis helps OEMs identify critical differences in these products as well as conclusions about likely winners in the context of market trends.

Unlike typical market research, this report provides a balance between technology analysis and quantitative market data. Which solutions will win designs and why? How will these vendors be positioned as the gateway processor market continues to evolve? The Linley Group provides the analysis necessary to give you this forward-looking view.

About The Linley Group

The Linley Group covers emerging areas such as SOHO gateway processors, high-speed interconnects, switch fabrics, wireless handset processors, access processors, network processors, Gigabit Ethernet, security and content processors, high-speed embedded processors, and more. The company provides in-depth technology reports and interactive seminars as well as strategic consulting services tailored to the individual client. To get free access to The Linley Group's analysis of recent news and events in these markets, subscribe to Linley on CE, our free email newsletter. More information about The Linley Group is available at <http://www.linleygroup.com>.

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