

Full.HD



the ultimate sound and picture experience from Sony Europe

06 February 2009 – In this issue:

HDTV predicted to grow in Europe

German consumers back Blu-ray Disc at the cash tills

Three Grammy nominations for pioneering Norwegian Blu-ray Disc / SA-CD combo release

Content creation industry backs 4K as tomorrow's digital cinema format

HDTV predicted to grow in Europe

As Winter bites across Europe and Christmas cheer fades, many commentators suggested that it would be now that the economic downturn would resonate around European markets. However, several pieces of new market research indicate that some areas of the Consumer Electronics market are withstanding the difficult market conditions. In particular, the trend towards High Definition TV (HDTV) appears to be continuing in numerous European markets.

New research from Paris-based Euroconsult and NPA indicates that the number of HDTV-equipped households in Europe will rise from 59 million today to 170 million by 2013. Between now and 2010 alone, Euroconsult and NPA estimate a rapid gain to 116 million, reflecting a 51-percent penetration rate. By 2018, there are expected to be 220 million HD-enabled homes in the region.

The growth will be led by the continued fall in prices of High Definition flat screen TVs, the report notes. *HDTV in Europe, Key Economics & Prospects to 2018* also cites as a factor the imminent inclusion of HDTV capability as a standard feature in flat screens sold throughout Europe.



Meanwhile, the number of pay-TV networks in Europe offering HD has almost tripled in the last two years, the report states. There are now 130 channels broadcasting in HD in Europe, and this is expected to rise to 600 by

SONY

High Definition like.no.other

AVCHD

HDTV

High Definition Video



HDCAM



2013. Satellite platforms are expected to continue to be the dominant players in the HDTV market, but cable and IPTV are working hard to catch up, and developments are forecast in the DTT space.

"Pay-TV reception will drive growth of HDTV adoption in Europe in the short term, despite the current economic downturn," commented Pacome Revillon, managing director of Euroconsult. "In 2013, over 38 million households should receive HD pay-TV services, twice the number of households watching HD free-to-air only. From 56 million in 2013, the number of households receiving HD will boom to over 175 million households in 2018, making from HD the standard TV experience in most Western and Central European markets."



Huw Waters

"We live in challenging times and people should consider carefully before making their purchasing decisions," commented Huw Waters, General Manager, Design Support at Sony TV Operations Europe. "However, consumers are still prepared to invest in high quality technology which can enhance their home entertainment experience. 1080p Full HDTV offers outstanding value for money in terms of image and audio quality. When combined with a true Full HD source, such as a Blu-ray Disc player, consumers are presented with a very attractive proposition – with entertainment that good at home, why do we need to go out?"

German consumers back Blu-ray Disc at the cash tills

Another CE product category that is battling the global recession is Blu-ray Disc. Many European countries have reported high demand and accelerated sales of both BD hardware and software products in the final quarter of 2008. Now, it appears that one of the powerhouse economies of Europe – Germany – is experiencing the same strong interest in this revolutionary home entertainment platform.

A detailed study from market researchers GfK states that the German market for Blu-ray players is in great shape, with strong sales in the final three months of 2008.

GfK says the development of the Blu-ray player market in Germany has been quite positive in the last three months of 2008. With average prices approaching the €300 barrier, sales figures of Blu-ray players finally reached the 100,000 mark in December when more than 30,000 units were sold. Meanwhile, 35 different models are being sold and the number of competitors increased from 8 in September to 12 in December 2008.

Further research of the German market suggests that there exists considerable scope for further increases in Blu-ray Disc player sales. . In December there were already more than 11 million HD-ready or Full HD TV sets on the market in Germany compared to only 110,000 Blu-ray players.

“In the long run, one can expect that the undisputed qualitative advantages of the Blu-ray Disc – which can especially be experienced by directly comparing SD to HD resolution – will prevail. Further declining prices, an increasing model diversity as well as increased advertising efforts (especially with regards to the ever-growing number of film titles on Blu-ray Disc) should help the German Blu-ray player market to grow further in the coming months, GfK states.

“2008 was a break-out year for Blu-ray Disc in Germany,” commented Thilo Roehrig, Head of Marketing Communications at Sony Germany. “With an increasing range of players from many manufacturers to chose from and an ever-expanding catalogue of Blu-ray movies, increasing numbers of consumers decided that it was the right time to step up to the High Definition world of Blu-ray Disc. So far, all market reports suggest that 2009 will be another outstanding year for Blu-ray in Germany.”



Thilo Roehrig

Three Grammy nominations for pioneering Norwegian Blu-ray / SA-CD combo release

Support for Blu-ray Disc format amongst the major Hollywood movie studios is well reported. Perhaps what is less well reported in the growing number of small independent entrepreneurial content creators that are pushing back the frontiers of High Definition home entertainment using the Blu-ray Disc platform.



Audiophile – Morten Lindberg

An excellent example of his pioneering spirit is 2L, a Norwegian record company that has built a reputation for excellence in multi-channel surround sound music. “What we are seeing is a completely new conception of the musical experience,” says Morten Lindberg, founder and lead producer of Lindberg Lyd, the audio production company associated with 2L. “Experiencing music is no longer a matter of a fixed two-dimensional setting, but rather a three-dimensional enveloping situation. Stereo can be described as a flat canvas, while surround sound is a sculpture that you can literally move around and relate to spatially; with surround you can move about in the aural space and choose angles, vantage points and positions.”

For several years, Morten Lindberg has been releasing High Definition audio recordings on Super Audio CD (SA-CD). Then, when the Blu-ray Disc format was introduced in Europe Lindberg saw an opportunity to spread his

message to a larger audience. Last year, 2L released its first joint format – Blu-ray Disc / SA-CD – album in the form of Divertimenti.

2L celebrated its fiftieth release with Divertimenti and is the first record company in the world to combine two discs - a hybrid SA-CD and a Blu-ray "music only" disc in the same package. Since all the various formats in this production are derived from the same high resolution source (5.1 channel DXD, 24 BIT 352.8kHz) the product, as well as the musical pleasure derived from it, sets a unique standard for equipment manufacturers and HiFi magazines the world over.

Working with msm-studios in Germany, Morten Lindberg and his team have developed Java-based authoring that makes all the titles due to be released in 2009 playable without a TV-screen. "This Pure Audio Blu-ray Disc has been designed to offer two ways of operation, either with or without a TV screen," explains Lindberg. "You can either navigate the on-screen pop-up menu or simply use the dedicated buttons of your remote control. The numeric keys directly access the corresponding track number and the desired audio stream can be selected by the coloured keys on your remote. 5.1 DTS HD Master Audio is preselected."

Now, 2L has hit the jackpot in the form of three Grammy Award nominations for its album, Divertimenti. So, how does Morten Lindberg feel after taking the brave decision to release music on two non-mainstream formats?

"What has happened with Blu-ray is a major breakthrough," explains Morten Lindberg. "First of all a format has been decided that will remain the standard for all audio and video in the foreseeable future. And second, by developing one common format the surround technology that we have been working with for years finally becomes accessible to the general public. Fairly soon almost all disc players will be Blu-ray devices, and already now a majority of the sound systems that come off the shelf are 5.1 surround systems. People buy the equipment for the sake of film entertainment, but with it they get access to the unique musical experience that we are offering. Stereo is still possible of course, but the fact is that the resistance towards surround is mostly based on ignorance. People just don't know what they are missing."

One thing is certain, the nominating bodies of the Grammy Awards are not missing out on what is happening: Divertimenti is nominated in the following categories: Best Surround Sound Album, Best Engineered Album (classical) as well as Best Small Ensemble Performance (Trondheimsolistene).



**Five times Grammy Award nominee -
Divertimenti**

"I've recently returned from Midem and the Grammy nominations have turned the game for us," continued Lindberg. "For five years we have chased the buyers. Now the distributors come to us, searching out our titles."

"With Blu-ray Disc we have found a way to reach a large audience with true surround sound music. We love Super Audio CD – it's an audiophile's dream – but already with Divertimenti (before the Awards are announced on Sunday 8 February) we have sold three times what our expectations would have been for a hybrid SA-CD release. Hopefully, those record labels that are committed to SA-CD will now see the potential in Blu-ray."

2L is already planning a major release schedule for 2009, which combines Blu-ray Disc and Super Audio CD format music. For more information on this release schedule go to <http://www.2l.no/2LPreView.htm>

Content Creation industry backs 4K as tomorrow's digital cinema format

As reported in the last issue of Full.HD, Digital Cinema (d-Cinema) is becoming increasingly popular in Europe with many cinemas identifying the technology as a means to add value to the customer viewing experience.

Increasingly, the content creation industry is looking to leverage the potential that d-Cinema offers. Now, Sony Pictures Entertainment has announced that it will use 4K digital technology in the making of most of its filmed productions.

"With the industry moving rapidly to embrace the improvement in quality that digital cinema can offer, we believe that 4K resolution gives audiences the best seat in the house," says Gary Martin, President of production administration and studio operations for Sony Pictures Entertainment. "That's why we will be making more of our filmed productions using 4K digital technology. The crisp and vibrant images provided by 4K are the only way to ensure that audiences both today and in the future will really be able to see the full range of what we can capture on film."



Hancock – produced using 4K technology

Sony Pictures has already released the summer blockbuster Hancock in 4K, with the motion picture grossing more

than \$620 million worldwide. The next motion pictures to be digitally imaged in 4K by Sony Pictures, and available for 4K distribution, are expected to be 2012, Salt, and The Green Hornet, with more titles to be announced.

“This commitment from Sony Pictures continues the momentum that is building behind 4K,” says Gary Johns, Vice President, Sony Electronics’ digital cinema systems division in the US. “Exhibitors are realising that 4K is a reality now, for enhancing their customers’ experiences, and studio support is a critical element to take advantage of the superior resolution of Sony’s 4K projection system. The growing number of 4K-equipped theatres will now have even more 4K content available to offer customers.”

**We are here to
help**

This newsletter is produced in association with Sony Europe.

For more information on any of the topics reported within this newsletter please contact info@fullhdef.eu