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## CASE STUDY

# Unit Forecasts for Video Compression Technology

### Landscape

A patent pooling firm required industry projections and trends regarding a specific video compression technology. The data is used to forecast revenue for the firm's intellectual property clients and identify gaps in licensing compliance.

### Key Business Issues and Challenges

The patent pooling firm wanted to study the market from a few angles:

- **Geography:** Multiple regions around the world
  - **Product categories,** including, but not limited to:
    - Digital set-top boxes
    - Digital TVs
    - BluRay players
    - Video game systems
    - Personal computers
  - **Channels:** OEM and aftermarket
  - **Function:** Encoding and decoding units
- With that cross-section analysis, the client wanted a better understanding of:
- Number of units shipped by product category, world region and supplier
  - New competitors threatening client's long-standing dominance of market
  - Estimated length of time that the technology would remain profitable
  - Estimated date that a new replacement technology should be licensed

## **DTC Customized Solution**

Using its vast experience in the consumer electronics market and extensive network of suppliers and component suppliers, DTC gathered data and provided five-year market projections. DTC analyzed public financial documents and analyst earnings calls, attended tradeshows and conferences, interviewed suppliers and component suppliers, and used forecasting models to develop unit estimates and market share by product category, geography and supplier. DTC also provided additional analysis of suppliers that made the majority of shipments in a product category. All forecasts were accompanied by a product market analysis with forecast adjustments from the previous year's projections, assumptions, analysis and data points. As the firm reviewed the research to assess future steps, DTC answered questions and guided the firm on decisions that were based on the research collected.

## **Client Benefit**

The patent-pooling firm used the data to compare the projected market with existing royalty revenue to determine whether clients were receiving proper payment for the patented technology. The research also helped the firm determine the projected life cycle of the technology and when its clients should consider developing new IP to replace the technology.

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## **ABOUT DTC**

*Since 1997, the global DTC research team is highly sought after for both the depth of knowledge and practical know-how it brings to the industry. From the United States to Europe and Asia, DTC analysts travel the world to bring clients the most up-to-date intelligence on consumer digital markets, making the company one of the most trusted industry resources for its extensive expertise and experience.*