

July 16, 2012



# Radio TechCheck



The Weekly NAB Newsletter for Radio Broadcast Engineers

## HD Radio Automotive Penetration Grows

For a number of years, there has been concern within the U.S. radio industry over the relative slowness in consumer uptake of HD Radio receivers. This is often the case with non-mandated technology transitions, particularly whenever purchase of new consumer hardware is required.

One method of speeding up the process is to bundle the new technology elements into other products that are currently more popular, and/or have natural replacement cycles that are faster than that of a standalone device containing the new technology element in isolation. A classic example is the car radio system. Consumers typically replace their vehicles at a much faster rate than they replace their standalone radios, so new radio technologies may reach critical mass more quickly when included in car systems than in any other radio form factor.

Witness how RDS has become a mainstream service in the U.S. largely as a result of its inclusion in car radios. It can also be argued that this process contributed to the earlier success of FM radio itself.

Today, the same technique appears to be helping HD Radio technology to find its way into more consumers' hands. Although the automotive industry has been traditionally slow to implement change, the explosion of consumer interest in in-car electronics has caused the industry to move far more quickly in this area. The "car radio" of the past has been replaced by what the industry now calls "the center console," which can include GPS-based navigation, radio, audio, video, wireless phone integration, voice recognition, and Internet connectivity. Incorporation of HD Radio receivers into the center console has taken off in recent offerings, resulting in substantially improved availability of the technology to today's consumers.

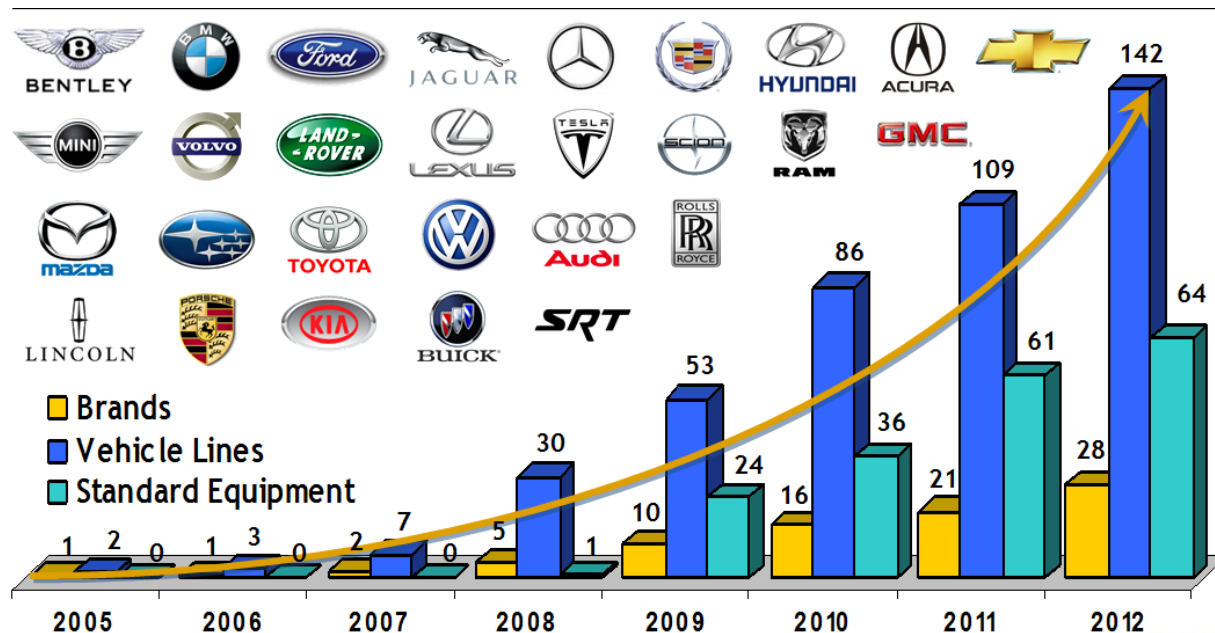
In some of these systems, the HD Radio receiver is not simply an audio source, but is integrated as a data-delivery pipe for graphics, traffic and weather data, QR codes, and even fuel or stock prices.

### The Latest Count

According to iBiquity Digital, 28 different automotive brands currently offer HD Radio technology. Nine of these offer it as part of an option package, while thirteen others provide it as standard equipment on some of their vehicles, and six brands now include it as standard on *all* their vehicles. (The latter includes Volvo, BMW, Mini, Scion, Rolls Royce and Bentley, which from 2012 forward will not produce any vehicles that do not feature an HD Radio receiver on board.)

Importantly, HD Radio is moving quickly away from requiring a special request of the consumer seeking the technology. Almost half of the car models offering HD Radio today provide it as standard equipment. And this is not just a feature limited to the high-end automotive market – over half of today's HD Radio-equipped cars sell for under \$35k.

In the 2012 calendar year, it is estimated that over two million HD Radio-equipped cars will be shipped, which equates to over 20% of all cars shipped in that period. Thus more than 1 in 5 new cars rolling off dealer lots today includes an HD Radio receiver.



**Growth of HD Radio penetration in cars over the past eight model-years. (Source: iBiquity Digital)**

Meanwhile, HD Radio also continues to gain ground in aftermarket automotive audio. Alpine makes seven HD Radio-equipped models, JVC and Pioneer each offers nine, and twelve are featured in the current Kenwood line.

The trend in both factory-installed and aftermarket systems appears to be one that will continue on its current upward course for some time. A recent J.D. Power survey shows strong consumer interest in adding HD Radio capability to a new car purchase, with HD Radio technology ranked as the #1 most likely emerging technology that consumers will add when purchasing a new vehicle.

Although long in coming, it appears that HD Radio may be well on its way to broad (if not universal) deployment in the mobile consumer marketplace.

## Hilton Anatole – Dallas, Texas – September 19-21



This year's all new technology program covers issues that are important to all radio engineers. Change is occurring very quickly and impacting the ways we conduct business and generate revenue. "It's not your father's radio station anymore..." is more appropriate today than ever. Technology is moving consumers to new platforms and generating competition for our products. We have assembled a program of sessions and discussions developed specifically for radio professionals who need to keep up with regulatory issues, HD radio developments, disaster preparedness and new Hybrid Radio technologies. You will have ample time to network with your peers and meet with Radio Show exhibitors who can assist with your technical challenges and offer fresh insights and solutions.

Registration details and more are available online at [www.radioshowweb.com](http://www.radioshowweb.com). See you in September!

## Participate in the Radio Show!

The Radio Show is the ultimate venue for connecting with radio. There's no better place to interact one-on-one with thousands of radio professionals - from station management to CEOs, sales managers to digital and marketing directors, engineers to program directors. Formulate your marketing plan to take advantage of this audience by contacting [NAB Advertising](#) for more information. Exhibit, sponsorship and advertising opportunities are available!

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