



Product Strategy, Business Development and Marketing
for Wireless Businesses

Market Trends for Fingerprint Sensors in Mobile Handsets

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Now that the embedded fingerprint reader market has entered the laptop PC space in earnest, the next logical step is to jump down to mobile phones. As more valuable and private data including contact info, credit card, private photos, business documents, and internal email is stored into mobile phones, from smartphones, Blackberries and iPhones, and even down to simple feature phones, security is often an afterthought. But IT departments and wise users who know the value of this data are looking for cheap, fast, and reliable biometric security on their mobile device. This brief reviews the market, the drivers, and the vendors in the mobile handset fingerprint sensor segment.

ABSTRACT

Given the proven success of fingerprint sensors in laptops, sensor vendors are lining up to attack the mobile market. These vendors include the same OEMs that address the laptop market, and specialized vendors who have built sensors specifically for mobile phones. The **driving forces on laptops and on mobile phones are the same**: sensitive enterprise data is stored on both, and IT departments are willing to pay a premium, and choose devices which help protect that data.

Fingerprint sensors in mobile phones are a relatively new feature which can offer a range of important benefits. The multiple ways that these sensors can be used make them likely to succeed, even in a device as constrained as the mobile phone handset. While the **market for mobile phone fingerprint sensors is in its infancy** growth stages, **all factors point to growth**. We expect 8 million fingerprint sensor equipped phones to be shipped in 2008 and the steep growth curve to begin in 2010.

We talked to the major manufacturers in this segment Atrua, Authentec, UPEK, and Validity, along with several handset makers and wireless operators and found that **quality, cost, and power are the 3 main selection criteria** for fingerprint sensors in phones. Of the four manufacturers, only two – Authentec (which historically leads the market in volume) and Atrua (which leads the market in design wins starting in 2007) are installed in commercially available phones. But UPEK, Validity, and other laptop fingerprint sensor companies are working hard to enter this segment.

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