

Biometric Sales to Exceed US\$6.48 Billion by 2010

Editorial Dept

Global Industry Analysts report increasing security concerns ranging from individual identity theft, and corporate security, to national security are driving the biometrics market. Driven by these factors, and decreasing costs of biometric systems, the market is witnessing high double-digit growth rates across all regions.

The company indicates the world biometrics market is forecast to register a CAGR in excess of 33% over the 2000-2010 analysis period and cross the US\$6.48 billion mark by 2010, with all major regions projected to exhibit growths in excess of 30% over the aforementioned period. Europe is forecast to emerge as the fastest region for Biometrics, with a CAGR of 35.66% over 2000-2010, while the US, with a share of 37.08% in 2010, will maintain its dominating position. Facial Recognition Technology market will outstrip all other biometric technologies with a CAGR of 53.72% over 2000-2010 and AFIS market, with an estimated share of 33.69% in 2006, will continue to be the largest segment over the analysis period.

Government initiatives could emerge as the key to driving growth of biometrics. Some countries have already rolled out biometric systems at airports and other ports of entry to check flow of illegal immigrants into their respective territories. On the technological front, non-contact systems could emerge as the answer to expel inhibitions exhibited by users. Development of industry-wide standards has been initiated by some industry groups, which

would lead to lower costs and enable easier adoption of present and emerging technologies. Barring a few large corporations such as Motorola, and Siemens, a large number of small companies are active in the industry. As the industry attains critical mass, larger technology companies would evince interest in the industry, bringing with them scale, and technological expertise, and mergers and acquisitions would be the ideal way for entering the market.

Technological superiority, and to an extent, marketing prowess would be the key differentiator between the winners and losers in the short term. In the long-term, evolution of industry-wide standards would result in reduction of prices, and price is expected to emerge as the major competitive element.

Technology segments covered in the report include Automated Fingerprint Identification Systems (AFIS), Non-AFIS/Finger Scan, Hand Geometry, Iris/Retinal Scan, Facial Recognition, Voice Recognition, Signature Verification and Keystroke Dynamics/Typing Rhythms.

Major competitors profiled include 3M-AiT, Ltd., A4Vision, AcSys Biometrics Corp., AuthenTec, Inc., BIO-key International, Inc., Biometric Access Corporation, Biometric Security Limited, Bioscrypt Inc., Cogent Systems, Communication Intelligence Corporation, Diaphonics Inc., Fujitsu Microelectronics America, L-1 Identity Solutions, Inc., Motorola, NEC Corporation of America, Precise Biometrics, SAFLINK Corporation, SAGEM Defense Securite, Sensory Inc., Siemens AG, TSSI, Veridicom, Inc. and Visiphor Corporation.