



Communications News

Vol. 20 No. 11
September 11, 2009

Biweekly Newsletter of the Ministry of Internal Affairs and Communications (MIC), Japan

ISSN 1349-7987

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STATISTICS

Figures and Estimates for Japan's Internet Traffic: Announcements of results of calculations as of May 2009

In order to grasp the situation the traffic volume for the Internet in Japan, MIC compiles figures and estimates of traffic as of May 2009, with help from six Internet service providers (referred to below as "cooperating ISPs" (see Note 1) and researchers (see Note 2), and is now announcing the results.

Main Points

- As of May 2009, the volume of download traffic by people in Japan with subscriptions to broadband services was estimated at approximately 1.23T (Terabytes) per second (see Note 3), showing an increase of about 1.4 (an increase of 40.3%) times over the past year.
- The average download traffic per subscriber, as calculated (see Note 5) based on the number of subscriptions to broadband services (see Note 4), was estimated at approximately 40.5kbps, showing a strengthening in the pace of increase since figures were calculated as of May 2006.
- Within the traffic exchanged between the ISPs themselves, traffic flowing from overseas ISPs to partner ISPs showed a strengthening in the pace of increase since figures were calculated as of May 2006. The

present calculations show an estimated volume of approximately 213.1 Gbps, an increase of about 1.4 times (an increase of 39.6%) over the past year.

Note 1: Internet Initiative Japan (IIJ), NTT Communications, K-Opticom, KDDI, Softbank BB, and Softbank Telecom make up the six ISPs running seven networks.

Note 2: Professor ESAKI Hiroshi, University of Tokyo, Professor KATO Akira, Keio University, Senior Researcher CHO Kenjiro, IIJ, and Associate Professor FUKUDA Kensuke, National Institute of Informatics.

Note 3: 1T (Terabyte) = 1000G (Gigabytes) (10 multiplied by 12)

Note 4: MIC press release of June 19, 2009: Number of Broadband Service Contracts, Etc. (as of the end of March 2009)

Note 5: The number of subscriptions that was used to calculate traffic per subscription to broadband services was the total of subscriptions to FTTH access services, DSL access services, CATV access services and FWA access services.

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E-mail distribution of this newsletter is possible if desired.

Other

The calculation values associated with this press announcement can

be found in the Information and Communications Statistical Database at:

<http://www.johotsushintokei.soumu.go.jp/field/tsuushin01.html>

STATISTICS

Survey Results on State of Mobile Content Industry Structure

Mobile business market grew to 1,352.4 billion yen in 2008 which increased by 192.3 billion yen (17%) compared to the previous year.

The Ministry of Internal Affairs and Communications (MIC) has conducted a survey on trends of the mobile business market, which has been rapidly growing due to extensive penetration of mobile phones, improved processing speed and

performance of mobile terminals, and changes in the communication rate structure in recent years.

The MIC has released the results of the 2008 survey which has been compiled.

Target of the survey

This survey covered services from mobile phone businesses which are available on the mobile phone internet.

Mobile business	
	Mobile content
	Ringtone melodies
	Ringtone songs
	Mobile games
	Electronic books
	Standby screens
	Fortune telling
	Other mobile content: pictographs (for e-mails), still pictures, moving pictures, standby songs, etc.
	Mobile commerce
	Sale of goods (mail order)
	Services: concert tickets, tour/hotel reservations, airline tickets, railway tickets (JR)
	Transactions: securities trading, auctions, public racing

* Transactions cover sales fees, others calculate sales

* Within the mobile business, in addition to these, one could add advertising and

promotion but these have not been included in this survey (please refer to "General overview of the mobile business market" below)

* As of December 2008, there were 19,364 official corporate sites. The number of operators stood at 4,704

Survey results

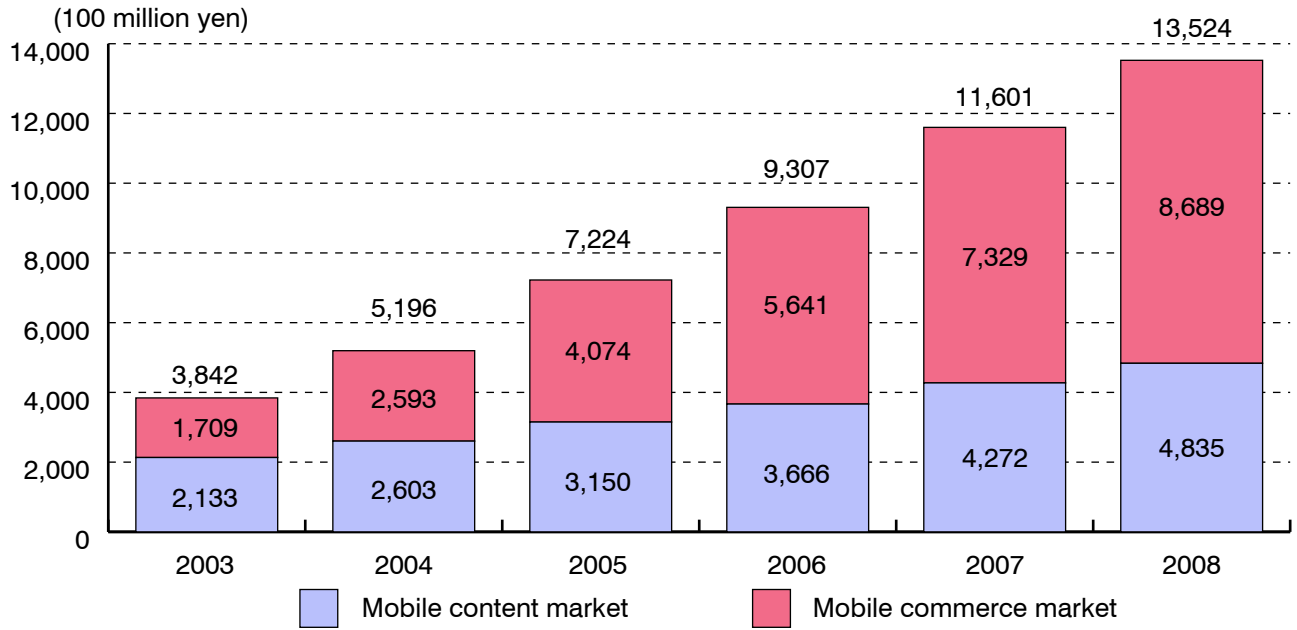
1. Mobile business market

- The mobile business market was worth 1,352.4 billion (2008). This shows an increase of 192.3 billion yen (+17%) compared to the previous year.
- Of this, the mobile content

business was worth 483.5 billion (an increase of 13% year on year). Mobile commerce was worth 868.9 billion yen (an increase of 19% year on year).

With growth in the population of mobile Internet users (75.06 million; an increase of 3% year on

year; MIC's "2008 Communications Usage Trend Survey"), the market continues to expand steadily. The growth in the commerce market is particularly noteworthy



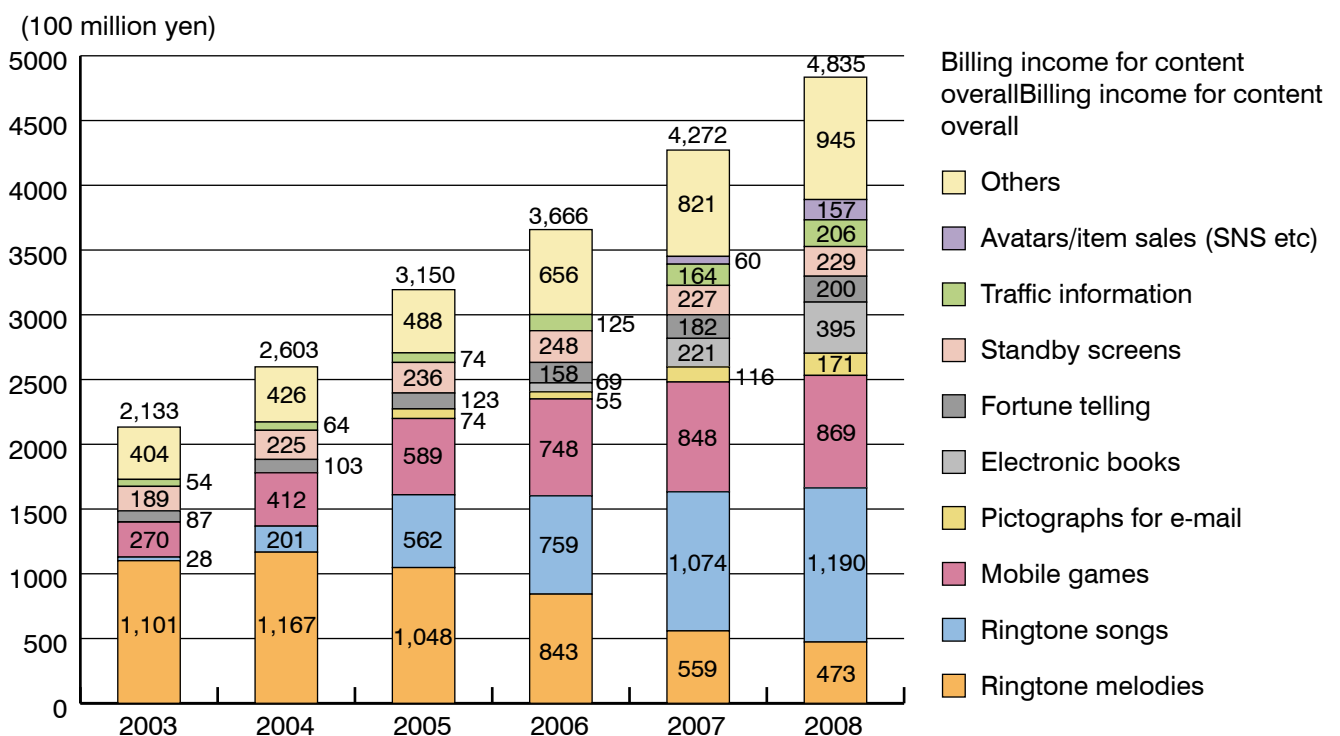
2. Mobile content market

In addition to the market for electronic books, the market for

avatars, and item sales (SNS etc) is growing rapidly. On the other hand, growth in the market for

ringtone songs has slowed, and the market for ringtone melodies is shrinking.

Ringtone melodies:	47.3 billion yen (a drop of 15% year on year, down 8.6 billion yen)
Ringtone songs:	119.0 billion yen (an increase of 11% year on year, up 11.6 billion yen)
Mobile games:	86.9 billion yen (an increase of 3% year on year, up 2.1 billion yen)
Pictographs for e-mail:	17.1 billion yen (an increase of 47% year on year, up 5.5 billion yen)
Electronic books:	39.5 billion yen (an increase of 79% year on year, up 17.4 billion yen)
Standby screens:	22.9 billion yen (a drop of 1% year on year, down 200 million yen)
Fortune telling:	20.0 billion yen (an increase of 10% year on year, up 1.8 billion yen)
Traffic information:	20.6 billion yen (an increase of 26% year on year, up 4.2 billion yen)
Avatar/items ales (SNS etc):	15.7 billion yen (an increase of 162% year on year, up 9.7 billion yen)
Others:	94.5 billion yen (an increase of 15% year on year, up 12.4 billion yen)



3. Mobile commerce market

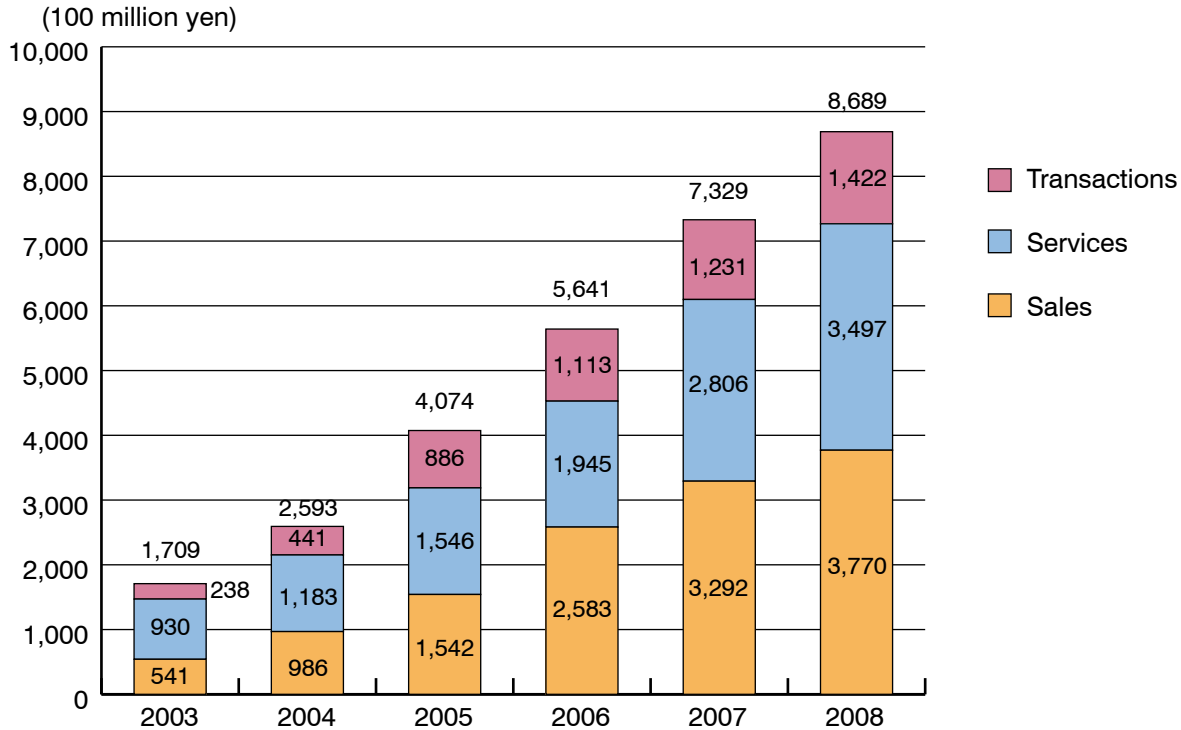
Sales of goods, services and transactions all continue to increase.

Sales of goods: 377.0 billion

yen (an increase of 15% year on year, up 47.8 billion yen).

Services: 349.7 billion yen (an increase of 25% year on year, up 69.1 billion yen).

Transactions: 142.2 billion yen (an increase of 16% year on year, up 19.1 billion yen).



<Survey Consignee>

This survey was implemented by the Mobile Content Forum (MCF) upon request from MIC. (<http://www.mcf.to>)

Mobile Content Forum (MCF):

The Mobile Content Forum was established in 1999, with the participation of telecommunications carriers, manufacturers and content

providers, in order to energize the mobile content environment. In 2009, it became a general incorporated association (Number of members as of December 2008: 276).

Calculation Methods:

(1) Mobile content market
The total value was calculated from the documents made public by mobile phone operators. The

breakdown was estimated from data in documents made public by mobile phone operators and the growth rates were obtained from surveys.

(2) Mobile commerce market
Interviews were conducted with the main operators and organizations that are involved in mobile business and estimates were obtained based on these.

General overview of the mobile business market

Scope of current survey CP = Content Provider

