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AMD gains market share from NVIDIA
AMD

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The Radeon HD 4000 series has taken the crown

NVIDIA has been through a rough period lately, and has seen [quarterly losses](#) in favor of its competitor. A report issued on Wednesday confirms that Advanced Micro Devices' graphics division ATI is gaining market share from NVIDIA with its latest graphics chips. "AMD has by all accounts exceeded expectations with its Radeon HD 4000 series," stated the report issued by market researcher Jon Peddie Research (JPR).

The difference was made by the aggressive pricing approach AMD's ATI graphics unit has taken, as the price for all add-in cards has been brought down. "Priced aggressively yet delivering solid performance, AMD's new line not only took back some market share - jumping up to 40 percent from 35 percent the quarter prior - it forced Nvidia (and partners) to cut prices on its recently released GTX 200 series product," said JPR.

NVIDIA had to cut the prices for its GeForce GTX 260 and 280 graphics cards back in July, only a few weeks after the Santa Clara-based company had launched them. "Discounts cut into ASPs (average selling prices), taking a toll on revenue for both Nvidia and the market overall, the latter down 27 percent (year-over-year) to \$3.8 billion," revealed JPR.

JPR also released the market results for the third quarter of this year. According to the research company, the graphics add-in card unit shipments went up sequentially, but registered drop on a year-to-year basis. The growth in add-in graphics solutions registered also influenced that in the aggregate market for graphics chips (the motherboard-integrated products are also included here).

Sequentially, the graphics chips also registered an increase in unit shipments of 17.8 percent during the third quarter of 2008. Total unit shipments for add-in boards increased 11 percent to 21.9 million compared to the second quarter of the year, but went down by 15 percent when compared to the third quarter of 2007.