

Machine Language Translation: Markets Reach \$7 Billion By 2015

LEXINGTON, Massachusetts (October 11, 2009) – WinterGreen Research announces that it has a new study on language translation software and services. The 2009 study has 668 pages, 244 tables and figures. Worldwide markets are poised to achieve significant growth as the globally integrated enterprise uses language translation to build out localized e-commerce sites that support a brand in every region.

According to Susan Eustis, the lead author of the study, “the globally integrated enterprise is the market driving force in language translation markets. The ability to define functions within a company that can be consolidated to achieve efficiency define a strategy that improve operations. Language translation is one of those defining enterprise functions that can be consolidated. The integration of functions across national boundaries supports delivery worldwide.” The national boundaries do not define corporate practice, rather for the integrated enterprise, silos of functions are consolidated worldwide.

The multinational enterprise model creates an enterprise that is able to be responsive to local customer requirements and cultivate local talent. The globally integrated enterprise is able to reduce administrative redundancy because each country had its own back-office functions. Supply, procurement, finance and human resources are other functions similar to language translation that can be consolidated across national boundaries.

The globally integrated enterprise can locate functions anywhere in the world, wherever the functions are more efficiently delivered. The cost, skills, and environment of translation and supply chain can be consolidated because everything is connected. Work is moved to the place where it is done best. The national barriers that used to block the flow of work, capital and ideas are being replaced by automated process that is centralized in one administrative unit for the entire enterprise.

Global enterprise integration is driven by economics, expertise and openness. Translations are often scattered throughout the different national locations. Translations are often performed by a range of different outsourcers. The globally integrated enterprise is able to consolidate the translation function in one administrative department.



Copyright 2009 WinterGreen Research, Inc.

-Page 1-

The use of language translation for telepresence is another driving force for language translation. Machine language translation is getting a large lift from the increased use of telepresence to run the globally integrated enterprise. Telepresence is next generation high definition TV videoconferencing. Telepresence leverages high definition video and high definition audio to support collaboration across distance. People located remotely can communicate effectively because of the compelling experience provided by HD TV.

As people try to meet remotely using telepresence, the use of language translation becomes a more compelling aspect of the communication. Telepresence allows people from different countries to work together on a single team. The bigger screens, the audio clarity, the visual clarity are compelling. The ability to work together is facilitated by the ability to provide a more lifelike communication experience. Collaboration is facilitated by enabling sharing of documents and power point presentations as if people were in the same room. When people speak different languages, language translation becomes a central part of the experience.

The Lionbridge platform is now the world's largest, web-architected language platform with more than 52,000 individual client translation memories and 14,000 individual translators serving more than 700 clients. The company continues to improve the grid architecture of this platform to enable more than 2,000 concurrent users and 99.9% uptime. The company is scaling Freeway™, Lionbridge's free, web-based translation management platform.

Language translation software is positioned as globalization software solutions. Localization relates to the adaptation of products or services to the cultural, legal, linguistic, and technical requirements of a specific locale.

Exchanged of data between systems is automated using Web Services. Use of Web Services simplifies the translation process and reduces turnaround times by enabling translation-ready content that is ready to be detected, gathered for submission, posted, tracked, and pulled back automatically.

Some words have different meanings and syntactic behavior, depending on the semantic context in which they are used. Even with specialized dictionaries the quality of the translation cannot always be satisfactory because of the total freedom and productivity of content on the web; the dictionaries selected cannot be the exact domain glossary due to extreme diversity; and the impossible task of having a complete description of all possible domains (a problem not only of cost, but of expertise).



Copyright 2009 WinterGreen Research, Inc.

-Page 2-

Language is able to communicate nuance. The deciphering of nuance has been difficult to achieving using automated process. No generic MT system can solve translation problems. The key to having a good translation is to have a good writer. The writer is an educated person able to create sentences that make sense and paragraphs that flow. This is central to the translation market. Much of the process can be automated, but there are still large segments where the human translator adds value.

Worldwide language translation services software license shipments market share analysis indicates that LionBridge has 16% share of a \$2 billion language translation services market. LionBridge and SDL are market leaders with IBM participating in the services portion of the market supported by its WebSphere product that offers portal technology..

Localization translation services based on software at \$2 billion in 2009 are forecast to become \$7 billion markets by the end of the forecast period. Software is becoming much more accurate as it combines the separate rules engine, translation memory, and statistical technique algorithms that have been used separately hitherto to support translation services. The combination of technologies is anticipated to create systems that are more accurate. These markets are part of a \$10 billion larger translation market, forecast to reach \$21 billion by 2015.

WinterGreen Research is an independent research organization funded by the sale of market research studies all over the world and by the implementation of ROI models that are used to calculate the total cost of ownership of equipment, services, and software. The company has 35 distributors worldwide, including Thompson Financial and Global Information GII Info-Shop.

Contact:

Susan Eustis, President and Sr-Analyst
WinterGreen Research
6 Raymond St.
Lexington, MA 02421

(781) 863-5078 (Work)
(617) 852-7876 (Cell)
susan@wintergreenresearch.com
www.wintergreenresearch.com



Copyright 2009 WinterGreen Research, Inc.



Copyright 2009 WinterGreen Research, Inc.

-Page 4-

WinterGreen Research, Inc.
6 Raymond St.
Lexington, MA 02421
(781) 863-5078
www.wintergreenresearch.com