

Gartner Says Worldwide Printer, Copier and Multifunctional Product Market Declined 20 Per Cent in First Half 2009

Egham, UK, 25 August, 2009 – The worldwide combined printer, copier and multifunctional product (MFP) shipments market totalled 51.3 million units in the first half of 2009, a 20.2 per cent decline over first half of 2008 shipments, according to Gartner, Inc.

“The market witnessed a weak demand as both businesses and consumers reduced spending and the drop in shipments was also impacted by tighter inventory controls in order to minimise inventory levels in the channels,” said Lai-Ling Lam, senior research analyst at Gartner. “The situation was further exacerbated by the shortages of popular low-end inkjets and page printers to home, small businesses, and small and medium businesses (SMBs).”

Not a single region was spared the downward trend. The emerging regions of Eastern Europe, Middle East and Latin America were the worst hit as shipments declined 41.8 per cent, 28 per cent and 22.9 per cent respectively in the first half of 2009.

Office printing devices fuelled the overall decline in the global print market, with a 24.5 per cent decrease in the first half of 2009. “In this tough economic environment, businesses are delaying or eliminating purchases of new equipments altogether. The global downturn has also forced them to review their printing needs which could change their print consumptions in the long term. At the same time, it also makes print vendors increasingly look at alternative hardware strategies such as managed print service (MPS) and smart MFP adoption as ways to increase revenue,” added Ms Lam

The consumer inkjet products were less impacted by the global economic downturn, declining 17.3 per cent in the first half of 2009. Despite cautious consumer spending, there are opportunities as demand for wireless inkjets buoyed the consumer market.

From a vendor perspective, Hewlett-Packard dropped at a faster pace than the overall market (see Table 1). HP lost 3.4 percentage points market share to total 40 per cent market share in the first half of 2009 as it maintained a tighter control over its channel inventory levels amidst weakening demand. “HP’s loss was Canon’s gain which had stable performance in Americas and Asia/Pacific, helping it to increase its market share to 19 per cent in the first half of 2009.

Table 1
Worldwide Printer, Copier and MFP Unit Shipments, 1H09

Vendor	1H09 Shipments	1H09 Market Share (%)	1H08 Shipments	1H08 Market Share (%)	1H09 – 1H08 Growth (%)
Hewlett-Packard	20,507,469	40.0	27,875,546	43.4	-26.4
Canon	9,760,816	19.0	10,826,045	16.8	-9.8
Epson	7,270,158	14.2	8,800,347	13.7	-17.4
Brother	3,191,978	6.2	3,493,471	5.4	-8.6
Samsung Electronics	2,525,281	4.9	2,821,878	4.4	-10.5
Others	8,011,880	15.6	10,435,594	16.2	-23.2
Total	51,267,582	100.0	64,252,881	100.0	-20.2

Source: Gartner (August 2009)

Despite signs that the world economy is improving, there are no indications that the worldwide print market is going to see improvement in the second half of 2009. “A best case scenario will see some improvement in demand, loosening in inventory control and fulfilment

of back orders which would uplift the market, ending the year with a single-digit decline. However, we do not expect the market to recover before 2010," concluded Ms Lam.

Additional information is available in the Gartner report "Printer Quarterly Statistics All Regions: Database." The report is available on Gartner's website at http://www.gartner.com/DisplayDocument?ref=g_search&id=525117&subref=simplesearch

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