

## Mini-Note (Netbook) Shipments to Double Y/Y to More Than 30M Units in 2009, While Notebook Shipments Flatten

AUSTIN, TEXAS, July 13, 2009—[DisplaySearch](#) expects shipments of almost 33 million mini-notes (netbooks) in 2009 as penetration of these products into the [notebook PC](#) market grows to 20% worldwide, according to its [Quarterly Notebook PC Shipment and Forecast Report](#). At the same time, DisplaySearch expects the market for “traditional” notebooks (those with displays 12.1” and larger) to be flat Y/Y for the first time (see Table 1).

Table 1: Mini-Note and Notebook Shipments and Growth by Region

Brand	2008 Mini-Note	2008 Notebook PC	2009 Mini-Note PC	2009 Notebook PC	Mini-Note Y/Y Growth	Notebook PC Y/Y Growth	Total Y/Y Growth
Japan	1.5M	8.5M	1.9M	7.4M	29.1%	-13.0%	-6.8%
North America	3.7M	40.3M	8.8M	39.9M	136.9%	-1.1%	10.6%
EMEA	7.3M	51.4M	13.3M	46.7M	80.6%	-9.1%	2.2%
Greater China	1.1M	13.0M	3.9M	16.0M	260.3%	22.3%	40.4%
Latin America	1.0M	4.5M	1.9M	5.4M	88.1%	19.8%	32.4%
Asia Pacific	1.8M	11.9M	3.0M	14.1M	64.6%	18.7%	24.9%
Total	16.4M	129.6M	32.7M	129.5M	99.1%	-0.1%	11.1%

Source: DisplaySearch Q2'09 [Quarterly Notebook PC Shipment and Forecast Report](#)

Penetration rates for mini-notes are forecast to exceed 26% in Latin America, and 22% in EMEA (Europe, the Middle East, and Africa), with the lowest penetration rates in Asia-Pacific, North America and China.

In emerging markets like Latin America, the low prices of mini-notes offer a more affordable product. In 2008, 45% of all mini-notes were shipped into EMEA markets. While this figure is forecast to drop to 40% in 2009, this share is well in excess of the region’s total share of the notebook PC market.

In many regions, telecom providers have been offering subsidized mini-notes for several quarters, which helped propel growth. In North America, the three largest telecom providers (AT&T, Sprint and Verizon) are aggressively marketing mini-notes. As smart phone penetration continues to increase in North America (and a number of other regions), it will become increasingly necessary for telecoms to find their next revenue stream as the incremental revenue increase from smart phone subscribers slows.

Penetration of mini-notes is one of the primary factors behind DisplaySearch’s expectations of flat Y/Y demand for notebook PCs. The other factor is a dramatic reduction in demand from enterprise customers. Businesses responded quickly to the economic downturn by cutting purchasing, especially of expensive IT-related products. DisplaySearch believes that there is significant pent-up demand in the B2B market as many enterprises did not upgrade from Windows XP to Vista. The launch of Windows 7 in late October this year, if combined with economic recovery, could lead to a rapid recovery in enterprise notebook PC demand; however, DisplaySearch does not expect this to occur until 2010.

In its Q2'09 [Quarterly Notebook PC Shipment and Forecast Report](#), DisplaySearch analyzes the breadth and depth of mini-note and notebook PCs demand in the major geographic regions, and identifies the key variables influencing changing demand patterns in these markets.

“Mini-notes are forecast to continue to be a significant portion of the market. However, as display sizes of these devices have quickly moved from 7.0” to 8.9” to 10.1”, and now with the emergence of 11.6” and 12.0” mini-note products, it is clear that buyers want a light-weight device, but that they also want a bigger display. While these devices have certainly created a new market, our research indicates that they are predominantly used as secondary PCs by consumers, and are not replacing notebooks,” said [John F. Jacobs](#), Director of Notebook Market Research and author of the report.

The DisplaySearch [Quarterly Notebook PC Shipment and Forecast Report](#) is a comprehensive and exclusive compilation of market data from DisplaySearch’s industry sources, along with insightful analysis of the state of the notebook PC industry. For information on this DisplaySearch report, please contact your DisplaySearch sales representative for more details. If you need further information or assistance, contact Charles Camaroto at 1.888.436.7673 or 1.516.625.2452, e-mail

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