

Q2'10 TV Shipments Show Continued Growth, But Some Regions Weakening

SANTA CLARA, Calif., August 31, 2010—Overall TV shipments continued to show resilience, bouncing back from dismal 2009 levels, but there were some indications of trouble in key markets. Global TV unit shipments rose 26% year-over-year (Y/Y) in Q2'10 to 56.2 million units, a 2% increase from Q1'10, according to the latest data published in the DisplaySearch [Quarterly Global TV Shipment and Forecast Report](#). However the second-largest region worldwide, North America, had a 3% drop in TV shipments Y/Y after a weak 1% increase in Q1'10. In addition, China's LCD TV market cooled off a bit, as unit shipments rose 31% Y/Y after triple-digit growth in 2009. This was less than the Chinese brands expected, as holiday sales were weaker than forecasted.

There were some bright spots, as TV shipments to Japan surged another 56% Y/Y, the most of any developed region. The government-sponsored Eco-Points program continued to encourage consumers to trade up to more energy-efficient models. Latin America was the strongest region in terms of growth, rising 70% Y/Y to a record 7.3 million TVs shipped in a single quarter. This was the one region in which the World Cup had a clear impact on TV demand. Shipments to Europe also increased due to expectations of a boost from the World Cup, but sell-through results were less than spectacular. A build-up of inventory, combined with a weaker euro, will likely lead to a correction in Q3'10 in order to make way for the holiday season in Q4'10.

"The results for TV shipments in Q2 were definitely mixed, as not all regions benefited from external stimuli like the World Cup or digital TV transitions in regions such as Europe," noted [Paul Gagnon](#), Director of North America TV Market Research for DisplaySearch. "At the same time, many manufacturers are rapidly adopting advanced technologies like LED, 3D and internet connectivity, all of which will serve to increase the average price. However, as consumers still seem reluctant to spend, this hard shift in mix could be contributing to slower growth in markets like North America."

As an example of the consumer demand for value, plasma TV shipment growth has been accelerating, increasing from single-digit growth in Q4'09 to 47% Y/Y growth in Q2'10. Plasma offers a greater value-per-inch than comparable LCD sets, and this gap widened in Q2'10. LCD TV shipments in the first half of 2010 have been below expectations, but it is still possible to have a strong second half performance. Recent declines in panel prices will probably lead to low Q4 set prices, driving increases in unit demand. Even CRT had a better-than-expected result in Q2'10, as emerging markets purchased inexpensive sets for the World Cup.

Table 1: Q2'10 Worldwide TV Shipments by Technology (000s)

Technology	Q2'10 Units	Q2'10 Unit Share	Q/Q Growth	Y/Y Growth
LCD TV	41,794	74.4%	3%	39%
PDP TV	4,497	8.0%	30%	47%
OLED TV	0.3	0.0%	188%	-36%
CRT TV	9,865	17.6%	-8%	-14%
RPTV	26	0.0%	-37%	-24%
Total	56,183	100%	3%	26%

Source: DisplaySearch [Quarterly Global TV Shipment and Forecast Report](#)

LED Backlight Share of LCD TV Shipments Jumps Sharply in Q2'10

In line with TV manufacturers goals of raising LED backlights in their LCD TV line-ups, the share of LED-backlit LCD TVs increased from less than 8% in Q1'10 to nearly 18% in Q2'10. Considering the average LED LCD TV carried an ASP that was more than double that of a CCFL-backlit model, the impact on revenue share for LED LCD TVs was even more pronounced. The vast majority of these LED-backlit LCD TVs used an edge-lit configuration, which is understandable given the benefits of lower cost, slimmer profile and lower energy consumption.

Samsung Once Again Leads Global TV Brands with Top Unit and Revenue Share in Q2'10

Samsung's global flat panel TV market share increased more than two points to 24.4%, a new record for the brand. With the #1 position in LCD and a strong #2 position in plasma, Samsung is able to participate in all major TV market segments and compete effectively with products priced at a premium to the market average. Samsung also had the #1 LED and 40" + market share.

LGE was the #2 brand worldwide at 14.1%, unchanged from Q1, with share growth in plasma TV helping to offset some decline in LCD share. Like Samsung, LGE participates in all of the major TV categories, including LCD, plasma and CRT. LGE can address all market segments, and has a strong share position in emerging markets.

Sony rounded out the top three brands in global flat panel TV revenues during Q2'10, rising to 12.8% on the strongest Q/Q growth of the top five global brands. Sony also reclaimed the #2 revenue share position in global LCD TV sales, overtaking LGE for the first time in over a year.

Table 2: Q2'10 Worldwide Flat Panel TV Brand Rankings by Revenue Share

Rank	Brand	Q1'10 Share	Q2'10 Share	Q/Q Growth	Y/Y Growth
1	Samsung	22.3%	24.4%	20%	26%
2	LGE	14.1%	14.1%	9%	34%
3	Sony	10.1%	12.8%	39%	22%
4	Panasonic	7.3%	9.0%	36%	20%
5	Sharp	6.5%	6.4%	8%	26%
	Other	39.7%	33.3	-8%	18%
	Total	100.0%	100.0%	10%	23%

Source: DisplaySearch [Quarterly Global TV Shipment and Forecast Report](#)

DisplaySearch TV market intelligence includes: panel and TV shipments, TV shipments by region, brand, size, resolution, frame rate and backlight type for nearly 60 brands, rolling 16-quarter forecasts, TV cost/price forecasts and design wins. This knowledge can be found in the [Quarterly Advanced Global TV Shipment and Forecast Report](#). Please contact Charles Camaroto at 1.888.436.7673 or 1.516.625.2452, e-mail contact@displaysearch.com or contact your regional DisplaySearch office in [China, Japan, Korea or Taiwan](#) for more information.

The [IFA DisplaySearch Business Conference](#) will take place on September 3, 2010, at the Messe Berlin fairgrounds in the Europa Room located in Hall 7 on the 3rd Floor, starting at 9:00 a.m. Please enter at Gate 7, which opens at 7:00 a.m. for conference attendees, with breakfast served at 8:00 a.m. For more information on the event or to register, visit <http://www.ifa-berlin.com/>. Media interested in attending should contact Nicole Jahn, IFA Press Officer at +49.0.30.3038.2217 or jahn@messe-berlin.de

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