

## Consumer Electronics Sales to Jump 6.1% in 2008

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**LAS VEGAS** – The consumer electronics industry is projected to post a healthy 6.1% increase in revenues in 2008, according to the **Consumer Electronics Association**. Overall shipment revenues are forecast to top \$171 billion this year.

“CE industry sales have exceeded our expectations once again, despite a challenging domestic economic situation,” said CEA president Gary Shapiro. “It’s clear that the spirit of innovation will continue to sustain and grow our industry.”

CEA says 2007 revenues totaled \$161 billion, up 8.2% year-over-year.

2008’s growth is in line with the historical industry average and is well above expected growth levels for many other sectors, including housing and new vehicles, CEA says.

TV displays continue to drive consumer electronics, representing roughly 16% of overall shipment dollars. Shipments of displays are expected to grow 13% to more than \$29 billion. Sales of next-generation DVD players will take off in 2008, as prices decline and consumers continue to seek out high quality home theater products. CEA forecasts unit shipments will grow 173% to 2.8 million.

“Consumers remain focused on upgrading their home theater systems,” noted Steve Koenig, CEA’s senior manager of industry analysis. “Already, digital TVs are present in more than 50% of U.S. households. 2008 will continue to feature robust growth in this category.”

Fueled by the availability of three next-generation consoles, gaming hardware alone is estimated to have grown 50% to \$6.6 billion in 2007. Riding the wave of several successful title launches, gaming software is expected to drive growth in 2008. CEA expects software sales to grow 26% to \$11.5 billion this year.

Total shipment revenues in the mobile video and navigation category will nearly double this year to more than \$3.1 billion thanks to skyrocketing sales of PNDs. In particular, CEA expects rapid revenue growth of more than 74% for devices that include traffic and data functionality.