



Digital camera growth continued in 2008, although slower than predicted

Toronto, On, March 20, 2009 — While Canadians bought fewer digital cameras in 2008 than expected, they still bought more than in 2007, indicating the importance of picture-taking to this country's populace. Nowhere is this more evident than in the movement to higher performance digital cameras – both higher megapixel Lens & Shutter cameras and Digital Single-lens Reflex (DSLR) models.

Replicating the growth spikes of the past two years however is not likely given the confluence of negative economic factors facing consumers in 2009.

Cameras

More than 3.9 million digital cameras of all types were shipped to Canadian retailers in 2008, an increase of 4 percent compared to 2007. CITA's forecast had been for an 8.6 percent increase in digital camera sales, so the actual results were lower than expected.

The digital single lens reflex (DSLR) camera sector led the growth, with 313,000 units shipped. That's approximately 50 percent growth compared to 2007.

For 2009 CITA anticipates a decline for digital cameras of -8.6% as consumers grapple with the new realities of their household budgets. Lens & shutter shipments are expected to decline -7.9% while DSLR shipments will remain flat to previous year shipments.

Here are the approximate sales numbers for the past few years, *including 2009's forecasted decline*, with numbers rounded off:

2009 – 3,600,000
2008 – 3,900,000
2007 – 3,800,000
2006 – 3,000,000
2005 – 2,500,000
2004 – 2,300,000

Consumer Film

Consumer film sales closed out the year at a total of 4.4 million rolls. That's a decline of

slightly more than 44 percent compared to 2007, showing the continuing adverse effect digital camera sales have had on this category.

There seems little doubt film sales will continue to decline, although CITA members do note the increasingly steeper and steeper rates of decline of film sales over the past few years seem to be levelling off. CITA forecasts a decline of more than 43 percent in total film sales – to 2.5 million rolls – in 2009.

Single-Use Cameras

Single-use cameras sales in 2008 also registered a decline, undoubtedly because of the continuing switchover to digital camera use, but at a lower rate of decline than film sales. This is because of the single-use camera's ease of use, good results and continued relevance in an increasingly digital world.

Unit shipments of single-use cameras in 2008, reported by CITA members, were approximately 2.0 million, representing a 37 percent decline compared to 2007. While CITA members account for almost all the film sold in Canada, it is estimated that non-CITA members could account for up to 35 percent of single-use cameras sold.

A continued decline is projected to in 2009 with total single-use camera sales expected to be 1.25 million. This will be a decline of 38.5 percent as reported by CITA members.

Professional Film

Professional film sales reversed the trend of recent years of increasing rates of decline in both colour negative (print) and colour reversal (slide) film. Some industry member survey data indicates many professional photographers either still shoot or are coming back to film for certain applications.

Professional colour reversal film sales in 2008 were 45,900 units, a decline of 38 percent compared to almost 45 percent in 2007. Professional colour negative film sales declined slightly less than 35 percent in 2008 versus 48.5 percent in 2007.

The rates of decline are expected to stabilize in 2009 with professional colour reversal film forecast to decline almost 41 percent to 27,300 rolls, with professional colour negative film sales forecast to decline 36.5 percent to 70,300 rolls.

Colour Roll Paper

Beginning in 2006 photographic colour paper sales rates of decline begin to moderate as consumers printed more digitally-captured images. In 2008, the rate of decline of colour roll paper volumes steepened, but primarily because output to other media became more prevalent.

Colour roll paper sales in widths of 6 inches or less declined at a rate of 20 percent to 20,158,000 square meters, while paper rolls 8 inches or wider declined 26.6 percent to

2,555,000 square meters. Overall, colour negative paper was down 21 percent to 22,713,000 square meters.

The rate of decline in 2009 is expected to moderate slightly. Consumers will continue to print more digitally-captured images on media other than traditional photographic paper. Colour paper sales overall are therefore forecast to decline 13.5 percent overall to 19,645,000 square meters.

Binoculars

The demand for binoculars continues to decline. In 2008, approximately 185,000 binoculars were shipped, a decrease of slightly less than 13 percent compared to 2007.

Interestingly, full-size binoculars made a comeback in 2008, led by zoom models, which were up nearly 370 percent.

Spotting scope sales also showed a decrease, declining approximately 17 percent against 2007, with sales of almost 9,000 units.

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Founded in 1955, the Canadian Imaging Trade Association is the association of manufacturers/importers and distributors of photographic/electronic imaging equipment and sensitized materials.

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