

P R E S S R E L E A S E

June, 2000

Another growth year for picture-taking

Toronto, Ont. - Canadians are continuing their love affair with picture-taking. Data released today by the Canadian Image Trade Association (CITA) shows exceptional growth in the number of rolls of film purchased in Canada during 1999, solid growth in the number of photo cameras purchased, and dramatic growth in the sales of digital cameras.

DIGITAL CAMERAS

There can be no doubt that digital cameras are a hot product, rising from insignificant sales levels just a few years ago to about 6 percent of all cameras sold in this country during 1999. There was an approximately 80 percent increase in the number of digital cameras sold in Canada in 1999 compared to 1998. In 1998, the increase was 78 percent over '97 figures. For 1999, total unit sales were more than 100,000.

As in 1998, digital camera purchases were driven by commercial buyers, internet-savvy consumers and "prosumers." (Prosumers are those who are not full-time professionals, but who do some work for pay, using a mixture of consumer and professional equipment.) But more and more general consumers are making the move to digital. The year saw early adopters upgrading to higher resolution cameras and first time buyers taking advantage of the lower pricing on entry-level models.

CITA forecasts this trend will continue, getting even stronger over time. As manufacturers compete for the first time buyer, expect to see more feature-laden digital cameras, with higher imaging resolution (for even better quality pictures) and lower prices.

For 2000, the forecast is for a 100 percent growth in sales of digital cameras over 1999 numbers, as long as product availability can meet the demand.

PHOTOGRAPHIC CAMERAS

While the overall Canadian market for photographic cameras grew slightly (1.5 percent) in 1999, down from the 9 percent growth in 1998, two sectors within that market showed very strong growth. They were Advanced Photo System cameras and 35 mm single lens reflex cameras (SLRs).

Advanced Photo System camera sales continued to show very strong growth, with a 19 percent increase in '99 compared to 1998. In '98, Advanced Photo System camera sales were 24 percent ahead of the '97 mark. The Advanced Photo System (APS) was introduced five years ago by the worldwide photographic community to provide an easier-to-use film system and new camera features. Canadian consumers continue to show their love for the new film format.

Single lens reflex camera sales grew by 9 percent in 1999. This is not as strong as the 14.5 percent growth shown in 1998, nor the surprising 20 percent growth in SLR purchases in

1997. Nevertheless, the '99 growth rate shows there still is strong interest in the more advanced side of photography. SLRs are generally known for their ability to accept interchangeable lenses and provide extensive exposure capabilities.

Perhaps the most surprising statistic for 1999 was the 3 percent decline in sales for 35 mm "point and shoot" cameras. This may be because consumers are finding single-use cameras to be a viable alternative [see below].

The 35 mm point and shoot camera, also known as a 35 mm compact camera, continues to dominate the total photographic camera market, accounting for 77 percent of all camera sales in Canada. These cameras range from the very simple to the remarkably sophisticated, some as well-featured as many SLRs, but without the capability of changing lenses.

Advanced Photo System cameras represented 18 percent of all photo camera sales in 1997, with SLRs making up 5 percent of the total for the year.

Continued steady growth in purchases of photographic cameras is forecast by CITA for 2000.

SINGLE-USE CAMERAS

Inexpensive, available almost everywhere, these one-time-use cameras are returned intact to the photofinisher, dismantled, the film removed and processed, and the camera body parts recycled. They are great to use at the beach, where a regular camera might get wet or dirty; a lifesaver when someone leaves the camera at home; great for kids; and a delight for those who hate to load film into a camera.

So it's no wonder that, from 1993 to 1999, sales of single-use cameras have more than tripled. Year-over-year growth has averaged 47 percent for these cameras since 1993. In 1998, sales of single-use cameras grew 18 percent; in 1999, the increase was 11 percent, hitting almost 5 million units.

Double digit growth for this category is predicted for 2000 by CITA

Sales of single-use cameras with built-in flash continue to increase in importance for Canadian consumers, now approaching 64 percent of this category's total sales.

Single-use cameras are available containing both 35 mm and Advanced Photo System film, the latter allowing a slightly smaller camera size.

COLOUR NEGATIVE FILM

Sales of 35 mm colour negative film (for making photographic prints) grew 8 percent in 1999, showing Canadians' continuing desire to be able to hold their photos in their hands, show them to friends and relatives, and mount them in photo albums. The 1999 growth was exceptional, following a 1.3 percent growth rate for this category in 1998.

Almost 56 million rolls of colour film were purchased in 1999.

Advanced Photo System film sales grew an amazing 70 percent in 1999 compared to '98, indicating the features of the new system are being increasingly enjoyed by Canadians.

The combined total of 35 mm and Advanced Photo System film sales rose by 11.2 percent in 1999, which is one of the best growth rates ever witnessed by the Canadian photographic marketing community.

Almost half of all 35 mm film sold in Canada in 1999 was ISO 200 film speed. This continues the dramatic rise in popularity of this film speed; three years ago, ISO 200 films

were at 33 percent of the market in Canada.

For the first time, higher film speeds (ISO 400 and others) outsold what used to be the dominant film, ISO 100 -- reaching a 29 percent market share.

The most popular film length for Canadian consumers continues to be the 24-exposure roll, rising to 88 percent of all 35 mm film sales.

COLOUR PAPER

As film sales grow, colour paper (for making prints) generally follows suit. True to form, the growth of colour paper sales for 1999 increased 7 percent over 1998.

BINOCULARS

Canadians continued to find uses for binoculars, with 1999 sales increasing 13 percent. Sales in 1998 were up 16 percent over '97. Compact models dominate, with a 70 percent share of the market, and a 19 percent increase in sales.

Continued participation and interest in outdoor activities, including bird watching, hiking, camping, eco-travel and boating, are driving the growth of the binocular market.

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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The photo/digital option

The increasing emphasis on digital cameras is causing many Canadian consumers to wonder if they have to give up their photo cameras. The answer is “no.”

Many Canadians are continuing to enjoy taking pictures on film, then are scanning the prints using any one of many low- to medium-cost scanners available on the market today.

This allows the photographer to not only share and show prints, but also import a digital image into their computers (PC or Mac), without the cost of buying a digital camera.

The price of digital cameras is decreasing but, generally, scanners are a much less expensive alternative.

Newer digital cameras, with increased picture resolution, are able to produce what is being described as “photo-quality” images when printed on the latest generation printers. While digital camera prices are coming down, they still are not as low as many compact photo camera prices. A scanner bridges the gap.