



CD Tracker™

Trends for CD-R/RW Writer and Media Markets

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EXECUTIVE SUMMARY—QUARTER 1, 2009

CD recordable media technology revenue decreased from Q4/08, changing by -21% in Q1/09, to \$203 million. Writer revenue was down also, with declining sales of slim combo writers, the main CD hardware segment. There is very little CD combo activity now with most of the OEMs shifting to DVD writers because of the nominal difference in price.

Global CD recordable disc sales changed by -6% on a quarter-to-quarter basis. CD-R discs represented 1134.583 MM units of this volume and 97% of the market. Average price was relatively flat during the quarter at \$0.14. CD-RW media sales continued to be limited, representing 3% of total unit sales.

Regionally, The Americas continued to lead the market, with 47% of media units, followed by Europe—31%, other Asia/Pacific markets—14%, and Japan—8%.

Disc manufacturers have been phasing out production of CD-R media in response to the decline of the format. Some production lines have been shifted to countries where production costs less, like in Thailand and Vietnam, but the change in total optical-disc volume has not been significant. Overall, excess capacity exists in the market. Some of the equipment has been shifted to DVD media manufacturing, while other production lines are not in operation at all.