USB Flash Tracker™

Trends for USB Flash Drive Markets

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EXECUTIVE SUMMARY– Q1 2008

USB flash drive shipments increased to 36.779 MM units in the first quarter of 2008, a change of 1% from Q4/07. SCCG forecasts drive shipments to increase in Q2/08, influenced by aggressive promotion and attractive pricing. Unit shipments are projected to reach 149.292 MM units by the end of 2008.

The Americas market had the leading regional share in Q1/08, with 32.23%. Europe was the second-leading market, with 31.29%, followed by Asia/Pacific, with 26.95%, and Japan, with 9.53%.

The average global capacity for USB flash drives was 2622 MB, but this ranged from a low of 1933 MB in Japan to a high of 2858 MB in The Americas. The leading segment was 2 GB, with 37% of the market. Products with capacities of 2 GB and greater increased their share of the market and represented 70% of unit sales in Q1.

Prices were relatively flat in Q1, with USB flash drive pricing into distribution changing by an average of 0.18%. This relates to a shift to higher-capacity flash drives with higher prices and fewer promotions outside of the Q4 holiday season.

Kingston was the leader in global USB flash drive sales, with more than 17% of the market in Q1. Other important competitors were SanDisk and Transcend, each with more than 13% of the market.

NAND flash chips were in oversupply in Q1. This resulted in significant price declines. Samsung maintained its lead in NAND chip sales, and Toshiba continued to be a strong second. Other manufacturers include Hynix/ST Micro, SanDisk, and Micron. ST Microelectronics was shipping lower-capacity NAND chips to the market, often to serve embedded applications.

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