



Gartner Dataquest Says Latin American Printer Shipments Declined 15 Percent in 2002

SAN JOSE, Calif., March 3, 2003 — Impacted by lower sales in the PC market and severe economic conditions in some countries, Latin America printer shipments totaled 5.2 million units in 2002, a 15.3 percent decline from 2001, according to Dataquest Inc, a unit of Gartner, Inc. (NYSE: IT and ITB).

PC shipments in Latin America declined 6 percent in 2002, and this had a direct influence on the printer industry. Printer vendors need to drive sales by continuing to promote all-in-one (AIO) products, which have become more popular in the region and are subtracting market share from inkjet devices.

"All-in-one inkjet printers are showing much stronger growth rates than the printer-only inkjet products. During the fourth quarter of 2002, single-function inkjet printers declined 20.6 percent, while inkjet AIO products grew 287 percent," said Federico De Silva Leon, industry analyst covering printers for Gartner Dataquest's Computing Platforms Latin America group. "With increased product offerings and competitive pricing, consumers and businesses perceive these devices as good-valued products."

Lexmark was the only top-tier vendor to experience an increase in printer shipments in Latin America in 2002 (see Table 1). Hewlett-Packard remained the No. 1 vendor in the region, despite a 17.5 percent decline in shipments.

Table 1
Latin America Printer Vendor Unit Shipment Estimates for 2002 (Units)

Company	2002 Shipments	2002 Market Share (%)	2001 Shipments	2001 Market Share (%)	Growth (%)
Hewlett-Packard	2,199,693	41.7	2,667,364	42.8	-17.5
Epson	1,418,160	26.9	1,524,458	24.5	-7.0
Lexmark	831,979	15.8	791,157	12.7	5.2
Canon	601,196	11.4	721,373	11.6	-16.7
Xerox	41,520	0.8	161,458	2.6	-74.3
Others	181,482	3.4	364,340	5.8	-50.2
Total	5,274,031	100.0	6,230,149	100.0	-15.3

Note: All-in-one inkjet units not included.

Source: Gartner Dataquest (March 2003)

Printer shipments in Argentina declined 82.2 percent in 2002, to 115, 195 units from 647,307 units in 2001. Brazil remained the No. 1 country with shipments of 1.6 million, despite ending 2002 in the midst of an uncertain election, which reflected on the volatility of the exchange rate, making purchases of imported equipment more expensive.

"Although Brazil remained the No. 1 printer market in the region, Mexico moved to within 3.5

percentage points in 2002. AIO inkjet printer shipments are very strong in Mexico, mainly because of lower barriers to entry to the market, such as prices and consumer acceptance," said De Silva Leon.

The Andean region continued to perform well, with printer shipments in Peru increasing 19.9 percent, followed by Colombia with 12.5 percent and Chile growing 3.2 percent year over year. The rest of Latin America, which includes Central America, the Caribbean and other countries in South America, posted a flat growth.

"Looking forward, the introduction of new PC technologies and applications, lower price points, particularly in mobile computing, and the fact that the region is due for a PC equipment renewal in the professional segment, should favor printer vendors," said Luis Anavitarte, vice president and research director for Gartner Dataquest's Latin America group.

This information is produced by Gartner Dataquest's Computing Platforms Latin America group. The group provides research on key aspects of the dynamic PC, server and printer hardware markets in Latin America. The focus is on regional and country issues in the top eight Latin American markets and the Rest of Latin America (ROLA) category, where Central American and Caribbean countries are grouped. To subscribe to this program, please call 408-468-8000.