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**World Surveillance Camera Market: Key Research Findings 2009**  
**~ Upsurge of emerging Asian manufacturers and differentiation strategies of Japanese manufactures by offering low-priced products and high-function products ~**

➤ **Research Outline**

Yano Research Institute has conducted a study on the world surveillance (monitoring) camera market based on the following research outline.

1. Research period: From June to October 2009
2. Research targets:  
Surveillance camera manufacturers in Japan, Europe, the United States, China, South Korea and Taiwan, who supply major brand-name products
3. Research methodologies:  
Face-to-face interviews with relevant personnel by our specialized researchers, and interviews via telephone and e-mail

**<What is the world surveillance camera market?>**

The world surveillance camera market defined in this study deals with analog cameras and network cameras (IP cameras) with built-in CCD or CMOS image sensors, and the market size was estimated based on the total shipment volume of the 38 manufactures\* of major brand-names based either in Japan, Europe, the United States, China, South Korea or Taiwan. (\*Manufacturers from: Japan: 21, Europe: 6, the U.S.: 4, Korea: 3, Taiwan: 4)

➤ **Key Findings**

- ◆ **World market size for the major brand-name surveillance cameras in 2009 is projected to be 6,840 thousand units. Expected average annual growth rate in the period between 2005 and 2012 will be 8.2 %**

The size of world market for the major brand-name surveillance cameras had grown from 4,750 thousand units in 2005 to 7,200 thousand units in 2008 but is expected to shrink to 6,840 thousand in 2009 due to the continuous worldwide recession. The future Japanese domestic market is forecasted to grow steadily. As for the oversea markets, the markets in China and other Asian counties and in Middle East are expected to be strong.

- ◆ **There are over 500 emerging surveillance camera manufacturers in Asia. Japanese manufacturers took differentiation strategies by low-priced products and high-function intelligent products to compete with those new comers.**

An abundance of new surveillance camera manufacturers has been emerging in Asia and the number, as of now, has reached over 500 in only three countries of China, South Korea and Taiwan. Japanese surveillance camera manufacturers will be forced to compete not only with European corporations but also with those Asian counterparts in future, and it is believed that they deploy regional strategies and polarize their core products in a manner such that they market low-priced products in Asian and African markets and high-function and intelligent products in European and Middle East market.

➤ **Report format:**

Published report: "CCD and CMOS Camera Market 2009 to 2010"

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Format: 205 pages in A4 format

Price: 165,000 yen (8,250 yen of consumption tax will be additionally charged for sales in Japan.)

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## ➤ Research Summary

### 1. Current status and prospects of world market for the major brand-name surveillance cameras

The world market for the major brand-name surveillance cameras sharply increased from 4,750 thousand units in 2005 to 7,200 thousand units in 2008 on the ground that installation of the cameras had been promoted not only for the industrial field but also for security purpose in crowded urban areas and on personal residences due to worldwide deterioration in the security conditions.

In the first half of 2008, the market enjoyed good demand in wider range of fields and introduction into condominiums increased, but the market shrunk in the second half due to the world recession.

The market size in 2009 is projected to shrink to 6,840 thousand units under the influence of continued depression. From 2010 onward, however, the market is expected to recover and we forecast the market size grow to 7,080 thousand units in 2010, 7,530 thousand units in 2011 and 8,250 thousand units in 2012.

The expected compound annual growth rate (CAGR) of world market size for the major brand-name surveillance cameras (both analog and IP included) during the period between 2005 and 2012 would be 8.2 % and shows apparent growing trend. The future Japanese domestic market is forecasted to grow steadily. As for the oversea markets, the markets in China and other Asian countries and in Middle East are expected to be strong.

### 2. Remarkable market trends

#### ~ Survival strategies of mushrooming emerging Asian surveillance camera manufactures vs. Japanese manufactures

In Asia, an abundance of small-to-medium-sized surveillance camera manufacturers have been emerging, and 300 companies from China, 150 companies from Korea and several tens of companies from Taiwan have lately participated in the surveillance camera market. As of now, there are over 500 small-to-medium-sized manufacturers in only three Asian countries of China, South Korea and Taiwan.

Those newly emerged surveillance camera manufacturers are producing and shipping their products to everywhere in the world being armed with extremely low prices (e.g. less than 10 thousand yen of retail price) that may never be seen in Japanese market. Even though those manufacturers are unknown yet, the total shipment volume of those 500 manufacturers combined is considered equivalent to the total shipment of the world major 38 manufacturers of brand-name products.

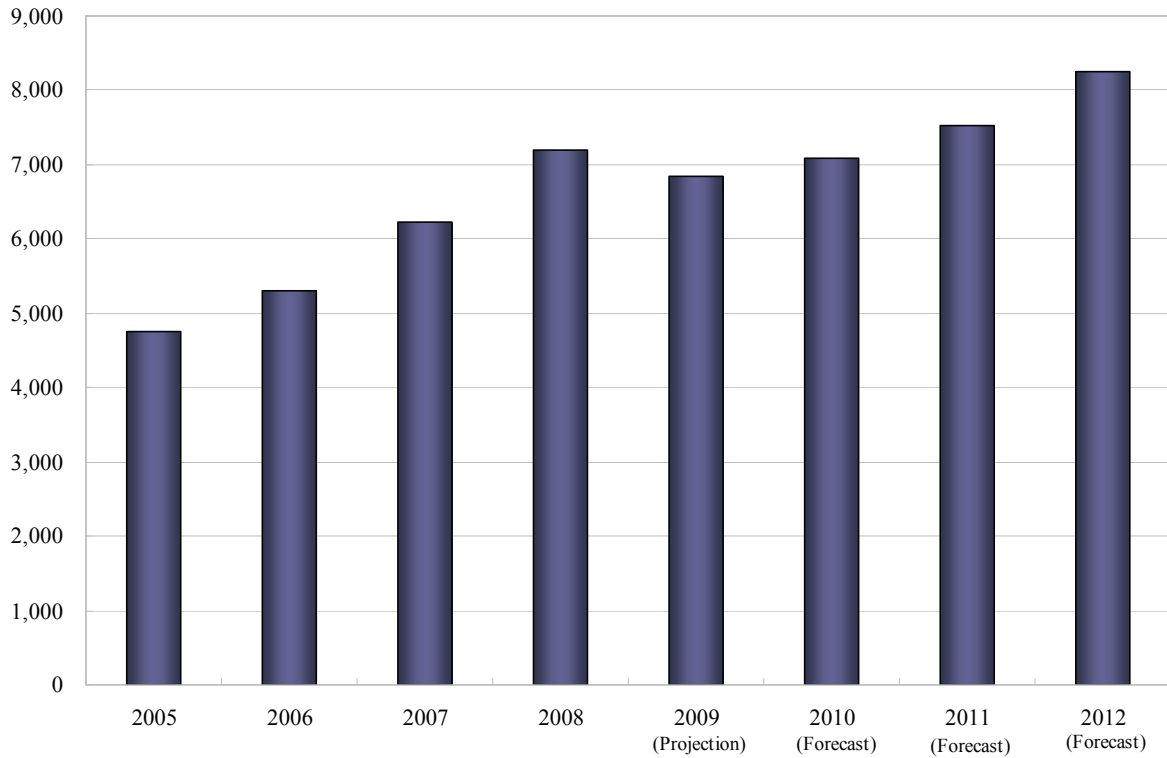
Quality of products and maintenance services of those emerging manufacturers are far below that of the major manufacturers of the branded products at this moment, but those small-to-medium-sized manufacturers should operate more and more actively toward the future considering the fact that the majority of camera sensors and substrates are currently produced in Asia.

Japanese surveillance camera manufacturers, who have been competing with European manufactures, will have to compete also with extremely low-priced products of those emerging manufacturers in Asian countries such as China, South Korea and Taiwan. In light of this situation, it is believed that the Japanese surveillance camera manufacturers deploy regional strategies and polarize their core products in a manner such that they market low-priced products in Asian and African markets and such high-function products as MegaPixel IP cameras and products equipped with intelligent functions, including the face authentication, in European and Middle East market.

Furthermore, development of the "Eco cameras" with low power consumption could be an important factor for differentiation in the future world market under such circumstances that it has been seriously discussed on a global level how we should cope with the environmental issues.

**Figure & Table 1. Market Size for the World Major Brand-name Surveillance Cameras**

(Thousand units)



Estimated by Yano Research Institute

(Thousand units)

	2005	2006	2007	2008	2009 (Projection)	2010 (Forecast)	2011 (Forecast)	2012 (Forecast)
Market size of the world major brand-name surveillance cameras	4,750	5,300	6,230	7,200	6,840	7,080	7,530	8,250
Year-on-year (%)	-	111.6%	117.5%	115.6%	95.0%	103.5%	106.4%	109.6%

**NOTE:**

The market size was estimated based on the total shipment volume of the 38 manufactures\* of major brand-names based either in Japan, Europe, the United States, China, South Korea or Taiwan. (\*Manufacturers from: Japan: 21, Europe: 6, the U.S.: 4, Korea: 3, Taiwan: 4)