

Gartner Says Worldwide PC Shipments in Fourth Quarter of 2009 Posted Strongest Growth Rate in Seven Years

All Regions Experienced Shipment Growth

STAMFORD, Conn., January 13, 2010 — Worldwide PC shipments surpassed 90 million units in the fourth quarter of 2009, a 22.1 per cent increase from the fourth quarter of 2008, according to preliminary results by Gartner, Inc. It was the strongest quarter-on-quarter growth rate the worldwide PC market has experienced in the last seven years. It should be noted that these numbers are compared to a very weak quarter a year ago due to the economic downturn at that time.

“These preliminary results indicate the recovery of the PC market on a global level,” said Mikako Kitagawa, principal analyst at Gartner. “The US and Asia/Pacific had already shown positive indicators last quarter, however the fourth quarter 2009 results were more concrete evidence of the recovery. The Europe, Middle East and Africa (EMEA) region entered the economic downturn later than the US and Asia/Pacific, so it has been slower to recover. The EMEA region returned to positive shipment growth for the first time in three quarters, and Latin America and Japan also recorded shipment increases.”

“Shipment growth was largely driven by low-priced consumer mobile PCs, both in regular notebooks and mini-notebooks. As economic weakness continued, buyers became extremely price sensitive. Low-priced PCs were good enough for many average consumers,” Ms Kitagawa said. “Windows 7 was launched during the fourth quarter of 2009. Though the new operating system launch did not create additional PC demand, the launch was a good market tool during holiday sales.”

HP maintained the top position in worldwide PC shipments in the fourth quarter of 2009, as it grew slightly higher than the industry average (see Table 1). Gartner analysts said HP did very well in the US market, and it regained the No. 1 position in the US and EMEA from last quarter.

Table 1
Preliminary Worldwide PC Vendor Unit Shipment Estimates for 4Q09 (Thousands of Units)

Company	4Q09 Shipments	4Q09 Market Share (%)	4Q08 Shipments	4Q08 Market Share (%)	4Q09-4Q08 Growth (%)
HP	17,792.2	19.8	14,239.9	19.3	24.9
Acer	12,188.2	13.5	8,612.7	11.7	41.5
Dell Inc.	10,397.1	11.5	9,839.3	13.3	5.7
Lenovo	7,836.5	8.7	5,509.3	7.5	42.2
Toshiba	4,811.9	5.3	3,668.1	5.0	31.2
Others	37,008.5	41.1	31,855.4	43.2	16.2
Total	90,034.5	100.0	73,724.7	100.0	22.1

Note: Data includes desk-based PCs, mobile PCs and X86 servers.
Source: Gartner (January 2010)

Acer established itself as a leader of the sub-\$500 consumer mobile PC segment in key regions. Acer's improved branding strategies also helped it to work better with channel partners. Dell grew below the worldwide average in the fourth quarter. The company did not fully benefit from strong holiday sales. Dell was not as aggressive on pricing as its competitors in order to protect profits.

In the US, PC shipments totalled 19.8 million units in the fourth quarter of 2009, a 26.5 per cent increase compared to the fourth quarter of 2008 (see Table 2). Similar to worldwide trends, this was the highest quarter-on-quarter growth rate in the US in the last seven years.

"Aggressive promotion by PC vendors and channels stimulated consumer PC demand," Ms Kitagawa said. "However, some vendors made damaging price cuts to increase market share."

HP surpassed Dell as the No. 1 vendor in the US based on PC shipments in the fourth quarter of 2009. HP became more competitive on pricing, and teamed up successfully with large retailers. Dell struggled to retain its share in the consumer market. Dell could not win the severe price battle in the retail space, and its ongoing weakness in the large enterprise market also affected its growth rate.

Table 2
Preliminary United States PC Vendor Unit Shipment Estimates for 4Q09 (Thousands of Units)

Company	4Q09 Shipments	4Q09 Market Share (%)	4Q08 Shipments	4Q08 Market Share (%)	4Q09-4Q08 Growth (%)
HP	5,954.1	30.0	4,081.6	26.0	45.9
Dell Inc.	4,483.1	22.6	4,248.8	27.1	5.5
Acer	3,104.9	15.6	2,091.8	13.3	48.4
Toshiba	1,719.7	8.7	1,007.7	6.4	70.7
Apple	1,483.0	7.5	1,203.0	7.7	23.3
Others	3,100.6	15.6	3,053.4	19.5	1.5
Total	19,845.4	100.0	15,686.3	100.0	26.5

Note: Data includes desk-based PCs, mobile PCs and X86 servers.
Source: Gartner (January 2010)

In the fourth quarter of 2009, PC shipments in EMEA totalled 29.7 million units, a 3.6 per cent increase from the fourth quarter of 2008 (see Table 3). PC shipments reached 96.4 million units in 2009, a 6.2 per cent decline from 2008.

Table 3
Preliminary EMEA PC Vendor Unit Shipment Estimates for 4Q09 (Thousands of Units)

Company	4Q09 Shipments	4Q09 Market Share (%)	4Q08 Shipments	4Q08 Market Share (%)	4Q09-4Q08 Growth (%)
Hewlett-Packard	6,012	20.3	6,170	21.6	-2.6
Acer	5,888	19.9	4,295	15.0	37.1
Dell Inc.	2,716	9.2	2,642	9.2	2.8
ASUS	2,389	8.1	2,017	7.0	18.4
Toshiba	1,730	5.8	1,732	6.0	-0.1
Others	10,927	36.8	11,773	41.1	-7.2
Total	29,663	100.0	28,629	100.0	3.6

Note: Data includes desk-based PCs, mobile PCs and X86 servers.
Source: Gartner (January 2010)

“The EMEA PC market was finally on the upward growth curve in the fourth quarter of 2009, and was the last major region across the world to do so,” said Ranjit Atwal, principal analyst for Gartner’s Client Computing Markets group in EMEA. “The quarter-on-quarter increase was nearly 17 per cent indicating a return to seasonal patterns.”

In the fourth quarter of 2009, the Western European PC market saw growth, as is the rest of the Middle East region. However, the Eastern Europe PC market remains weak and showed decline, despite some slow signs of improvement in some countries. Overall, the market did not decline as rapidly as expected in 2009, as consistent consumer spending helped to compensate for the reduction in IT budgets and professional PC spending.

Once again, mini-notebooks were the dominant growth platform. The mobile consumer market kept the Western Europe PC market going through the increased volume of mini-notebook shipments, with total mini-notebook volumes representing more than 20 per cent of the total EMEA mobile PC market. “The impact of Windows 7 was minimal. Vendors’ efforts to reduce Vista inventory before the Windows 7 launch were not fully successful as there was still an excess of Vista inventories at the beginning of the quarter slowing new shipments,” said Mr Atwal.

Although HP posted a decline, it remained in the No. 1 position in the fourth quarter of 2009. It seems that HP’s strategy to reduce costs by merging the consumer and professional organisations impacted its ability to bring the most suitable products to market. Acer had the highest year-on-year growth at 37.1 per cent, but this was still not enough to achieve the No. 1 position. Its sustained presence in the mini-notebook segment was enhanced by competitively priced mainstream products across all price points.

Unlike previous quarters all the vendors in the top five posted growth apart from HP and Toshiba, which suffered supply-chain issues. There is currently group of vendors consisting of Apple, Sony, Samsung and Lenovo which are all battling for fifth place.

“We predict that the EMEA PC market will exhibit 5 per cent growth in the second quarter of 2010, and we anticipate a 10 per cent growth for 2010,” said Mr Atwal.

In Asia/Pacific, PC shipments surpassed 27.1 million units, a 44.4 per cent increase from the fourth quarter of 2008. China was key to the region’s performance, as the country accounted for more than 61 per cent of all PCs shipped in the region. Overall in the region, enterprise demand for PCs continued to be discretionary, but there was some spending to finish budgets. Companies still remain cautious in their spending rather than embark on large PC deployment projects.

The PC market in Latin America grew 42.7 per cent in the fourth quarter of 2009. This growth rate is partly so high because of the uncharacteristically low shipments in the fourth quarter of 2008. Mini-notebook prices continued to decrease as these devices increase their share of the PC market. Recently rising commodity prices will likely spur some PC purchases among certain verticals in Latin America, as well as purchases in the home market.

PC shipments in Japan grew 4.7 per cent in the fourth quarter of 2009, as shipments reached 3.6 million units. The professional market grew faster than expected due to higher shipment volume in the quarter for the School New Deal project (one of the economic measures by the government to stimulate PC penetration in the education sector).

For the year, worldwide PC shipments totalled 306 million units (see Table 4), a 5.2 per cent increase from 2008. PC shipment growth was driven by the consumer mobile PC market with acceleration of average selling prices (ASPs). HP defended its top position, while Dell was replaced by Acer as the No. 2 vendor based on shipments. HP, Acer and Toshiba all benefited from strong consumer demand.

Table 4
Preliminary Worldwide PC Vendor Unit Shipment Estimates for 2009 (Thousands of Units)

Company	2009 Shipments	2009 Market Share (%)	2008 Shipments	2008 Market Share (%)	2009-2008 Growth (%)
HP	58,947.8	19.3	52,942.2	18.2	11.3
Acer	39,897.1	13.0	30,834.1	10.6	29.4
Dell Inc.	37,355.6	12.2	41,074.1	14.1	-9.1
Lenovo	24,723.8	8.1	21,791.3	7.5	13.5
Toshiba	15,495.4	5.1	13,498.8	4.6	14.8
Others	129,453.0	42.3	130,657.2	44.9	-0.9
Total	305,872.6	100.0	290,797.6	100.0	5.2

Note: Data includes desk-based PCs, mobile PCs and X86 servers.
Source: Gartner (January 2010)

These results are preliminary. Final statistics will be available soon to clients of Gartner's PC Quarterly Statistics Worldwide by Region program. This program offers a comprehensive and timely picture of the worldwide PC market, allowing product planning, distribution, marketing and sales organizations to keep abreast of key issues and their future implications around the globe. Additional research can be found on Gartner's Computing Hardware section on Gartner's website at http://www.gartner.com/it/products/research/asset_129157_2395.jsp.

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