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**The DVD Replication Directory**

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**Bo Anderson** President of the VIDEO SOFTWARE DEALERS ASSOCIATION (VSDA) announced in its “2005 Annual Report on the Home Entertainment Industry” that by the year 2014 the DVD Sell-Through Market will be a \$25 billion business. (see chart below). Ph 818-385-1500 or Website: [www.vsd.org](http://www.vsd.org)

**DVD SELL-THROUGH FORECAST**

**2006 - 2014**

<b>Year</b>	<b>Sell Through Market</b>
2006	\$20 Billion
2007	\$21 Billion
2009	\$22 Billion
2011	\$23 Billion
2013	\$24 Billion
2014	\$25 Billion

*Sources: 2005 Annual Report on the Home Entertainment Industry, Adams Media Research.  
Website: [www.vsd.org](http://www.vsd.org)*

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**Bo Anderson** President of the VIDEO SOFTWARE DEALERS ASSOCIATION (VSDA) announced in its “*2005 Annual Report on the Home Entertainment Industry*” that by the year 2014 the DVD Rental Market will be a \$7.75 billion business. (see chart below). Ph 818-385-1500 or Website: [www.vsd.org](http://www.vsd.org)

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**DVD RENTAL FORECAST**

**2006 - 2014**

<b>Year</b>	<b>DVD Rental Market</b>
2006	\$9.20 Billion
2007	\$9.40 Billion
2008	\$9.50 Billion
2009	\$9.25 Billion
2010	\$9.00 Billion
2011	\$8.75 Billion
2012	\$8.50 Billion
2013	\$8.25 Billion
2014	\$7.75 Billion

*Sources: 2005 Annual Report on the Home Entertainment Industry, Adams Media Research.*

Website: [www.vsd.org](http://www.vsd.org)

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At the 35<sup>th</sup> Annual INTERNATIONAL RECORDING MEDIA ASSOCIATION's (IRMA) Forum at the Hyatt Grand Champions, Indian Wells, California, **Dave Rubenstein** President/COO for DVD replicator CINRAM presented The Future for DVD and stated "Packaged media is here to stay, and Content is King, with at least another decade for the DVD industry. Consumer spending in 2004 was \$21 billion while worldwide DVD spending in 2003 was \$25 billion and by the year 2010, \$38 billion will be spent worldwide on DVD sell-through product. There is a growing popularity for more genres, and the TV series on DVD will continue to grow, while 43% of DVD purchases were impulse buys. Finally, The Hollywood Studios hold all the cards for the next generation DVD format." Ph CINRAM 416-298-8190 or website [www.cinram.com](http://www.cinram.com) or Ph IRMA 609-279-1700 or Website [www.recordingmedia.org](http://www.recordingmedia.org)

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**U.S. CONSUMER SPENDING**

**2005 - 2013**

<b>Year</b>	<b>DVD Sell-Through, DVD Rental, VHS &amp; the next generation DVD Format</b>
2005	\$25 billion
2006	\$26 billion <i>(First year for the next generation DVD format)</i>
2007	\$27 billion <i>(Final year for VHS)</i>
2008	\$28 billion
2009	\$29 billion
2010	\$30 billion
2011	\$30 billion
2012	\$29.5 billion
2013	\$29 billion

*Sources: Cinram, Adams Media, A & A, JP Morgan, Veronis Suhler, etc.*

**THE WORLDWIDE HOME VIDEO MARKET**

**Sell-Through Market**

(2005 - 2008)

<b>Territory/Region</b>	<b>2005 (\$ million)</b>	<b>2008 (\$ million)</b>
United States	\$19,800	\$23,885
Western Europe	\$17,364	\$23,502
Asia Pacific	\$4,786	\$6,473
Canada	\$2,629	\$3,228
Eastern Europe	\$617	\$860
Latin America	\$252	\$316
Middle East/Africa	\$93	\$125
<b>Total</b>	<b>\$45,541</b>	<b>\$58,389</b>

*Source: Global Entertainment & Media Outlook: 2005 - 2008;  
PricewaterhouseCoopers.*

**DVD -VIDEO SOFTWARE MARKET**

**(High-Definition Formats, Rentals & Sell-Through combined)**

**United States**

**2003 - 2008**

<b>Year</b>	<b>DVD-Video Software Annual Title Shipments (Millions of Units)</b>
2003	1,024
2004	1,518
2005	1,859
2006	2,101
2007	2,325
2008	2,588

**Jim Bottoms** Director for UNDERSTANDING & SOLUTIONS stated that “The *United States* DVD-Video market is expected to see continued double digit growth through to 2006, and single digit growth thereafter through to the end of 2008. High definition DVD will provide incremental volumes from 2006, although by 2008/2009 shipments are expected to become increasingly cannibalistic.”

*Sources: International Recording Media Association (IRMA)  
& Understanding & Solutions,*

*Websites: [www.recordingmedia.org](http://www.recordingmedia.org)  
or [www.uands.com](http://www.uands.com)*

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**Brad Hackley** Vice President of Business Development for RENTRAK's Home Video Essentials reported in its *Annual Report on the U.S. Home Video Market, 2005*: "The Home Video Industry reached \$24.1 billion in 2004, up 8.5% from 2003. Video sales reached \$16.1 billion in 2004, an increase of 15% on 2003, while 94% of the sales were from DVD (\$15.2 billion). Rental spending on DVD reached \$5.73 billion in 2004 up 39.4% from the \$4.11 billion in 2003. Meantime, WARNER's came in first with 17.35% of the DVD Market Share for 2004; followed very closely by BUENA VISTA with 17.32%. (see chart below for *Studio Market Shares, 2004*). Ph 503-284-7581 x 387 or email: [brad.hackley@rentrak.com](mailto:brad.hackley@rentrak.com)

**DVD STUDIO MARKET SHARES**  
**DVD Sales & Rentals, 2004**

<b>Rank</b>	<b>DVD Studio</b>	<b>Market Share</b>
1	<u>Warner Home Video</u> (includes New Line & HBO)	17.35%
2	<u>Buena Vista Home Entertainment</u> (includes Disney, Touchstone, Miramax & Dimension)	17.32%
3	Sony	14.14%
4	<u>Universal Studios Home Entertainment</u> (includes DreamWorks)	14.11%
5	20 <sup>th</sup> Century Fox Home Entertainment	11.50%
6	Paramount Home Entertainment	7.37%
7	MGM (now part of Sony)	5.88%
8	Lions Gate Entertainment	5.34%
9	All Others	6.98%

*Source: Annual Report on the U.S. Home Video Market, 2005;  
Home Video Essentials, a Product of Rentrak. email: [brad.hackley@rentrak.com](mailto:brad.hackley@rentrak.com)*

SELL-THROUGH DVD -VIDEO MARKET

BY GENRE

UNITED STATES

2008

Rank	Genre	Percentage of Market
1	Feature Films	51%
2	Children's Theatrical	17%
3	TV	16%
4	Special Interest	8%
5	Children's Non-Theatrical	5%
6	Music	3%

**Jim Bottoms** Director for UNDERSTANDING & SOLUTIONS stated that over 50% of the sell-through DVDs produced in the United States in the year 2008 will come from Feature Films; and 1,956 million sell-through DVD units will be manufactured in 2008.

*Sources: International Recording Media Association (IRMA)  
& Understanding & Solutions,  
Websites: [www.recordingmedia.org](http://www.recordingmedia.org)  
or [www.uands.com](http://www.uands.com)*

TV DVD SALES

2001 - 2005

<b>Year</b>	<b>Revenue in U.S. Dollars (Millions)</b>
2001	0.4
2002	0.88
2003	1.46 billion
2004	2.3 billion
<b>2005 (Projected)</b>	<b>3.3 billion</b>

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**Judith McCourt** Market Research Director for HOME MEDIA RETAILING announced at the *TV DVD 3 Conference*:  
“TV DVD unit sales are up more than 17% this year compared to last year and will continue to grow. In 2005 TV DVD sales are forecast to reach \$3.3 billion compared to \$2.3 billion in 2004. Consumers purchase 25 units per year of TV DVDs and over 58% of the consumers are female, while, 45% of the purchases are made at mass merchant stores. The average retail price for a TV DVD is \$13.00 for a single disc while multi-discs sell at around \$45.00.”

*Sources: TV DVD 3 Conference & Home Media Research.*

*Email: [jmccourt@questex.com](mailto:jmccourt@questex.com)*

*or Phone 714-513-8495.*

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**TV DVD DISCS**

**Number of Discs**

**2002 - 2005**

<b>Year</b>	<b>Number of Multi-Discs</b>	<b>Number of Two-Discs</b>	<b>Number of Single Discs</b>
2002	69	44	184
2003	164	94	317
2004	337	108	375
2005 YTD	408	103	248

**Judith McCourt** Market Research Director for HOME MEDIA RETAILING announced at the recent *TV DVD 3 Conference*: “The Number of TV DVD discs released in 2005, so far, (Year-to-date) were 759 discs compared to 820 in 2004; the TV DVD multi-disc releases were 408 titles to date, compared to 337 in 2004; while two disc sets were 103 in 2005 compared to 108 in 2004; and for single disc releases 248 in 2005 compared to 375 in 2004.

*Sources: TV DVD 3 Conference, Home Media Retailing,*

*Ph 714-513-8422*

*The DVD Release Report,*

*or Websites: [www.dvdconferences.com](http://www.dvdconferences.com)*

*[www.homemediaretailing.com](http://www.homemediaretailing.com)*

**VIDEO RETAIL DISTRIBUTION CHANNELS**

**2006**

<b>Rank</b>	<b>Retail Distribution Channel</b>	<b>Percentage of Retail Market</b>
1	Mass Merchants	49%
2	Supermarkets/Clubs	13%
3	CE/Hardware Chains	11%
4	Online Sales	12%
5 (tie)	Video Rental Chains	4%
5 (tie)	Video/Music Specialist Chains	4%
7	Mail Order /Clubs	1%
8	Others	6%

**The total market for 2006 is projected at \$24.5 billion.**

Source: *Understanding & Solutions, United Kingdom*

Website: [www.uands.com](http://www.uands.com)

Email: [alison.casey@uands.com](mailto:alison.casey@uands.com)